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104TH CONGRESS
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HOUSE OF REPRESENTATIVES

REPORT
104–724

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1997

CONFERENCE REPORT

TO ACCOMPANY

H.R. 3230

JULY 30, 1996.—Ordered to be printed

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U.S. GOVERNMENT PRINTING OFFICE

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104TH CONGRESS, 2d Session | HOUSE OF REPRESENTATIVES | REPORT 104–724

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1997

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Mr. SPENCE, from the committee of conference, submitted the following

CONFERENCE REPORT

[To accompany H.R. 3230]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 3230) to authorize appropriations for fiscal year 1997 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate to the text of the bill and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Defense Authorization Act for Fiscal Year 1997".

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.

Sec. 2. Organization of Act into divisions; table of contents.
Sec. 3. Congressional defense committees defined.

DIVISION A—DEPARTMENT OF DEFENSE AUTHORIZATIONS

TITLE I—PROCUREMENT

Subtitle A—Authorization of Appropriations

Sec. 101. Army.
Sec. 102. Navy and Marine Corps.
Sec. 103. Air Force.
Sec. 104. Defense-wide activities.
Sec. 105. Reserve components.
Sec. 106. Defense Inspector General.
Sec. 107. Chemical Demilitarization Program.
Sec. 108. Defense health programs.

Subtitle B—Army Programs

Sec. 111. Repeal of limitation on procurement of Armed Kiowa Warrior helicopters.
Sec. 112. Multiyear procurement authority for Army programs.
Sec. 113. Bradley TOW 2 Test Program sets.

Subtitle C—Navy Programs

Sec. 121. Nuclear attack submarine programs.
Sec. 122. Arleigh Burke class destroyer program.
Sec. 123. EA–6B aircraft reactive jammer program.
Sec. 124. T–39N trainer aircraft for the Navy.
Sec. 125. Penguin missile program.

Subtitle D—Air Force Programs

Sec. 131. Repeal of limitation on procurement of F–15E aircraft.
Sec. 132. Modification to multiyear procurement authority for C–17 aircraft program.

Subtitle E—Other Matters

Sec. 141. Assessments of modernization priorities of the reserve components.
Sec. 142. Destruction of existing stockpile of lethal chemical agents and munitions.
Sec. 143. Extension of authority to carry out Armament Retooling and Manufacturing Support Initiative.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

Subtitle A—Authorization of Appropriations

Sec. 201. Authorization of appropriations.
Sec. 202. Amount for basic and applied research.
Sec. 203. Dual-use technology programs.
Sec. 204. Defense Special Weapons Agency.

Subtitle B—Program Requirements, Restrictions, and Limitations

Sec. 211. Space launch modernization.
Sec. 212. Space-Based Infrared System program.
Sec. 213. Clementine 2 micro-satellite development program.
Sec. 214. Live-fire survivability testing of V–22 Osprey aircraft.
Sec. 215. Live-fire survivability testing of F–22 aircraft.
Sec. 216. Limitation on funding for F–16 tactical manned reconnaissance aircraft.
Sec. 217. Cost analysis of F–22 aircraft program.
Sec. 218. F–22 aircraft program reports.
Sec. 219. Cost-benefit analysis of F/A–18E/F aircraft program.
Sec. 220. Joint Advanced Strike Technology (JAST) program.
Sec. 221. Unmanned aerial vehicles.
Sec. 222. High altitude endurance unmanned aerial reconnaissance system.
Sec. 223. Cyclone class patrol craft self-defense.
Sec. 224. One-year extension of deadline for delivery of Enhanced Fiber Optic Guided Missile (EFOG–M) system.
Sec. 225. Hydra–70 rocket product improvement program.

Sec. 226. Federally funded research and development centers.
Sec. 227. Demilitarization of conventional munitions, rockets, and explosives.
Sec. 228. Research activities of the Defense Advanced Research Projects Agency relating to chemical and biological warfare defense technology.
Sec. 229. Certification of capability of United States to prevent illegal importation of nuclear, biological, or chemical weapons.
Sec. 230. Nonlethal weapons and technologies programs.
Sec. 231. Counterproliferation support program.

Subtitle C—Ballistic Missile Defense Programs

Sec. 241. Funding for ballistic missile defense programs for fiscal year 1997.
Sec. 242. Certification of capability of United States to defend against single ballistic missile.
Sec. 243. Report on ballistic missile defense and proliferation.
Sec. 244. Revision to annual report on ballistic missile defense program.
Sec. 245. Report on Air Force National Missile Defense Plan.
Sec. 246. Capability of National Missile Defense system.
Sec. 247. Actions to limit adverse effects on private sector employment of establishment of National Missile Defense Joint Program Office.
Sec. 248. ABM Treaty defined.

Subtitle D—Other Matters

Sec. 261. Maintenance and repair at Air Force installations.
Sec. 262. Report relating to Small Business Innovation Research Program.
Sec. 263. Amendment to University Research Initiative Support program.
Sec. 264. Amendments to Defense Experimental Program To Stimulate Competitive Research.
Sec. 265. Elimination of report on the use of competitive procedures for the award of certain contracts to colleges and universities.
Sec. 266. Pilot program for transfer of defense technology information to private industry.
Sec. 267. Research under transactions other than contracts and grants.
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Sec. 269. Evaluation of digital video network equipment used in Olympic games.
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Sec. 281. Findings.
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TITLE III—OPERATION AND MAINTENANCE

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Sec. 302. Working capital funds.
Sec. 303. Armed Forces Retirement Home.
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Sec. 305. Civil Air Patrol Corporation.
Sec. 306. Availability of additional funds for antiterrorism activities.
Sec. 307. Nonlethal weapons capabilities.
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Sec. 312. Test programs for modernization-through-spares.

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Sec. 322. Establishment of separate environmental restoration accounts for each military department.
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Sec. 326. Pilot program to test alternative technology for limiting air emissions during shipyard blasting and coating operations.
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Sec. 352. Reporting requirements under demonstration project for purchase of fire, security, police, public works, and utility services from local government agencies.

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Sec. 363. Requirement for preparation of plan for improved operation of working-capital funds and effect of failure to produce an approved plan.
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Sec. 366. Assistance to committees involved in inauguration of the President.
Sec. 367. Department of Defense support for sporting events.
Sec. 368. Storage of motor vehicle in lieu of transportation.
Sec. 369. Security protections at Department of Defense facilities in National Capital Region.
Sec. 370. Administration of midshipmen's store and other naval academy support activities as nonappropriated fund instrumentality.
Sec. 371. Reimbursement under agreement for instruction of civilian students at Foreign Language Institute of the Defense Language Institute.
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Sec. 532. Retirement of reserve enlisted members who qualify for active duty retirement after administrative reduction in enlisted grade.
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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 National Security and the Committee on Appropriations of the House of Representatives.

DIVISION A—DEPARTMENT OF DEFENSE AUTHORIZATIONS

TITLE I—PROCUREMENT

TITLE I—PROCUREMENT

Subtitle A—Authorization of Appropriations

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Sec. 103. Air Force.
Sec. 104. Defense-wide activities.
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Subtitle A—Authorization of Appropriations

SEC. 101. ARMY.

Funds are hereby authorized to be appropriated for fiscal year 1997 for procurement for the Army as follows:

(1) For aircraft, $1,314,015,000.

(2) For missiles, $1,031,829,000.

(3) For weapons and tracked combat vehicles, $1,409,514,000.

(4) For ammunition, $1,003,028,000.

(5) For other procurement, $2,990,240,000.

SEC. 102. NAVY AND MARINE CORPS.

(a) NAVY.—Funds are hereby authorized to be appropriated for fiscal year 1997 for procurement for the Navy as follows:

(1) For aircraft, $7,034,926,000.

(2) For weapons, including missiles and torpedoes, $1,345,408,000.

(3) For shipbuilding and conversion, $6,193,330,000.

(4) For other procurement, $2,893,840,000.

(b) MARINE CORPS.—Funds are hereby authorized to be appropriated for fiscal year 1997 for procurement for the Marine Corps in the amount of $560,148,000.

(c) NAVY AND MARINE CORPS AMMUNITION.—Funds are hereby authorized to be appropriated for procurement of ammunition for the Navy and the Marine Corps in the amount of $293,239,000.

SEC. 103. AIR FORCE.

Funds are hereby authorized to be appropriated for fiscal year 1997 for procurement for the Air Force as follows:

(1) For aircraft, $6,764,420,000.

(2) For missiles, $2,525,875,000.

(3) For ammunition, $278,302,000.

(4) For other procurement, $5,814,419,000.

SEC. 104. DEFENSE-WIDE ACTIVITIES.

Funds are hereby authorized to be appropriated for fiscal year 1997 for Defense-wide procurement in the amount of $2,008,261,000.

SEC. 105. RESERVE COMPONENTS.

Funds are hereby authorized to be appropriated for fiscal year 1997 for procurement of aircraft, vehicles, communications equipment, and other equipment for the reserve components of the Armed Forces as follows:

(1) For the Army National Guard, $171,000,000.

(2) For the Air National Guard, $234,000,000.

(3) For the Army Reserve, $98,000,000.

(4) For the Naval Reserve, $116,000,000.

(5) For the Air Force Reserve, $94,000,000.

(6) For the Marine Corps Reserve, $67,000,000.

SEC. 106. DEFENSE INSPECTOR GENERAL.

Funds are hereby authorized to be appropriated for fiscal year 1997 for procurement for the Inspector General of the Department of Defense in the amount of $2,000,000.

SEC. 107. CHEMICAL DEMILITARIZATION PROGRAM.

There is hereby authorized to be appropriated for fiscal year 1997 the amount of $759,847,000 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. 108. DEFENSE HEALTH PROGRAMS.

Funds are hereby authorized to be appropriated for fiscal year 1997 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 $269,470,000.

Subtitle B—Army Programs

SEC. 111. REPEAL OF LIMITATION ON PROCUREMENT OF ARMED KIOWA WARRIOR HELICOPTERS.

Section 133 the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101–189; 103 Stat. 1383) is repealed.

SEC. 112. MULTIYEAR PROCUREMENT AUTHORITY FOR ARMY PROGRAMS.

(a) AVENGER AIR DEFENSE MISSILE SYSTEM.—Notwithstanding the limitation in subsection (k) of section 2306b of title 10, United States Code, relating to the maximum duration of a multiyear contract under the authority of that section, the Secretary of the Army may extend the multiyear contract in effect during fiscal year 1996 for the Avenger Air Defense Missile system through fiscal year 1997 and may award such an extension.

(b) ARMY TACTICAL MISSILE SYSTEM.—The Secretary of the Army may, in accordance with section 2306b of title 10, United States Code, enter into a multiyear procurement contract, beginning

with the fiscal year 1997 program year, for procurement of the Army Tactical Missile System (Army TACMS).

(c) JAVELIN MISSILE SYSTEM.—The Secretary of the Army may, in accordance with section 2306b of title 10, United States Code, enter into multiyear procurement contracts for the procurement of the Javelin missile system.

SEC. 113. BRADLEY TOW 2 TEST PROGRAM SETS.

Of the funds authorized to be appropriated under section 101(3) of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 204), $6,000,000 is available for the procurement of Bradley TOW 2 Test Program sets.

Subtitle C—Navy Programs

SEC. 121. NUCLEAR ATTACK SUBMARINE PROGRAMS.

(a) AMOUNTS AUTHORIZED FROM SCN ACCOUNT.—(1) Of the amount authorized to be appropriated by section 102(a)(3) for fiscal year 1997—

(A) $699,071,000 is available for continued construction of the third vessel (designated SSN–23) in the Seawolf attack submarine class, which shall be the final vessel in that class;

(B) $296,186,000 is available for long-lead and advance construction and procurement of components for construction of a submarine (previously designated by the Navy as the New Attack Submarine) beginning in fiscal year 1998 to be built by Electric Boat Division; and

(C) $701,000,000 is available for long-lead and advance construction and procurement of components for construction of a second submarine (previously designated by the Navy as the New Attack Submarine) beginning in fiscal year 1999 to be built by Newport News Shipbuilding.

(2) In addition to the purposes for which the amounts under subparagraphs (B) and (C) of paragraph (1) are available, such amounts are also available for contracts with Electric Boat Division and Newport News Shipbuilding to carry out the provisions of the "Memorandum of Agreement Among the Department of the Navy, Electric Boat Corporation (EB) and Newport News Shipbuilding and Drydock Company (NNS) Concerning the New Attack Submarine", dated April 5, 1996, relating to design data transfer, design improvements, integrated process teams, and updated design base.

(b) AMOUNTS AUTHORIZED FROM NAVY RDT&E ACCOUNT.—(1) Of the amount authorized to be appropriated by section 201(2), $487,611,000 is available for the design of the submarine previously designated by the Navy as the New Attack Submarine.

(2)(A) Of the amount authorized to be appropriated by section 201(2), $60,000,000 is available for obligation under contracts with Electric Boat Division and Newport News Shipbuilding and other entities to address the inclusion on future nuclear attack submarines of the core advanced technologies that are identified by the Secretary of Defense (in the report of the Secretary entitled "Report on Nuclear Attack Submarine Procurement and Submarine Technology", submitted to Congress on March 26, 1996) as those tech-

nologies the maturation of which the Submarine Technology Assessment Panel recommended be addressed in its March 15, 1996, final report to the Assistant Secretary of the Navy for Research, Development, and Acquisition, as follows: hydrodynamics, alternative sail designs, advanced arrays, electric drive, external weapons, and active controls and mounts.

(B) Of the amount available under subparagraph (A), $20,000,000 shall be equally divided between Electric Boat Division and Newport News Shipbuilding for the purpose of ensuring that those shipbuilders are principal participants in the process of addressing the inclusion of technologies referred to in subparagraph (A) on future nuclear attack submarines. Contracts with the shipbuilders under this subparagraph shall provide the shipbuilders with wide latitude to pursue submarine-wide, integrated systems approaches to the inclusion of such technologies. The Secretary of the Navy shall ensure that those shipbuilders have access for such purpose (under procedures prescribed by the Secretary) to the Navy laboratories and the Office of Naval Intelligence and (in accordance with arrangements to be made by the Secretary) to the Defense Advanced Research Projects Agency.

(3) Of the amount authorized to be appropriated by section 201(2), $38,000,000 is available to begin funding those Category I and Category II advanced technologies described in Appendix C of the report of the Secretary of Defense referred to in paragraph (2)(A). The Secretary of the Navy shall ensure that Electric Boat Division and Newport News Shipbuilding are also principal participants in the technology initiatives pursued with such funds to ensure submarine-wide, integrated systems approaches to the inclusion of such technologies on future nuclear attack submarines.

(4) In addition to the purposes for which the amounts under paragraphs (1), (2), and (3) are available, such amounts are also available for contracts with Electric Boat Division and Newport News Shipbuilding to carry out the provisions of the memorandum of agreement referred to in subsection (a)(2) for research and development activities under that memorandum of agreement.

(c) AMOUNT FROM FISCAL YEAR 1996 FUNDS FOR NATIONAL DEFENSE SEALIFT FUND.—(1) Section 132 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 210) is repealed.

(2) The amount referred to in section 132 of the National Defense Authorization Act for Fiscal Year 1996 (as in effect immediately before the repeal by paragraph (1)) shall be available to the Secretary of the Navy for activities relating only to advanced submarine technology that involve the construction of large scale vehicles for purposes of hydrodynamic and hydroacoustic research on developmental designs for hulls and propulsion systems.

(d) CONTRACTS AUTHORIZED.—(1) The Secretary of the Navy is authorized, using funds available pursuant to subparagraphs (B) and (C) of subsection (a)(1), to enter into contracts with Electric Boat Division and Newport News Shipbuilding, and suppliers of components, during fiscal year 1997 for—

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

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

(2) The Secretary may enter into a contract or contracts under this section with the shipbuilder of the fiscal year 1998 submarine only if the Secretary enters into a contract or contracts under this section with the shipbuilder of the fiscal year 1999 submarine.

(e) LIMITATIONS.—(1)(A) Of the amounts specified in subsection (a)(1), not more than $100,000,000 may be obligated until the Secretary of Defense certifies in writing to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives that procurement of nuclear attack submarines described in subparagraph (B) will be under one or more contracts that are entered into after competition between Electric Boat Division and Newport News Shipbuilding in which the Secretary of the Navy solicits competitive proposals and awards the contract or contracts on the basis of price.

(B) The submarines referred to in subparagraph (A) are nuclear attack submarines that are to be constructed beginning—

(i) after fiscal year 1999; or

(ii) if four submarines are to be procured as provided for in the plan required under section 131(c) of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 208), after fiscal year 2001.

(2) Of the amounts specified in subsection (a)(1), not more than $675,000,000 may be obligated until the Under Secretary of Defense for Acquisition and Technology submits to the congressional committees specified in paragraph (1) a report in writing detailing the following:

(A) The Under Secretary's oversight activities to date, and plans for the future, for the development and improvement of the nuclear attack submarine program of the Navy as required by section 131(b)(2)(C) of the National Defense Authorization Act for Fiscal Year 1996 (110 Stat. 207).

(B) The implementation of, and activities conducted under, the program required to be established by the Director of the Defense Advanced Research Projects Agency by section 131(i) of the National Defense Authorization Act for Fiscal Year 1996 (110 Stat. 210) for the development and demonstration of advanced submarine technologies and a rapid prototype acquisition strategy for both land-based and at-sea subsystem and system demonstrations of such technologies.

(C) A description of all research, development, test, and evaluation programs, projects, or activities within the Department of Defense which, in the opinion of the Under Secretary, are designed to contribute to the development and demonstration of advanced submarine technologies leading to a more capable, more affordable nuclear attack submarine, specifically identifying ongoing involvement, and plans for future involvement, in any such program, project, or activity by either Electric Boat Division or Newport News Shipbuilding, or by both.

(3) Of the amount specified in subsection (b)(1), not more than $100,000,000 may be obligated or expended until the Under Secretary of Defense (Comptroller) certifies in writing to the congressional committees specified in paragraph (1) that—

(A) funds specified in subsection (c)(2) have been made available for obligation; and

(B) to the extent that funds specified in paragraphs (2) and (3) of subsection (b) have been appropriated for the purposes specified in such paragraphs, such funds have been made available for obligation.

(f) ACQUISITION SIMPLIFICATION.—In furtherance of the direction provided by subsection (d) of section 131 of the National Defense Authorization Act for Fiscal Year 1996 (110 Stat. 209) to the Secretary of Defense regarding the application of acquisition reform policies and procedures to the submarine program under that section, the Secretary shall direct the Secretary of the Navy to implement for the submarine programs of the Navy acquisition reform initiatives similar in intent and approach to the initiatives begun by the Secretary of the Air Force in May 1995 and referred to as the "Lightning Bolt" initiatives. The Secretary of the Navy shall, not later than March 31, 1997, submit to the congressional committees specified in subsection (e)(1) a report on the results of the implementation of such initiatives.

(g) DESIGN RESPONSIBILITY.—(1) The Secretary of the Navy shall carry out the submarine program described in section 131 of the National Defense Authorization Act for Fiscal Year 1996 in a manner that ensures that each of the two shipbuilders involved in the design and construction of the four submarines described in that section be allowed to propose to the Secretary any design improvement that the shipbuilder considers appropriate for the submarines to be built by that shipbuilder as part of those four submarines. The Secretary shall ensure that both shipbuilders have full and open access to all design data concerning the design of the submarine previously designated by the Navy as the New Attack Submarine.

(2) The designs proposed by the shipbuilders should proceed from, but not be limited to, the specific advanced technologies referred to in subsection (b)(2)(A), especially technologies involving hydrodynamics and hydroacoustics concepts.

(3) The Secretary shall require both shipbuilders to submit to the Secretary an annual report on the progress of the design work on the submarines referred to in paragraph (1) and shall transmit each such report to the committees specified in subsection (e)(1).

(4) The Secretary shall also submit an annual report to the committees specified in subsection (e)(1) on the design improvements proposed by the two shipbuilders under paragraph (1) for incorporation on any of the four submarines and on the degree to which design information on the base design and design improvements has been shared between the shipbuilders. Each annual report shall set forth each design improvement proposed and whether that proposal was—

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

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

(C) not approved, in which case the report shall include the reasons therefor and any views of the shipyard making the proposal.

(5) The reports referred to in paragraphs (3) and (4) shall be submitted concurrently with the annual revisions to the Secretary of Defense's nuclear attack submarine plan required by section 131(e)

of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 209).

(h) SERIAL PRODUCTION.—The Secretary of Defense shall modify the plan relating to development of a program leading to production of a more capable and less expensive submarine than the New Attack Submarine that was submitted to Congress pursuant to section 131(c) of the National Defense Authorization Act for Fiscal Year 1996 in order to provide in such plan the option for selection of a design for a next submarine for serial production not earlier than fiscal year 2002 (rather than fiscal year 2003, as provided in paragraph (3)(B) of such section 131(c)).

(i) REFERENCES TO SHIPBUILDERS.—For purposes of this section—

(1) the shipbuilder referred to as "Electric Boat Division" is the Electric Boat Division of the General Dynamics Corporation; and

(2) the shipbuilder referred to as "Newport News Shipbuilding" is the Newport News Shipbuilding and Drydock Company.

(j) SUBMARINES DEFINED BY REFERENCE TO FISCAL YEAR.—For purposes of this section—

(1) the term "fiscal year 1998 submarine" means the submarine referred to in subsection (a)(1)(B); and

(2) the term "fiscal year 1999 submarine" means the submarine referred to in subsection (a)(1)(C).

SEC. 122. ARLEIGH BURKE CLASS DESTROYER PROGRAM.

(a) FUNDING.—(1) Subject to paragraph (3), funds authorized to be appropriated by section 102(a)(3) may be made available for contracts entered into during fiscal year 1996 under subsection (b)(1) of section 135 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 211) for construction for the third of the three Arleigh Burke class destroyers covered by that subsection. Such funds are in addition to amounts made available for such contracts by the second sentence of subsection (a) of that section.

(2) Subject to paragraph (3), funds authorized to be appropriated by section 102(a)(3) may be made available for contracts entered into during fiscal year 1997 under subsection (b)(2) of such section 135 for construction (including advance procurement) for the Arleigh Burke class destroyers covered by such subsection (b)(2).

(3) The aggregate amount of funds available under paragraphs (1) and (2) for contracts referred to in such paragraphs may not exceed $3,483,030,000.

(4) Within the amount authorized to be appropriated by section 102(a)(3), $525,000,000 is authorized to be appropriated for advance procurement for construction for the Arleigh Burke class destroyers authorized by subsection (b).

(b) AUTHORITY FOR MULTIYEAR PROCUREMENT OF TWELVE VESSELS.—The Secretary of the Navy is authorized, pursuant to section 2306b of title 10, United States Code, to enter into multiyear contracts for the procurement of a total of 12 Arleigh Burke class destroyers at a procurement rate of three ships in each of fiscal years, 1998, 1999, 2000, and 2001 in accordance with this subsection and subsection (a)(4), subject to the availability of appropriations for such destroyers. A contract for construction of one or more vessels

that is entered into in accordance with this subsection shall include a clause that limits the liability of the Government to the contractor for any termination of the contract.

SEC. 123. EA–6B AIRCRAFT REACTIVE JAMMER PROGRAM.

(a) LIMITATION.—None of the funds appropriated pursuant to section 102(a)(1) for modifications or upgrades of EA–6B aircraft may be obligated, other than for a reactive jammer program for such aircraft, until 30 days after the date on which the Secretary of the Navy submits to the congressional defense committees in writing—

(1) a certification that some or all of such funds have been obligated for a reactive jammer program for EA–6B aircraft; and

(2) a report that sets forth a detailed, well-defined program for—

(A) developing a reactive jamming capability for EA–6B aircraft; and

(B) upgrading the EA–6B aircraft of the Navy to incorporate the reactive jamming capability.

(b) CONTINGENT TRANSFER OF FUNDS TO AIR FORCE.—(1) If the Secretary of the Navy has not submitted the certification and report described in subsection (a) to the congressional defense committees before June 1, 1997, then, on that date, the Secretary of Defense shall transfer to Air Force, out of appropriations available to the Navy for fiscal year 1997 for procurement of aircraft, the amount equal to the amount appropriated to the Navy for fiscal year 1997 for modifications and upgrades of EA–6B aircraft.

(2) Funds transferred to the Air Force pursuant to paragraph (1) shall be available for maintaining and upgrading the jamming capability of EF–111 aircraft.

SEC. 124. T–39N TRAINER AIRCRAFT FOR THE NAVY.

The Secretary of the Navy may, using funds appropriated for fiscal year 1996 for procurement of T–39N trainer aircraft for the Navy that remain available for obligation for such purpose, enter into a contract for the acquisition of T–39N aircraft for naval flight officer training that are suitable for low-level training flights. Such a contract may be entered into only after the Secretary complies with section 137 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 212).

SEC. 125. PENGUIN MISSILE PROGRAM.

(a) MULTIYEAR PROCUREMENT AUTHORITY.—The Secretary of the Navy may, in accordance with section 2306b of title 10, United States Code, enter into multiyear procurement contracts for the procurement of not more than 106 Penguin missile systems.

(b) LIMITATION ON TOTAL COST.—The total amount obligated or expended for procurement of Penguin missile systems under contracts under subsection (a) may not exceed $84,800,000.

Subtitle D—Air Force Programs

SEC. 131. REPEAL OF LIMITATION ON PROCUREMENT OF F–15E AIRCRAFT.

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

SEC. 132. MODIFICATION TO MULTIYEAR PROCUREMENT AUTHORITY FOR C–17 AIRCRAFT PROGRAM.

(a) MULTIYEAR CONTRACTS AUTHORIZED.—The Secretary of the Air Force may enter into one or more multiyear contracts for the procurement of C–17 aircraft (including the section 2703 contract entered into before the date of the enactment of this Act under the authority of section 2703 of the Supplemental Appropriations Act of 1996 (title II of Public Law 104–134)). The total number of aircraft contracted to be procured under such multiyear contracts may not exceed 80. Any such contract shall be entered into in accordance with section 2306b of title 10, United States Code (and subject to such modifications as may be authorized by law in the maximum period for such contracts specified in subsection (k) of such section).

(b) REQUIREMENT TO NEGOTIATE OPTION TO CONVERT EXISTING CONTRACT TO SIX PROGRAM YEARS.—The Secretary of the Air Force shall negotiate with the prime contractor for the C–17 aircraft program so as to achieve a contract option for the United States under the section 2703 contract to convert the multiyear procurement period under that contract to a period of six program years based upon the level of funding for that program for fiscal year 1997.

(c) CONTRACT PERIOD.—A contract entered into after the date of the enactment of this Act on a multiyear basis under the authority of subsection (a) may (notwithstanding section 2306b(k) of title 10, United States Code) be for a period of six program years.

(d) SECTION 2703 CONTRACT DEFINED.—For purposes of this section, the term "section 2703 contract" means the contract entered into by the Secretary of the Air Force on May 31, 1996, with the prime contractor for the C–17 aircraft program under the authority of section 2703 of the Supplemental Appropriations Act of 1996 (title II of Public Law 104–134) providing for a multiyear procurement of C–17 aircraft over seven program years with an option for the Secretary to convert that period to six program years.

Subtitle E—Other Matters

SEC. 141. ASSESSMENTS OF MODERNIZATION PRIORITIES OF THE RESERVE COMPONENTS.

(a) ASSESSMENTS REQUIRED.—Not later than December 1, 1996, each officer referred to in subsection (b) shall submit to the congressional defense committees an assessment of the modernization priorities established for the reserve component or reserve components for which that officer is responsible.

(b) RESPONSIBLE OFFICERS.—The officers required to submit a report under subsection (a) are as follows:

(1) The Chief of the National Guard Bureau.

(2) The Chief of Army Reserve.

(3) The Chief of Air Force Reserve.
(4) The Director of Naval Reserve.
(5) The Commanding General, Marine Forces Reserve.

SEC. 142. 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; 110 Stat. 214; 50 U.S.C. 1521 note) is amended by adding at the end the following new subsections:

"(e) ASSESSMENT OF ALTERNATIVE TECHNOLOGIES FOR DEMILITARIZATION OF ASSEMBLED CHEMICAL MUNITIONS.—(1) In addition to the assessment required by subsection (c), the Secretary of Defense shall conduct an assessment of the chemical demilitarization program for destruction of assembled chemical munitions and of the alternative demilitarization technologies and processes (other than incineration) that could be used for the destruction of the lethal chemical agents that are associated with these munitions, while ensuring maximum protection for the general public, the personnel involved in the demilitarization program, and the environment. The measures considered shall be limited to those that would minimize the risk to the public and reduce the total cost of the chemical agents and munitions destruction program. The assessment shall be conducted without regard to any limitation that would otherwise apply to the conduct of such assessment under any provision of law.

"(2) The assessment shall be conducted in coordination with the National Research Council.

"(3) Among the alternatives, the assessment shall include a determination of the cost of incineration of the current chemical munitions stockpile by building incinerators at each existing facility compared to the proposed cost of dismantling those same munitions, neutralizing them at each storage site (other than Tooele Army Depot or Johnston Atoll), and transporting the neutralized remains and all munitions parts to a treatment, storage, and disposal facility within the United States that has the necessary environmental permits to undertake incineration of the material.

"(4) Based on the results of the assessment, the Secretary shall develop appropriate recommendations for revision of the chemical demilitarization program.

"(5) Not later than December 31, 1997, the Secretary of Defense shall submit to Congress a report on the assessment conducted in accordance with paragraph (1) and any recommendations for revision of the chemical demilitarization program, including the continued development of alternative demilitarization technologies and processes other than incineration that could be used for the destruction of the lethal chemical agents that are associated with these assembled chemical munitions and the chemical munitions demilitarization sites for which the selected technologies should be developed.

"(f) PILOT PROGRAM FOR DEMILITARIZATION OF CHEMICAL AGENTS FOR ASSEMBLED MUNITIONS.—(1) If the Secretary of Defense makes a decision to continue the development of an alternative demilitarization technology or process (other than incineration) that could be used for the destruction of the lethal chemical agents that are associated with assembled chemical munitions, $25,000,000

shall be available from the funds authorized to be appropriated in section 107 of the National Defense Authorization Act for Fiscal Year 1997 for the chemical agents and munitions destruction program, in order to initiate a pilot program using the selected alternative technology or process for the destruction of chemical agents that are stored at these sites.

"(2) Not less than 30 days before using funds to initiate the pilot program under paragraph (1), the Secretary shall submit notice in writing to Congress of the Secretary's intent to do so.

"(3) The pilot program shall be conducted at the selected chemical agent and munitions stockpile storage site for which the alternative technology or process is recommended.".

SEC. 143. EXTENSION OF AUTHORITY TO CARRY OUT ARMAMENT RETOOLING AND MANUFACTURING SUPPORT INITIATIVE.

Section 193(a) of the Armament Retooling and Manufacturing Support Act of 1992 (subtitle H of title I of Public Law 102–484; 10 U.S.C. 2501 note) is amended by striking out "During fiscal years 1993 through 1996", and inserting in lieu thereof "During fiscal years 1993 through 1998"

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

Subtitle A—Authorization of Appropriations

Sec. 201. Authorization of appropriations.
Sec. 202. Amount for basic and applied research.
Sec. 203. Dual-use technology programs.
Sec. 204. Defense Special Weapons Agency.

Subtitle B—Program Requirements, Restrictions, and Limitations

Sec. 211. Space launch modernization.
Sec. 212. Space-Based Infrared System program.
Sec. 213. Clementine 2 micro-satellite development program.
Sec. 214. Live-fire survivability testing of V–22 Osprey aircraft.
Sec. 215. Live-fire survivability testing of F–22 aircraft.
Sec. 216. Limitation on funding for F–16 tactical manned reconnaissance aircraft.
Sec. 217. Cost analysis of F–22 aircraft program.
Sec. 218. F–22 aircraft program reports.
Sec. 219. Cost-benefit analysis of F/A–18E/F aircraft program.
Sec. 220. Joint Advanced Strike Technology (JAST) program.
Sec. 221. Unmanned aerial vehicles.
Sec. 222. High altitude endurance unmanned aerial reconnaissance system.
Sec. 223. Cyclone class patrol craft self-defense.
Sec. 224. One-year extension of deadline for delivery of Enhanced Fiber Optic Guided Missile (EFOG–M) system.
Sec. 225. Hydra–70 rocket product improvement program.
Sec. 226. Federally funded research and development centers.
Sec. 227. Demilitarization of conventional munitions, rockets, and explosives.
Sec. 228. Research activities of the Defense Advanced Research Projects Agency relating to chemical and biological warfare defense technology.
Sec. 229. Certification of capability of United States to prevent illegal importation of nuclear, biological, or chemical weapons.
Sec. 230. Nonlethal weapons and technologies programs.
Sec. 231. Counterproliferation support program.

Subtitle C—Ballistic Missile Defense Programs

Sec. 241. Funding for ballistic missile defense programs for fiscal year 1997.
Sec. 242. Certification of capability of United States to defend against single ballistic missile.

Sec. 243. Report on ballistic missile defense and proliferation.
Sec. 244. Revision to annual report on ballistic missile defense program.
Sec. 245. Report on Air Force National Missile Defense Plan.
Sec. 246. Capability of National Missile Defense system.
Sec. 247. Actions to limit adverse effects on private sector employment of establishment of National Missile Defense Joint Program Office.
Sec. 248. ABM Treaty defined.

Subtitle D—Other Matters

Sec. 261. Maintenance and repair at Air Force installations.
Sec. 262. Report relating to Small Business Innovation Research Program.
Sec. 263. Amendment to University Research Initiative Support program.
Sec. 264. Amendments to Defense Experimental Program To Stimulate Competitive Research.
Sec. 265. Elimination of report on the use of competitive procedures for the award of certain contracts to colleges and universities.
Sec. 266. Pilot program for transfer of defense technology information to private industry.
Sec. 267. Research under transactions other than contracts and grants.
Sec. 268. Desalting technologies.
Sec. 269. Evaluation of digital video network equipment used in Olympic games.
Sec. 270. Annual joint warfighting science and technology plan.

Subtitle E—National Oceanographic Partnership Program

Sec. 281. Findings.
Sec. 282. National Oceanographic Partnership Program.

Subtitle A—Authorization of Appropriations

SEC. 201. AUTHORIZATION OF APPROPRIATIONS.

Funds are hereby authorized to be appropriated for fiscal year 1997 for the use of the Department of Defense for research, development, test, and evaluation as follows:

(1) For the Army, $4,780,615,000.

(2) For the Navy, $8,068,299,000.

(3) For the Air Force, $14,756,366,000.

(4) For Defense-wide activities, $9,691,293,000, of which—

(A) $269,038,000 is authorized for the activities of the Director, Test and Evaluation; and

(B) $21,968,000 is authorized for the Director of Operational Test and Evaluation.

SEC. 202. AMOUNT FOR BASIC AND APPLIED RESEARCH.

(a) FISCAL YEAR 1997.—Of the amounts authorized to be appropriated by section 201, $4,031,343,000 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.

SEC. 203. DUAL-USE TECHNOLOGY PROGRAM.

(a) ALLOCATION OF FUNDS.—Of the amount appropriated pursuant to the authorization in section 201(4), $85,000,000 shall be available for the dual-use technology program under this section.

(b) DESIGNATION OF OFFICIAL FOR DUAL-USE PROGRAM.—(1) The Secretary of Defense shall designate a senior official in the Of-

fice of the Secretary of Defense to have as that official's sole responsibilities developing policy relating to, and ensuring effective implementation of, the dual-use technology program of the Department of Defense. In carrying out such responsibilities, the official shall ensure—

(A) that commercial technologies are integrated into current and future military systems to the maximum extent practicable;

(B) that dual-use projects are coordinated with the joint warfighting science and technology plan referred to in section 270; and

(C) that dual-use projects of the military departments and the defense agencies are coordinated and avoid unnecessary duplication.

(2) The senior official designated under paragraph (1) shall carry out such responsibilities during the period beginning on October 1, 1996, and ending on September 30, 2000. Such official shall report directly to the Under Secretary of Defense for Acquisition and Technology.

(c) FUNDING REQUIREMENT.—Of the amounts appropriated pursuant to the authorizations in section 201 for the Department of Defense for science and technology programs for fiscal year 1997, at least 5 percent of such amounts shall be available only for dual-use projects of the Department of Defense. The funds made available under the preceding sentence are in addition to the funds made available under subsection (a).

(d) LIMITATION ON OBLIGATIONS.—Funds made available pursuant to subsections (a) and (c) may be used for a dual-use project only if the contract, cooperative agreement, or other transaction by which the project is carried out is entered into through the use of competitive procedures.

(e) TRANSFER AUTHORITY.—In addition to the transfer authority provided in section 1001, the Secretary of Defense may transfer funds made available pursuant to subsections (a) and (c) for a dual-use project from a military department or defense agency to another military department or defense agency to ensure efficient implementation of the dual-use technology program. The Secretary may delegate the authority provided in the preceding sentence to the senior official designated under subsection (b).

(f) FEDERAL COST SHARE.—The share contributed by the Secretary of a military department or the head of a defense agency for the cost of a dual-use project during fiscal year 1997 may not be greater than 50 percent of the cost of the project for that fiscal year.

(g) REPORT.—At the same time the President submits to Congress the budget for fiscal year 1998 pursuant to section 1105(a) of title 31, United States Code, the Secretary of Defense shall submit to Congress a report that specifies the investment strategy for the dual-use technology program to be conducted during fiscal years 1998, 1999, and 2000.

(h) DEFINITIONS.—In this section:

(1) The term "dual-use technology program" means the program of the Department of Defense under which research or development of a dual-use technology (as defined in section 2491 of title 10, United States Code) is carried out and the costs of which are shared between the Department of Defense and non-

Government entities. The term includes the dual-use critical technology program established pursuant to section 2511 of title 10, United States Code.

(2) The term "dual-use project" means a project under the dual-use technology program.

(3) The term "science and technology program" means a program of a military department under which basic research, applied research, or advanced technology development is carried out.

SEC. 204. DEFENSE SPECIAL WEAPONS AGENCY.

There is hereby authorized to be appropriated for fiscal year 1997 the amount of $314,313,000 for the Defense Special Weapons Agency, of which—

(1) $7,900,000 is for procurement;

(2) $218,330,000 is for research, development, test, and evaluation; and

(3) $88,083,000 is for operations and maintenance.

Subtitle B—Program Requirements, Restrictions, and Limitations

SEC. 211. SPACE LAUNCH MODERNIZATION.

(a) FUNDING.—Funds appropriated pursuant to the authorization of appropriations in section 201(3) are authorized to be made available for space launch modernization for purposes and in amounts as follows:

(1) For the Evolved Expendable Launch Vehicle program, $44,457,000.

(2) For a competitive reusable launch vehicle program (program element 63401F), $25,000,000.

(b) LIMITATIONS.—(1) Of the funds made available for the reusable launch vehicle program pursuant to subsection (a)(2), the total amount obligated for such purpose may not exceed the total amount allocated in the fiscal year 1997 current operating plan of the National Aeronautics and Space Administration for the Reusable Space Launch program of the National Aeronautics and Space Administration.

(2) Of the funds made available for the Evolved Expendable Launch Vehicle program pursuant to subsection (a)(1), the total amount obligated for such purpose may not exceed $20,000,000 until the Secretary of Defense certifies to Congress that the Secretary has made available for obligation the funds, if any, that are made available for the reusable launch vehicle program pursuant to subsection (a)(2).

(c) COORDINATION OF ENGINE TESTING.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense and the Administrator of the National Aeronautics and Space Administration shall submit to Congress a joint plan for coordinating and eliminating unnecessary duplication in the operations and planned improvements of rocket engine and rocket engine component test facilities managed by the Department of the Air Force and the National Aeronautics and Space Administration. The plan shall

provide, to the extent practical, for the development of commonly funded and commonly operated facilities.

SEC. 212. SPACE-BASED INFRARED SYSTEM PROGRAM.

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

(1) For Space Segment High, $173,290,000.

(2) For Space Segment Low (the Space and Missile Tracking System), $247,221,000.

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

(b) LIMITATION.—Not more than $100,000,000 of the funds authorized to be made available under subsection (a)(1) may be obligated or expended until the Secretary of Defense certifies to Congress that the Secretary has made available the funds authorized to be made available under subsection (a)(2) for the purpose of accelerating the deployment of the Space Segment Low (the Space and Missile Tracking System).

(c) PROGRAM MANAGEMENT.—Before the submission of the President's budget for fiscal year 1998, the Secretary of Defense shall conduct a review of the appropriate management responsibilities for the Space and Missile Tracking System, including whether transferring such management responsibility from the Air Force to the Ballistic Missile Defense Organization would result in improved program efficiencies and support.

SEC. 213. CLEMENTINE 2 MICRO-SATELLITE DEVELOPMENT PROGRAM.

(a) AMOUNT FOR PROGRAM.—Of the amount authorized to be appropriated under section 201(3), $50,000,000 shall be available for the Clementine 2 micro-satellite near-Earth asteroid interception mission.

(b) LIMITATION.—Of the funds authorized to be appropriated pursuant to this Act for the global positioning system (GPS) Block II F Satellite system, not more than $25,000,000 may be obligated until the Secretary of Defense certifies to Congress that—

(1) funds appropriated for fiscal year 1996 for the Clementine 2 Micro-Satellite development program have been obligated in accordance with Public Law 104–106 and the Joint Explanatory Statement of the Committee of Conference accompanying S. 1124 (House Report 104–450 (104th Congress, second session)); and

(2) the Secretary has made available for obligation the funds appropriated for fiscal year 1997 for the purpose specified in subsection (a).

SEC. 214. LIVE-FIRE SURVIVABILITY TESTING OF V–22 OSPREY AIRCRAFT.

(a) AUTHORITY FOR RETROACTIVE WAIVER.—The Secretary of Defense may, in accordance with section 2366(c) of title 10, United States Code, waive for the V–22 Osprey aircraft program the survivability tests required by that section, notwithstanding that such program has entered engineering and manufacturing development.

(b) REPORT TO CONGRESS.—In exercising the waiver authority in section 2366(c) of title 10, United States Code, the Secretary shall submit to Congress a report explaining how the Secretary plans to

evaluate the survivability of the V–22 Osprey aircraft system and assessing possible alternatives to realistic survivability testing of the system.

(c) ALTERNATIVE SURVIVABILITY TEST REQUIREMENTS.—If the Secretary of Defense submits in accordance with section 2366(c)(1) of title 10, United States Code, a certification that live-fire testing of the V–22 Osprey aircraft would be unreasonably expensive and impractical, the Secretary shall require that components critical to the survivability of the V–22 Osprey aircraft be subjected to live-fire testing under an alternative live-fire testing program that, by reason of the number of such components tested and the realism of the threat environments under which the components are tested, will yield test results that provide a sufficient basis for drawing meaningful conclusions about the survivability of V–22 Osprey aircraft.

(d) FUNDING.—The funds required to carry out any alternative live-fire testing of the V–22 Osprey aircraft system shall be made available from amounts appropriated for the V–22 Osprey program.

SEC. 215. LIVE-FIRE SURVIVABILITY TESTING OF F–22 AIRCRAFT.

(a) AUTHORITY FOR RETROACTIVE WAIVER.—The Secretary of Defense may, in accordance with section 2366(c) of title 10, United States Code, waive for the F–22 aircraft program the survivability tests required by that section, notwithstanding that such program has entered engineering and manufacturing development.

(b) ALTERNATIVE SURVIVABILITY TEST REQUIREMENTS.—If the Secretary of Defense submits in accordance with section 2366(c)(1) of title 10, United States Code, a certification that live-fire testing of the F–22 aircraft would be unreasonably expensive and impractical, the Secretary shall require that components and subsystems critical to the survivability of the F–22 aircraft be subjected to live-fire testing under an alternative live-fire testing program that, by reason of the number of such components and subsystems tested and the realism of the threat environments under which the components and subsystems are tested, will yield test results that provide a sufficient basis for drawing meaningful conclusions about the survivability of F–22 aircraft.

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

SEC. 216. LIMITATION ON FUNDING FOR F–16 TACTICAL MANNED RECONNAISSANCE AIRCRAFT.

(a) LIMITATION.—Effective on the date of the enactment of this Act, not more than $50,000,000 (in fiscal year 1997 constant dollars) may be obligated or expended for—

(1) research, development, test, and evaluation for, and acquisition and modification of, the F–16 tactical manned reconnaissance aircraft program; and

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

(b) EXCEPTION.—The limitation in subsection (a) shall not apply to obligations required for improvements planned before the date of the enactment of this Act to incorporate the common data link into the F–16 tactical manned reconnaissance aircraft.

SEC. 217. COST ANALYSIS OF F–22 AIRCRAFT PROGRAM.

(a) REVIEW AND REPORT.—The Secretary of Defense shall direct the Cost Analysis Improvement Group in the Office of the Secretary of Defense to review the F–22 aircraft program, analyze and estimate the production costs of the program, and submit to the Secretary a report on the results of the review.

(b) CONTENT OF REPORT.—The report shall include—

(1) a comparison of—

(A) the results of the review, with

(B) the results of the last independent estimate of production costs of the program that was prepared by the Cost Analysis Improvement Group in July 1991; and

(2) a description of any major changes in programmatic assumptions that have occurred since the estimate referred to in paragraph (1)(B) was made, including any major change in assumptions regarding the program schedule, the quantity of aircraft to be developed and acquired, and the annual rates of production, together with an assessment of the effects of such changes on the program.

(c) SUBMISSION OF REPORT.—Not later than March 30, 1997, the Secretary shall submit the report to the congressional defense committees, together with the Secretary's views on the matters covered by the report.

(d) LIMITATION ON USE OF FUNDS PENDING SUBMISSION OF REPORT.—Not more than 92 percent of the funds appropriated for the F–22 aircraft program pursuant to the authorization of appropriations in section 103(1) may be expended until the Secretary of Defense submits the report required under this section.

SEC. 218. F–22 AIRCRAFT PROGRAM REPORTS.

(a) ANNUAL REPORT.—(1) At the same time that the President submits the budget for a fiscal year to Congress pursuant to section 1105(a) of title 31, United States Code, the Secretary of Defense shall submit to Congress a report on event-based decisionmaking for the F–22 aircraft program for that fiscal year. The Secretary shall submit the report for fiscal year 1997 not later than October 1, 1996.

(2) The report for a fiscal year shall include the following:

(A) A discussion of each decision known within the Department of Defense as an "event-based decision" that is expected to be made during that fiscal year regarding whether the F–22 program is to proceed into a new phase or into a new administrative subdivision of a phase.

(B) The criteria known within the Department of Defense as "exit criteria" to be applied, for purposes of making the event-based decision, in determining whether the F–22 aircraft program has demonstrated the specific progress necessary for proceeding into the new phase or administrative subdivision of a phase.

(b) REPORT ON EVENT-BASED DECISIONS.—Not later than 30 days after an event-based decision has been made for the F–22 aircraft program, the Secretary of Defense shall submit to Congress a report on the decision. The report shall include the following:

(1) A discussion of the commitments made, and the commitments to be made, under the program as a result of the decision.

(2) The exit criteria applied for purposes of the decision.

(3) How, in terms of the exit criteria, the program demonstrated the specific progress justifying the decision.

SEC. 219. COST-BENEFIT ANALYSIS OF F/A–18E/F AIRCRAFT PROGRAM.

(a) REPORT ON PROGRAM.—Not later than March 30, 1997, the Secretary of Defense shall submit to the congressional defense committees a report on the F/A–18E/F aircraft program.

(b) CONTENT OF REPORT.—The report shall contain the following:

(1) A review of the F/A–18E/F aircraft program.

(2) An analysis and estimate of the production costs of the program for the total number of aircraft realistically expected to be procured at each of three annual production rates as follows:

(A) 18 aircraft.

(B) 24 aircraft.

(C) 36 aircraft.

(3) A comparison of the costs and benefits of the program with the costs and benefits of the F/A–18C/D aircraft program taking into account the operational combat effectiveness of the aircraft.

(c) LIMITATION ON USE OF FUNDS PENDING SUBMISSION OF REPORT.—Not more than 90 percent of the funds authorized to be appropriated by this Act for the procurement of F/A–18E/F aircraft may be obligated or expended for procurement of such aircraft before the date that is 30 days after the date on which the congressional defense committees receive the report required under subsection (a).

SEC. 220. JOINT ADVANCED STRIKE TECHNOLOGY (JAST) PROGRAM.

(a) ALLOCATION OF FUNDS.—Of the amounts authorized to be appropriated pursuant to the authorizations in section 201, $602,069,000 shall be available only for advanced technology development for the Joint Advanced Strike Technology (JAST) program. Of that amount—

(1) $259,833,000 shall be available only for program element 63800N in the budget of the Department of Defense for fiscal year 1997;

(2) $263,836,000 shall be available only for program element 63800F in the budget of the Department of Defense for fiscal year 1997; and

(3) $78,400,000 shall be available only for program element 63800E in the budget of the Department of Defense for fiscal year 1997.

(b) ANALYSIS OF FORCE STRUCTURE.—Of the amounts authorized to be appropriated by section 201 for the Joint Advanced Strike Technology program, up to $10,000,000 shall be available for the conduct of an analysis by the Institute for Defense Analyses of the following:

(1) The weapon systems force structure required to meet the anticipated range of threats projected by the intelligence community for the period 2000 through 2025.

(2) Alternative force mixes, including, at a minimum, the following force mixes:

(A) Joint Strike Fighter derivative aircraft; remanufactured AV–8 aircraft; F–18C/D, F–18E/F, AH–64, AH–1W, RAH–66, F–14, F–16, F–15, F–117, F–22, B–1, B–2, and B–52 aircraft; and air-to-surface and surface-to-surface weapons systems.

(B) Joint Strike Fighter derivative aircraft; remanufactured AV–8 aircraft; F–18C/D, F–18E/F, F–14, F–16, F–15, F–117, and F–22 aircraft; and air-to-surface and surface-to-surface weapons systems.

(3) Cost and operational effectiveness of the alternative force mixes analyzed under paragraph (2), including sensitivity analyses related to system performance, costs, threats, and force employment scenarios.

(4) Required operational capability dates of systems not yet in production for the force mixes analyzed under paragraph (2).

(5) Affordability, commonality, and roles and missions considerations related to the alternative force mixes analyzed under paragraph (2).

(c) COST REVIEW OF FORCE STRUCTURE ANALYSIS.—The Secretary of Defense shall direct the Cost Analysis Improvement Group in the Office of the Secretary of Defense to review cost estimates made under the analysis conducted under subsection (b) and submit to the Secretary a report on the results of the review. The report may include comments and additional cost sensitivity analyses.

(d) BRIEFING AND REPORT.—(1) Not later than November 15, 1996, the Secretary of Defense shall make available to the congressional defense committees a briefing on the plan and assumptions for the analysis to be conducted under subsection (b).

(2) Not later than May 15, 1997, the Secretary of Defense shall submit to the congressional defense committees a report containing a copy of the analysis conducted under subsection (b) and of the cost review conducted under subsection (c), together with the views of the Secretary on such analysis and cost review.

SEC. 221. UNMANNED AERIAL VEHICLES.

(a) PROCUREMENT FUNDING REQUEST.—The funding request for procurement for unmanned aerial vehicles for any fiscal year shall be set forth under the funding requests for the military departments in the budget of the Department of Defense.

(b) TRANSFER OF PROGRAM MANAGEMENT.—Program management for the Predator Unmanned Aerial Vehicle, and programmed funding for such vehicle for fiscal years 1998, 1999, 2000, 2001, and 2002 (as set forth in the future-years defense program), shall be transferred to the Department of the Air Force, effective October 1, 1996, or the date of the enactment of this Act, whichever is later.

(c) PROHIBITION ON PROVIDING OPERATING CAPABILITY FROM NAVAL VESSELS.—No funds authorized to be appropriated by this Act may be obligated for purposes of providing the capability of the Predator Unmanned Aerial Vehicle to operate from naval vessels.

SEC. 222. HIGH ALTITUDE ENDURANCE UNMANNED AERIAL RECONNAISSANCE SYSTEM.

Any concepts for an improved Tier III Minus (High Altitude Endurance Unmanned Aerial Reconnaissance) system, developed using funds authorized to be appropriated under this title, that would increase the unit flyaway cost for such system to an amount greater than the unit flyaway cost established in either of the original contracts for such system, may not be carried out under the original contracts, but must instead be carried out under another contract that is awarded using competitive procedures.

SEC. 223. CYCLONE CLASS PATROL CRAFT SELF-DEFENSE.

(a) STUDY REQUIRED.—The Secretary of Defense shall perform a study of the operational requirements for vessel self-defense for the Cyclone class patrol craft and a comparative evaluation of the potential means for meeting the operational requirements for self-defense of the craft. The study shall consider the range of operational scenarios in which the craft is expected to be employed.

(b) SYSTEMS TO BE EVALUATED.—The study under subsection (a) shall consider those self-defense systems that could be employed aboard the Cyclone class patrol craft, including the Barak ship self-defense missile system.

(c) REPORT.—Not later than March 31, 1997, the Secretary shall submit to Congress a report containing the results of the study under subsection (a).

SEC. 224. ONE-YEAR EXTENSION OF DEADLINE FOR DELIVERY OF ENHANCED FIBER OPTIC GUIDED MISSILE (EFOG–M) SYSTEM.

Section 272(a)(2) of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 239) is amended by striking out "September 30, 1998," and inserting in lieu thereof "September 30, 1999,".

SEC. 225. HYDRA–70 ROCKET PRODUCT IMPROVEMENT PROGRAM.

(a) FUNDING AUTHORIZATION.—Of the amount authorized to be appropriated under section 201(1) for the Army for Other Missile Product Improvement Programs, $9,000,000 is authorized as specified in subsection (b) for completion of the Hydra–70 product improvement program authorized for fiscal year 1996.

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

(1) Procurement for test and flight qualification of at least one nondevelopmental item 2.75-inch composite rocket motor propellant type, along with other nondevelopmental item candidate motors that use composite propellant as the propulsion component.

(2) Platform integration, including additional quantities of the motor chosen for operational certification on the Apache attack helicopter.

(c) DEFINITION.—In this section, the term "nondevelopmental item" has the meaning provided in section 4 of the Office of Federal Procurement Policy Act (41 U.S.C. 403).

SEC. 226. FEDERALLY FUNDED RESEARCH AND DEVELOPMENT CENTERS.

(a) CENTERS COVERED.—Funds authorized to be appropriated for the Department of Defense for fiscal year 1997 under section 201

may be obligated to procure work from a federally funded research and development center (in this section referred to as an "FFRDC") only in the case of a center named in the report required by subsection (b) and, in the case of such a center, only in an amount not in excess of the amount of the proposed funding level set forth for that center in such report.

(b) REPORT ON ALLOCATIONS FOR CENTERS.—(1) Not later than 30 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report containing—

(A) the name of each FFRDC from which work is proposed to be procured for the Department of Defense for fiscal year 1997;

(B) for each such center, the proposed funding level and the estimated personnel level for fiscal year 1997; and

(C) for each such center, an unambiguous definition of the unique core competencies required to be maintained for fiscal year 1997.

(2) The total of the proposed funding levels set forth in the report for all FFRDCs may not exceed the amount set forth in subsection (d).

(c) LIMITATION PENDING SUBMISSION OF REPORT.—Not more than 15 percent of the funds authorized to be appropriated for the Department of Defense for fiscal year 1997 for FFRDCs under section 201 may be obligated to procure work from an FFRDC until the Secretary of Defense submits the report required by subsection (b).

(d) FUNDING.—(1) Subject to paragraph (2), of the amounts authorized to be appropriated by section 201, not more than a total of $1,214,650,000 may be obligated to procure services from the FFRDCs named in the report required by subsection (b).

(2) The limitation in paragraph (1) does not apply to funds obligated for the procurement of equipment for FFRDCs.

(e) AUTHORITY TO WAIVE FUNDING LIMITATION.—The Secretary of Defense may waive the limitation regarding the maximum funding amount that applies under subsection (a) to an FFRDC. Whenever the Secretary proposes to make such a waiver, the Secretary shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives notice of the proposed waiver and the reasons for the waiver. The waiver may then be made only after the end of the 60-day period that begins on the date on which the notice is submitted to those committees, unless the Secretary determines that it is essential to the national security that funds be obligated for work at that center in excess of that limitation before the end of such period and notifies those committees of that determination and the reasons for the determination.

SEC. 227. DEMILITARIZATION OF CONVENTIONAL MUNITIONS, ROCKETS, AND EXPLOSIVES.

(a) ESTABLISHMENT OF CONVENTIONAL MUNITIONS, ROCKETS, AND EXPLOSIVES DEMILITARIZATION PROGRAM.—The Secretary of Defense shall establish an integrated program for the development and demonstration of technologies for the demilitarization and dis-

posal of conventional munitions, rockets, and explosives in a manner that complies with applicable environmental laws.

(b) DURATION OF PROGRAM.—The program established pursuant to subsection (a) shall be in effect for a period of at least five years, beginning with fiscal year 1997.

(c) FUNDING.—Of the amount authorized to be appropriated in section 201, $15,000,000 is authorized to be appropriated for the program established pursuant to subsection (a). The funding request for the program shall be set forth separately in the budget justification documents for the budget of the Department of Defense for each fiscal year during which the program is in effect.

(d) REPORTS.—The Secretary of Defense shall submit to Congress a report on the plan for the program established pursuant to subsection (a) at the same time the President submits to Congress the budget for fiscal year 1998. The Secretary shall submit an updated version of such report, setting forth in detail the progress of the program, at the same time the President submits the budget for each fiscal year after fiscal year 1998 during which the program is in effect.

SEC. 228. RESEARCH ACTIVITIES OF THE DEFENSE ADVANCED RESEARCH PROJECTS AGENCY RELATING TO CHEMICAL AND BIOLOGICAL WARFARE DEFENSE TECHNOLOGY.

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

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

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

"(2) The Director of the Defense Advanced Research Projects Agency may conduct a program of basic and applied research and advanced technology development on chemical and biological warfare defense technologies and systems. In conducting such program, the Director shall seek to avoid unnecessary duplication of the activities under the program with chemical and biological warfare defense activities of the military departments and defense agencies and shall coordinate the activities under the program with those of the military departments and defense agencies.".

(b) FUNDING.—Section 1701(d) of such Act is amended—

(1) in paragraph (1), by striking out "military departments" and inserting in lieu thereof "Department of Defense";

(2) in paragraph (2), by inserting after "requests for the program" in the first sentence the following: "(other than for activities under the program conducted by the Defense Advanced Research Projects Agency under subsection (c)(2))";

(3) by redesignating paragraph (3) as paragraph (4); and

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

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

SEC. 229. CERTIFICATION OF CAPABILITY OF UNITED STATES TO PREVENT ILLEGAL IMPORTATION OF NUCLEAR, BIOLOGICAL, AND CHEMICAL WEAPONS.

Not later than 15 days after the date of the enactment of this Act, the President shall submit to Congress a certification in writing

stating specifically whether or not the United States has the capability (as of the date of the certification) to prevent the illegal importation of nuclear, biological, and chemical weapons into the United States and its possessions.

SEC. 230. NONLETHAL WEAPONS AND TECHNOLOGIES PROGRAMS.

(a) FUNDING.—Of the amount authorized to be appropriated under section 201(2), $15,000,000 shall be available for joint service research, development, test, and evaluation of nonlethal weapons and nonlethal technologies under the program element established pursuant to subsection (b).

(b) NEW PROGRAM ELEMENT REQUIRED.—The Secretary of Defense shall establish a new program element for the funds authorized to be appropriated under subsection (a). The funds within that program element shall be administered by the executive agent designated for joint service research, development, test, and evaluation of nonlethal weapons and nonlethal technologies.

SEC. 231. COUNTERPROLIFERATION SUPPORT PROGRAM.

(a) FUNDING.—Of the funds authorized to be appropriated to the Department of Defense under section 201(4), $186,200,000 shall be available for the Counterproliferation Support Program, of which $75,000,000 shall be available for a tactical antisatellite technologies program.

(b) ADDITIONAL AUTHORITY TO TRANSFER AUTHORIZATIONS.—(1) In addition to the transfer authority provided in section 1001, 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 1997 to counterproliferation programs, projects, and activities identified as areas for progress by the Counterproliferation Program Review Committee established by section 1605 of the National Defense Authorization Act for Fiscal Year 1994 (22 U.S.C. 2751 note). 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 transferred under the authority of this subsection may not exceed $50,000,000.

(3) The authority provided by this subsection to transfer authorizations—

(A) may only be used to provide authority for items that have a higher priority than the items from which authority is transferred; and

(B) may not be used to provide authority for an item that has been denied authorization by Congress.

(4) A transfer made from one account to another under the authority of this subsection 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.

(5) The Secretary of Defense shall promptly notify Congress of transfers made under the authority of this subsection.

(c) LIMITATION ON USE OF FUNDS FOR TECHNICAL STUDIES AND ANALYSES PENDING RELEASE OF FUNDS.—(1) None of the funds authorized to be appropriated to the Department of Defense for fiscal year 1997 for program element 605104D, relating to technical stud-

ies and analyses, may be obligated or expended until the funds referred to in paragraph (2) have been released to the program manager of the tactical anti-satellite technology program for implementation of that program.

(2) The funds for release referred to in paragraph (1) are as follows:

(A) Funds authorized to be appropriated by section 218(a) of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 222) that are available for the program referred to in paragraph (1).

(B) Funds authorized to be appropriated to the Department for fiscal year 1997 by this Act for the Counterproliferation Support Program that are to be made available for that program.

Subtitle C—Ballistic Missile Defense Programs

SEC. 241. FUNDING FOR BALLISTIC MISSILE DEFENSE PROGRAMS FOR FISCAL YEAR 1997.

(a) PROGRAM AMOUNTS.—Of the amount appropriated pursuant to section 201(4), the following amounts may be obligated for the following systems managed by the Ballistic Missile Defense Organization:

(1) For the Theater High Altitude Area Defense (THAAD) System, $621,798,000.

(2) For the Navy Upper Tier (Theater Wide) system, $304,171,000.

(3) For the National Missile Defense System, $858,437,000.

(4) For the Corps Surface-to-Air Missile (SAM)/Medium Extended Air Defense System (MEADS) sytem, $56,200,000.

(b) LIMITATION.—None of the funds appropriated or otherwise made available for the Department of Defense pursuant to this or any other Act may be obligated or expended by the Office of the Under Secretary of Defense for Acquisition and Technology for official representation activities, or related activities, until the Secretary of Defense certifies to Congress that—

(1) the Secretary has made available for obligation the funds provided under subsection (a) for the purposes specified in that subsection and in the amounts appropriated pursuant to that subsection; and

(2) the Secretary has included the Navy Upper Tier theater missile defense system in the theater missile defense core program.

(c) LIMITATIONS.—Not more than $15,000,000 of the amount available for the Corps SAM/MEADS program under subsection (a) may be obligated until the Secretary of Defense submits to the congressional defense committees the following:

(1) An initial program estimate for the Corps SAM/MEADS program, including a tentative schedule of major milestones and an estimate of the total program cost through initial operational capability.

(2) A report on the options associated with the use of existing systems, technologies, and program management mechanisms to satisfy the requirement for the Corps surface-to-air missile, including an assessment of cost and schedule implications in relation to the program estimate submitted under paragraph (1).

(3) A certification that there will be no increase in overall United States funding commitment to the project definition and validation phase of the Corps SAM/MEADS program as a result of the withdrawal of France from participation in the program.

SEC. 242. CERTIFICATION OF CAPABILITY OF UNITED STATES TO DEFEND AGAINST SINGLE BALLISTIC MISSILE.

Not later than 15 days after the date of the enactment of this Act, the President shall submit to Congress a certification in writing stating specifically whether or not the United States has the military capability (as of the time of the certification) to intercept and destroy a single ballistic missile launched at the territory of the United States.

SEC. 243. REPORT ON BALLISTIC MISSILE DEFENSE AND PROLIFERATION.

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

(1) An assessment of how United States theater missile defenses contribute to United States efforts to prevent proliferation, including an evaluation of the specific effect United States theater missile defense systems can have on dissuading other states from acquiring ballistic missiles.

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

(3) An assessment of the effect of the lack of national missile defenses on the desire of other states to acquire ballistic missiles and an evaluation of the types of missiles other states might seek to acquire as a result.

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

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

SEC. 244. REVISION TO ANNUAL REPORT ON BALLISTIC MISSILE DEFENSE PROGRAM.

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

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

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

(3) by redesignating paragraph (7) as paragraph (5) and in that paragraph by striking out "of the Soviet Union" and "for the Soviet Union";

(4) by redesignating paragraph (8) as paragraph (6); and

(5) by redesignating paragraph (9) as paragraph (7) and in that paragraph—

(A) by striking out "of the Soviet Union" in subparagraph (A);

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

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

SEC. 245. REPORT ON AIR FORCE NATIONAL MISSILE DEFENSE PLAN.

Not later than 120 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report on the following matters regarding the National Missile Defense Plan of the Air Force:

(1) The cost and operational effectiveness of a system that could be developed pursuant to that plan.

(2) The arms control implications of such a system.

(3) The growth potential of such a system to meet future threats.

(4) The recommendations of the Secretary for improvements to that plan.

SEC. 246. CAPABILITY OF NATIONAL MISSILE DEFENSE SYSTEM.

The Secretary of Defense shall ensure that any National Missile Defense system deployed by the United States is capable of defeating the threat posed by the Taepo Dong II missile of North Korea.

SEC. 247. ACTIONS TO LIMIT ADVERSE EFFECTS ON PRIVATE SECTOR EMPLOYMENT OF ESTABLISHMENT OF NATIONAL MISSILE DEFENSE JOINT PROGRAM OFFICE.

The Secretary of Defense shall take such actions as are necessary in connection with the establishment of the National Missile Defense Joint Program Office within the Ballistic Missile Defense Organization to ensure that the establishment of that office does not make it necessary for a Federal Government contractor to reduce significantly the number of persons employed by that contractor for supporting the national missile defense development program at any particular location outside the National Capital Region (as defined in section 2674(f)(2) of title 10, United States Code).

SEC. 248. ABM TREATY DEFINED.

For purposes of this subtitle, the term "ABM Treaty" means the Treaty Between the United States of America and the Union of Soviet Socialist Republics on the Limitation of Anti-Ballistic Missile Systems, and signed at Moscow on May 26, 1972, and includes the Protocols to that Treaty, signed at Moscow on July 3, 1974.

Subtitle D—Other Matters

SEC. 261. MAINTENANCE AND REPAIR AT AIR FORCE INSTALLATIONS.

(a) ALLOCATION OF FUNDS.—The Secretary of the Air Force shall allocate funds authorized to be appropriated by this title and title III of this Act for maintenance and repair of real property at military installations of the Department of the Air Force without regard to whether the installation is supported with funds authorized by this title or title III of this Act.

(b) MIXING OF FUNDS PROHIBITED ON INDIVIDUAL PROJECTS.—The Secretary of the Air Force may not combine funds authorized to be appropriated by this title and funds authorized to be appropriated by title III for an individual project for maintenance and repair of real property at a military installation of the Department of the Air Force.

SEC. 262. REPORT RELATING TO SMALL BUSINESS INNOVATION RESEARCH PROGRAM.

Not later than March 30, 1997, the Comptroller General shall submit to Congress and to the Secretary of Defense a report setting forth the following with respect to the Small Business Innovation Research Program (as defined by section 2491(11) of title 10, United States Code):

(1) An assessment of whether there has been a demonstrable reduction in the quality of research performed under funding agreements awarded by the Department of Defense under the program since fiscal year 1995.

(2) An assessment of the degree to which competitive procedures are being followed throughout the military departments and defense agencies in awarding funding agreements under the program.

(3) An assessment of the degree to which technologies developed through the program are or are likely to be used in military projects and programs.

SEC. 263. AMENDMENT TO UNIVERSITY RESEARCH INITIATIVE SUPPORT PROGRAM.

Section 802(c) of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160; 107 Stat. 1701; 10 U.S.C. 2358 note) is amended by striking out "fiscal years before the fiscal year in which the institution submits a proposal" and inserting in lieu thereof "most recent fiscal years for which complete statistics are available when proposals are requested".

SEC. 264. AMENDMENTS TO DEFENSE EXPERIMENTAL PROGRAM TO STIMULATE COMPETITIVE RESEARCH.

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

(1) in paragraph (1)—

(A) by striking out "Director of the National Science Foundation" and inserting in lieu thereof "Under Secretary of Defense for Acquisition and Technology"; and

(B) by striking out "and shall notify the Director of Defense Research and Engineering of the States so designated"; and

(2) in paragraph (2)—

(A) in the matter preceding subparagraph (A)—

(i) by striking out "Director of the National Science Foundation" and inserting in lieu thereof "Under Secretary of Defense for Acquisition and Technology"; and

(ii) by striking out "as determined by the Director" and inserting in lieu thereof "as determined by the Under Secretary";

(B) in subparagraph (A), by striking out "(to be determined in consultation with the Secretary of Defense);" and inserting in lieu thereof "; and";

(C) by striking out "; and" at the end of subparagraph (B) and inserting in lieu thereof a period; and

(D) by striking out subparagraph (C).

SEC. 265. ELIMINATION OF REPORT ON THE USE OF COMPETITIVE PROCEDURES FOR THE AWARD OF CERTAIN CONTRACTS TO COLLEGES AND UNIVERSITIES.

Section 2361 of title 10, United States Code, is amended by striking out subsection (c).

SEC. 266. PILOT PROGRAM FOR TRANSFER OF DEFENSE TECHNOLOGY INFORMATION TO PRIVATE INDUSTRY.

(a) PROGRAM REQUIRED.—The Secretary of Defense shall carry out a pilot program to demonstrate online transfers of information on defense technologies to businesses in the private sector through an interactive data network involving Small Business Development Centers of institutions of higher education.

(b) COMPUTERIZED DATA BASE OF DEFENSE TECHNOLOGIES.—(1) Under the pilot program, the Secretary shall enter into an agreement with the head of an eligible institution of higher education that provides for such institution—

(A) to develop and maintain a computerized data base of information on defense technologies;

(B) to make such information available online to—

(i) businesses; and

(ii) other institutions of higher education entering into partnerships with the Secretary under subsection (c).

(2) The online accessibility may be established by means of any of, or any combination of, the following:

(A) Digital teleconferencing.

(B) International Signal Digital Network lines.

(C) Direct modem hookup.

(c) PARTNERSHIP NETWORK.—Under the pilot program, the Secretary shall seek to enter into agreements with the heads of several eligible institutions of higher education having strong business education programs to provide for the institutions of higher education entering into such agreements—

(1) to establish interactive computer links with the data base developed and maintained under subsection (b); and

(2) to assist the Secretary in making information on defense technologies available online to the broadest practicable number, types, and sizes of businesses.

(d) ELIGIBLE INSTITUTIONS.—For the purposes of this section, an institution of higher education is eligible to enter into an agree-

ment under subsection (b) or (c) if the institution has a Small Business Development Center.

(e) DEFENSE TECHNOLOGIES COVERED.—(1) The Secretary shall designate the technologies to be covered by the pilot program from among the existing and experimental technologies that the Secretary determines—

(A) are useful in meeting Department of Defense needs; and

(B) should be made available under the pilot program to facilitate the satisfaction of such needs by private sector sources.

(2) Technologies covered by the program should include technologies useful for defense purposes that can also be used for non-defense purposes (without or without modification).

(f) DEFINITIONS.—In this section:

(1) The term "Small Business Development Center" means a small business development center established pursuant to section 21 of the Small Business Act (15 U.S.C. 648).

(2) The term "defense technology" means a technology designated by the Secretary of Defense under subsection (d).

(3) The term "partnership" means an agreement entered into under subsection (c).

(g) TERMINATION OF PILOT PROGRAM.—The pilot program shall terminate one year after the Secretary enters into an agreement under subsection (b).

(h) AUTHORIZATION OF APPROPRIATIONS.—Of the amount authorized to be appropriated under section 201(4) for university research initiatives, $3,000,000 is available for the pilot program.

SEC. 267. RESEARCH UNDER TRANSACTIONS OTHER THAN CONTRACTS AND GRANTS.

(a) CONDITIONS FOR USE OF AUTHORITY.—Subsection (e) of section 2371 of title 10, United States Code, is amended—

(1) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B);

(2) by inserting "and" after the semicolon at the end of subparagraph (A), as so redesignated;

(3) by striking out "; and" at the end of subparagraph (B), as so redesignated, and inserting in lieu thereof a period;

(4) by inserting "(1)" after "(e) CONDITIONS.—"; and

(5) by striking out paragraph (3) and inserting in lieu thereof the following:

"(2) A cooperative agreement containing a clause under subsection (d) or a transaction authorized by subsection (a) may be used for a research project when the use of a standard contract, grant, or cooperative agreement for such project is not feasible or appropriate.".

(b) REVISED REQUIREMENT FOR ANNUAL REPORT.—Section 2371 of such title is amended by striking out subsection (h) and inserting in lieu thereof the following:

"(h) ANNUAL REPORT.—(1) Not later than 90 days after the end of each fiscal year, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report on the use by the Department of Defense during such fiscal year of—

"(A) cooperative agreements authorized under section 2358 of this title that contain a clause under subsection (d); and

"(B) transactions authorized by subsection (a).

"(2) The report shall include, with respect to the cooperative agreements and other transactions covered by the report, the following:

"(A) The technology areas in which research projects were conducted under such agreements or other transactions.

"(B) The extent of the cost-sharing among Federal Government and non-Federal sources.

"(C) The extent to which the use of the cooperative agreements and other transactions—

"(i) has contributed to a broadening of the technology and industrial base available for meeting Department of Defense needs; and

"(ii) has fostered within the technology and industrial base new relationships and practices that support the national security of the United States.

"(D) The total amount of payments, if any, that were received by the Federal Government during the fiscal year covered by the report pursuant to a clause described in subsection (d) that was included in the cooperative agreements and other transactions, and the amount of such payments, if any, that were credited to each account established under subsection (f).".

(c) DIVISION OF SECTION INTO DISTINCT PROVISIONS BY SUBJECT MATTER.—(1) Chapter 139 of title 10, United States Code, is amended—

(A) by inserting before the last subsection of section 2371 (relating to cooperative research and development agreements under the Stevenson-Wydler Technology Innovation Act of 1980) the following:

"§ 2371a. Cooperative research and development agreements under Stevenson-Wydler Technology Innovation Act of 1980";

(B) in section 2371a (as designated by the amendment made by subparagraph (A)), by striking out "(i) COOPERATIVE RESEARCH AND DEVELOPMENT AGREEMENTS UNDER STEVENSON-WYDLER TECHNOLOGY INNOVATION ACT OF 1980.—"; and

(C) in the table of sections at the beginning of such chapter, by inserting after the item relating to section 2371 the following:

"2371a. Cooperative research and development agreements under Stevenson-Wydler Technology Innovation Act of 1980.".

(2) Section 2358(d) of such title is amended by striking out "section 2371" and inserting in lieu thereof "sections 2371 and 2371a".

SEC. 268. DESALTING TECHNOLOGIES.

(a) FINDINGS.—Congress makes the following findings:

(1) Access to scarce fresh water is likely to be a cause of future military conflicts in the Middle East and has a direct impact on stability and security in the region.

(2) The Middle East is an area of vital and strategic importance to the United States.

(3) The United States has played a military role in the Middle East, most recently in the Persian Gulf War, and may likely be called upon again to deter aggression in the region.

(4) United States troops have used desalting technologies to guarantee the availability of fresh water in past deployments in the Middle East.

(5) Adequate, efficient, and cheap access to high-quality fresh water will be vital to maintaining the readiness and sustainability of troops of both the United States and its allies.

(b) SENSE OF CONGRESS.—It is the sense of Congress that, as improved access to fresh water will be an important factor in helping prevent future conflicts in the Middle East, the United States should, in cooperation with its allies, promote and invest in technologies to reduce the costs of converting saline water into fresh water.

(c) FUNDING FOR RESEARCH AND DEVELOPMENT.—Of the amounts authorized to be appropriated by this title, the Secretary shall place greater emphasis on making funds available for research and development into efficient and economical processes and methods for converting saline water into fresh water.

SEC. 269. EVALUATION OF DIGITAL VIDEO NETWORK EQUIPMENT USED IN OLYMPIC GAMES.

(a) EVALUATION.—The Secretary of Defense shall evaluate the digital video network equipment used in the 1996 Olympic games to determine whether such equipment would be the most appropriate equipment for use as a test bed for the military application of commercial off-the-shelf advanced technology linking multiple continents, multiple satellites, and multiple theaters of operations by compressed digital audio and visual broadcasting technology.

(b) REPORT.—Not later than April 1, 1997, the Secretary of Defense shall submit to Congress a report on the results of the evaluation conducted under subsection (a).

SEC. 270. ANNUAL JOINT WARFIGHTING SCIENCE AND TECHNOLOGY PLAN.

(a) ANNUAL PLAN REQUIRED.—On March 1 of each year, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a plan for ensuring that the science and technology program of the Department of Defense supports the development of the future joint warfighting capabilities identified as priority requirements for the Armed Forces.

(b) FIRST PLAN.—The first plan under subsection (a) shall be submitted not later than March 1, 1997.

Subtitle E—National Oceanographic Partnership Program

SEC. 281. FINDINGS.

Congress finds the following:

(1) The oceans and coastal areas of the United States are among the Nation's most valuable natural resources, making substantial contributions to economic growth, quality of life, and national security.

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

(3) Understanding of the oceans through basic and applied research is essential for using the oceans wisely and protecting their limited resources. Therefore, the United States should maintain its world leadership in oceanography as one key to its competitive future.

(4) Ocean research and education activities take place within Federal agencies, academic institutions, and industry. These entities often have similar requirements for research facilities, data, and other resources (such as oceanographic research vessels).

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

SEC. 282. NATIONAL OCEANOGRAPHIC PARTNERSHIP PROGRAM.

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

"CHAPTER 665—NATIONAL OCEANOGRAPHIC PARTNERSHIP PROGRAM

"Sec.
"7901. National Oceanographic Partnership Program.
"7902. National Ocean Research Leadership Council.
"7903. Ocean Research Advisory Panel.

"§ 7901. National Oceanographic Partnership Program

"(a) ESTABLISHMENT.—The Secretary of the Navy shall establish a program to be known as the 'National Oceanographic Partnership Program'.

"(b) PURPOSES.—The purposes of the program are as follows:

"(1) To promote the national goals of assuring national security, advancing economic development, protecting quality of life, and strengthening science education and communication through improved knowledge of the ocean.

"(2) To coordinate and strengthen oceanographic efforts in support of those goals by—

"(A) identifying and carrying out partnerships among Federal agencies, academia, industry, and other members of the oceanographic scientific community in the areas of data, resources, education, and communication; and

"(B) reporting annually to Congress on the program.

"§ 7902. National Ocean Research Leadership Council

"(a) COUNCIL.—There is a National Ocean Research Leadership Council (hereinafter in this chapter referred to as the 'Council').

"(b) MEMBERSHIP.—The Council is composed of the following members:

"(1) The Secretary of the Navy.

"(2) The Administrator of the National Oceanic and Atmospheric Administration.

"(3) The Director of the National Science Foundation.

"(4) The Administrator of the National Aeronautics and Space Administration.

"(5) The Deputy Secretary of Energy.

"(6) The Administrator of the Environmental Protection Agency.

"(7) The Commandant of the Coast Guard.

"(8) The Director of the Geological Survey of the Department of the Interior.

"(9) The Director of the Defense Advanced Research Projects Agency.

"(10) The Director of the Minerals Management Service of the Department of the Interior.

"(11) The President of the National Academy of Sciences, the President of the National Academy of Engineering, and the President of the Institute of Medicine.

"(12) The Director of the Office of Science and Technology.

"(13) The Director of the Office of Management and Budget.

"(14) One member appointed by the chairman from among individuals who will represent the views of ocean industries.

"(15) One member appointed by the chairman from among individuals who will represent the views of State governments.

"(16) One member appointed by the chairman from among individuals who will represent the views of academia.

"(17) One member appointed by the chairman from among individuals who will represent such other views as the chairman considers appropriate.

"(c) CHAIRMAN AND VICE CHAIRMAN.—(1) Except as provided in paragraph (2), the chairman and vice chairman of the Council shall be appointed every two years by a selection committee of the Council composed of, at a minimum, the Secretary of the Navy, the Administrator of the National Oceanic and Atmospheric Administration, and the Director of the National Science Foundation. The term of office of the chairman and vice chairman shall be two years. A person who has previously served as chairman or vice chairman may be reappointed.

"(2) The first chairman of the Council shall be the Secretary of the Navy. The first vice chairman of the Council shall be the Administrator of the National Oceanic and Atmospheric Administration.

"(d) TERM OF OFFICE.—The term of office of a member of the Council appointed under paragraph (14), (15), (16), or (17) of subsection (b) shall be two years, except that any person appointed to fill a vacancy occurring before the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term.

"(e) RESPONSIBILITIES.—The Council shall have the following responsibilities:

"(1) To prescribe policies and procedures to implement the National Oceanographic Partnership Program.

"(2) To review, select, and identify and allocate funds for partnership projects for implementation under the program, based on the following criteria:

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

"(B) Whether the project has, or is designed to have, broad participation within the oceanographic community.

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

"(D) Whether the resources supporting the project are shared among the partners.

"(E) Whether the project has been subjected to adequate peer review.

"(3) To assess whether there is a need for a facility (or facilities) to provide national centralization of oceanographic data, and to establish such a facility or facilities if determined necessary. In conducting the assessment, the Council shall review, at a minimum, the following:

"(A) The need for a national oceanographic data center.

"(B) The need for a national coastal data center.

"(C) Accessibility by potential users of such centers.

"(D) Preexisting facilities and expertise.

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

"(1) A description of activities of the program carried out during the fiscal year before the fiscal year in which the report is prepared, together with a list of the members of the Ocean Research Advisory Panel and any working groups in existence during the fiscal year covered.

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

"(3) A summary of projects continued from the fiscal year before the fiscal year in which the report is prepared and projects expected to be started during the fiscal year in which the report is prepared and during the following fiscal year.

"(4) A description of the involvement of the program with Federal interagency coordinating entities.

"(5) The amounts requested, in the budget submitted to Congress pursuant to section 1105(a) of title 31, for the fiscal year following the fiscal year in which the report is prepared, for the programs, projects, and activities of the program and the estimated expenditures under such programs, projects, and activities during such following fiscal year.

"(g) PARTNERSHIP PROGRAM OFFICE.—(1) The Council shall establish a partnership program office for the National Oceanographic Partnership Program. The Council shall use competitive procedures in selecting an operator for the partnership program office.

"(2) The Council shall assign the following duties to the partnership program office:

"(A) To establish and oversee working groups to propose partnership projects to the Council and advise the Council on such projects.

"(B) To manage the process for proposing partnership projects to the Council, including managing peer review of such projects.

"(C) To submit to the Council an annual report on the status of all partnership projects and activities of the office.

"(D) Any additional duties for the administration of the National Oceanographic Partnership Program that the Council considers appropriate.

"(3) The Council shall supervise the performance of duties by the partnership program office.

"(h) CONTRACT AND GRANT AUTHORITY.—The Council may authorize one or more of the departments or agencies represented on the Council to enter into contracts and make grants, using funds appropriated pursuant to an authorization of appropriations for the National Oceanographic Partnership Program, for the purpose of implementing the program and carrying out the responsibilities of the Council.

"(i) ESTABLISHMENT AND FORMS OF PARTNERSHIP PROJECTS.—(1) A partnership project under the National Oceanographic Partnership Program may be established by any instrument that the Council considers appropriate, including a memorandum of understanding, a cooperative research and development agreement, and any similar instrument.

"(2) Projects under the program may include demonstration projects.

"§ 7903. Ocean Research Advisory Panel

"(a) ESTABLISHMENT.—The Council shall establish an Ocean Research Advisory Panel consisting of not less than 10 and not more than 18 members appointed by the Council from among persons eminent in the fields of marine science or marine policy, or related fields, and who are representative, at a minimum, of the interests of government, academia, and industry.

"(b) RESPONSIBILITIES.—The Council shall assign to the Advisory Panel responsibilities that the Council considers appropriate.".

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

"665. National Oceanographic Partnership Program ..... 7901".

(b) INITIAL APPOINTMENTS OF COUNCIL MEMBERS.—The Secretary of the Navy shall make the appointments required by section 7902(b) of title 10, United States Code, as added by subsection (a)(1), not later than December 1, 1996.

(c) INITIAL APPOINTMENTS OF ADVISORY PANEL MEMBERS.—The National Ocean Research Leadership Council established by section 7902 of title 10, United States Code, as added by subsection (a)(1), shall make the appointments required by section 7903 of such title not later than January 1, 1997.

(d) FIRST ANNUAL REPORT OF NATIONAL OCEAN RESEARCH LEADERSHIP COUNCIL.—The first annual report required by section 7902(f) of title 10, United States Code, as added by subsection (a)(1), shall be submitted to Congress not later than March 1, 1997. The first report shall include, in addition to the information required by such section, information about the terms of office, procedures, and responsibilities of the Ocean Research Advisory Panel established by the Council.

(e) AUTHORIZATION.—(1) Of the amount authorized to be appropriated to the Department of the Navy by section 201(2), $13,000,000 shall be available for the National Oceanographic Partnership Program established pursuant to section 7901 of title 10, United States Code, as added by subsection (a)(1).

(2) Of the amount authorized to be appropriated to the Department of the Navy by section 301(2), $7,500,000 shall be available for such program.

(f) FUNDING FOR PROGRAM OFFICE.—Of the amount appropriated for the National Oceanographic Partnership Program for fiscal year 1997, at least $500,000, or 3 percent of the amount appropriated, whichever is greater, shall be available for operations of the partnership program office established pursuant to section 7902(g) of title 10, United States Code, as added by subsection (a)(1), for such fiscal year.

TITLE III—OPERATION AND MAINTENANCE

Subtitle A—Authorization of Appropriations

Sec. 301. Operation and maintenance funding.
Sec. 302. Working capital funds.
Sec. 303. Armed Forces Retirement Home.
Sec. 304. Transfer from National Defense Stockpile Transaction Fund.
Sec. 305. Civil Air Patrol Corporation.
Sec. 306. Availability of additional funds for antiterrorism activities.
Sec. 307. Nonlethal weapons capabilities.
Sec. 308. SR–71 contingency reconnaissance force.

Subtitle B—Depot-Level Activities

Sec. 311. Extension of authority for aviation depots and naval shipyards to engage in defense-related production and services.
Sec. 312. Test programs for modernization-through-spares.

Subtitle C—Environmental Provisions

Sec. 321. Defense contractors covered by requirement for reports on contractor reimbursement costs for response actions.
Sec. 322. Establishment of separate environmental restoration accounts for each military department.
Sec. 323. Payment of stipulated penalties assessed under CERCLA.
Sec. 324. Shipboard solid waste control.
Sec. 325. Authority to develop and implement land use plans for defense environmental restoration program.
Sec. 326. Pilot program to test alternative technology for limiting air emissions during shipyard blasting and coating operations.
Sec. 327. Agreements for services of other agencies in support of environmental technology certification.
Sec. 328. Repeal of redundant notification and consultation requirements regarding remedial investigations and feasibility studies at certain installations to be closed under the base closure laws.

Sec. 329. Authority for agreements with Indian tribes for services under environmental restoration program.
Sec. 330. Authority to withhold listing of Federal facilities on National Priorities List.
Sec. 331. Clarification of meaning of uncontaminated property for purposes of transfer by the United States.
Sec. 332. Conservation and cultural activities.
Sec. 333. Navy program to monitor ecological effects of organotin.
Sec. 334. Authority to transfer contaminated Federal property before completion of required response actions.

Subtitle D—Commissaries and Nonappropriated Fund Instrumentalities

Sec. 341. Contracts with other agencies to provide or obtain goods and services to promote efficient operation and management of exchanges and morale, welfare, and recreation activities.
Sec. 342. Noncompetitive procurement of brand-name commercial items for resale in commissary stores.
Sec. 343. Prohibition of sale or rental of sexually explicit material.

Subtitle E—Performance of Functions by Private-Sector Sources

Sec. 351. Extension of requirement for competitive procurement of printing and duplication services.
Sec. 352. Reporting requirements under demonstration project for purchase of fire, security, police, public works, and utility services from local government agencies.

Subtitle F—Other Matters

Sec. 361. Authority for use of appropriated funds for recruiting functions.
Sec. 362. Training of members of the uniformed services at non-government facilities.
Sec. 363. Requirement for preparation of plan for improved operation of working-capital funds and effect of failure to produce an approved plan.
Sec. 364. Increase in capital asset threshold under Defense Business Operations Fund.
Sec. 365. Expansion of authority to donate unusable food.
Sec. 366. Assistance to committees involved in inauguration of the President.
Sec. 367. Department of Defense support for sporting events.
Sec. 368. Storage of motor vehicle in lieu of transportation.
Sec. 369. Security protections at Department of Defense facilities in National Capital Region.
Sec. 370. Administration of midshipmen's store and other naval academy support activities as nonappropriated fund instrumentality.
Sec. 371. Reimbursement under agreement for instruction of civilian students at Foreign Language Institute of the Defense Language Institute.
Sec. 372. Assistance to local educational agencies that benefit dependents of members of the Armed Forces and Department of Defense civilian employees.
Sec. 373. Renovation of building for Defense Finance and Accounting Service Center, Fort Benjamin Harrison, Indiana.
Sec. 374. Food donation pilot program at service academies.
Sec. 375. Authority of Air National Guard to provide certain services at Lincoln Municipal Airport, Lincoln, Nebraska.
Sec. 376. Technical amendment regarding Impact Aid program.

Subtitle A—Authorization of Appropriations

SEC. 301. OPERATION AND MAINTENANCE FUNDING.

Funds are hereby authorized to be appropriated for fiscal year 1997 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, $18,264,406,000.

(2) For the Navy, $20,387,737,000.

(3) For the Marine Corps, $2,421,007,000.

(4) For the Air Force, $17,635,335,000.

(5) For Defense-wide activities, $9,912,962,000.

(6) For the Army Reserve, $1,136,436,000.

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

(8) For the Marine Corps Reserve, $113,367,000.

(9) For the Air Force Reserve, $1,499,553,000.

(10) For the Army National Guard, $2,277,477,000.

(11) For the Air National Guard, $2,711,173,000.

(12) For the Defense Inspector General, $136,501,000.

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

(14) For Environmental Restoration, Army, $356,916,000.

(15) For Environmental Restoration, Navy, $302,900,000.

(16) For Environmental Restoration, Air Force, $414,700,000.

(17) For Environmental Restoration, Defense-wide, $258,500,000.

(18) For Overseas Humanitarian, Disaster, and Civic Aid programs, $54,544,000.

(19) For Drug Interdiction and Counter-drug Activities, Defense-wide, $796,524,000.

(20) For the Kaho'olawe Island Conveyance, Remediation, and Environmental Restoration Trust Fund, $10,000,000.

(21) For Medical Programs, Defense, $9,833,288,000.

(22) For Cooperative Threat Reduction programs, $364,900,000.

(23) For Domestic Emergency Assistance programs, $97,000,000.

(24) For OPLAN 34A–35 P.O.W. payments, $20,000,000.

SEC. 302. WORKING CAPITAL FUNDS.

Funds are hereby authorized to be appropriated for fiscal year 1997 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 Business Operations Fund, $947,900,000.

(2) For the National Defense Sealift Fund, $1,118,002,000.

SEC. 303. ARMED FORCES RETIREMENT HOME.

There is hereby authorized to be appropriated for fiscal year 1997 from the Armed Forces Retirement Home Trust Fund the sum of $57,300,000 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 1997 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.

SEC. 305. CIVIL AIR PATROL CORPORATION.

(a) FUNDING.—Of the amount authorized to be appropriated pursuant to section 301 for operation and maintenance, $14,526,000 shall be available for the Civil Air Patrol Corporation.

(b) AMOUNT FOR CERTAIN OPERATIONS.—Of the amount made available to the Civil Air Patrol Corporation pursuant to subsection (a), not less than 25 percent of such amount shall be reserved to cover the costs of search and rescue missions and disaster relief missions.

SEC. 306. AVAILABILITY OF ADDITIONAL FUNDS FOR ANTITERRORISM ACTIVITIES.

Of the amount authorized to be appropriated pursuant to section 301 for operation and maintenance, $14,000,000 shall be available to the Secretary of Defense for activities designed to meet the antiterrorism responsibilities of the Department of Defense, including activities related to intelligence support, physical security measures, and education and training regarding antiterrorism. The amount made available by this section is in addition to amounts otherwise made available by this Act for antiterrorism activities.

SEC. 307. NONLETHAL WEAPONS CAPABILITIES.

Of the amount authorized to be appropriated pursuant to section 301, $5,000,000 shall be available for the immediate procurement of nonlethal weapons capabilities to meet existing deficiencies in inventories of such capabilities, of which—

(1) $2,000,000 shall be available for the Army; and

(2) $3,000,000 shall be available for the Marine Corps.

SEC. 308. SR–71 CONTINGENCY RECONNAISSANCE FORCE.

Of the funds authorized to be appropriated by section 301(4), $30,000,000 is authorized to be made available for the SR–71 contingency reconnaissance force.

Subtitle B—Depot-Level Activities

SEC. 311. EXTENSION OF AUTHORITY FOR AVIATION DEPOTS AND NAVAL SHIPYARDS TO ENGAGE IN DEFENSE-RELATED PRODUCTION AND SERVICES.

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

SEC. 312. TEST PROGRAMS FOR MODERNIZATION-THROUGH-SPARES.

Not later than 60 days after the date of the enactment of this Act, the Secretary of the Army shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report on the steps that the Secretary has taken to ensure that each program included in the modernization-through-spares program of the Army is conducted in accordance with—

(1) the competition requirements in section 2304 of title 10, United States, Code;

(2) the core logistics requirements in section 2464 of such title;

(3) the public-private competition requirements in section 2469 of such title; and

(4) requirements relating to contract bundling and spare parts breakout in subsections (a) and (l) of section 15 of the Small Business Act (15 U.S.C. 644) and regulations implementing such subsections in the Defense Federal Acquisition Regulation Supplement.

Subtitle C—Environmental Provisions

SEC. 321. DEFENSE CONTRACTORS COVERED BY REQUIREMENT FOR REPORTS ON CONTRACTOR REIMBURSEMENT COSTS FOR RESPONSE ACTIONS.

Section 2706(d)(1)(A) of title 10, United States Code, is amended by striking out "100" and inserting in lieu thereof "20".

SEC. 322. ESTABLISHMENT OF SEPARATE ENVIRONMENTAL RESTORATION ACCOUNTS FOR EACH MILITARY DEPARTMENT.

(a) ESTABLISHMENT.—(1) Section 2703 of title 10, United States Code, is amended to read as follows:

"§ 2703. Environmental restoration accounts

"(a) ESTABLISHMENT OF ACCOUNTS.—There are hereby established in the Department of Defense the following accounts:

"(1) An account to be known as the 'Environmental Restoration Account, Defense'.

"(2) An account to be known as the 'Environmental Restoration Account, Army'.

"(3) An account to be known as the 'Environmental Restoration Account, Navy'.

"(4) An account to be known as the 'Environmental Restoration Account, Air Force'.

"(b) OBLIGATION OF AUTHORIZED AMOUNTS.—Funds authorized for deposit in an account under subsection (a) may be obligated or expended from the account only in order to carry out the environmental restoration functions of the Secretary of Defense and the Secretaries of the military departments under this chapter and under any other provision of law. Funds so authorized shall remain available until expended.

"(c) BUDGET REPORTS.—In proposing the budget for any fiscal year pursuant to section 1105 of title 31, the President shall set forth separately the amounts requested for environmental restora-

tion programs of the Department of Defense and of each of the military departments under this chapter and under any other Act.

"(d) CREDIT OF AMOUNTS RECOVERED.—The following amounts shall be credited to the appropriate environmental restoration account:

"(1) Amounts recovered under CERCLA for response actions.

"(2) Any other amounts recovered from a contractor, insurer, surety, or other person to reimburse the Department of Defense or a military department for any expenditure for environmental response activities.

"(e) PAYMENTS OF FINES AND PENALTIES.—None of the funds appropriated to the Environmental Restoration Account, Defense, for fiscal years 1995 through 1999, or to any environmental restoration account of a military department for fiscal years 1997 through 1999, may be used for the payment of a fine or penalty (including any supplemental environmental project carried out as part of such penalty) imposed against the Department of Defense or a military department unless the act or omission for which the fine or penalty is imposed arises out of an activity funded by the environmental restoration account concerned and the payment of the fine or penalty has been specifically authorized by law.".

(2) The table of sections at the beginning of chapter 160 of title 10, United States Code, is amended by striking out the item relating to section 2703 and inserting in lieu thereof the following new item:

"2703. Environmental restoration accounts.".

(b) REFERENCES.—Any reference to the Defense Environmental Restoration Account in any Federal law, Executive Order, regulation, delegation of authority, or document shall be deemed to refer to the appropriate environmental restoration account established under section 2703(a)(1) of title 10, United States Code (as amended by subsection (a)(1)).

(c) CONFORMING AMENDMENT.—Section 2705(g)(1) of title 10, United States Code, is amended by striking out "the Defense Environmental Restoration Account established" and inserting in lieu thereof "the environmental restoration account concerned".

(d) TREATMENT OF UNOBLIGATED BALANCES.—Any unobligated balances that remain in the Defense Environmental Restoration Account under section 2703(a) of title 10, United States Code, as of the effective date specified in subsection (e) shall be transferred on such date to the Environmental Restoration Account, Defense, established under section 2703(a)(1) of title 10, United States Code (as amended by subsection (a)(1)).

(e) EFFECTIVE DATE.—The amendments made by this section shall take effect on the later of—

(1) October 1, 1996; or

(2) the date of the enactment of this Act.

SEC. 323. PAYMENTS OF STIPULATED PENALTIES ASSESSED UNDER CERCLA.

(a) AUTHORITY.—The Secretary of Defense may pay the following:

(1) Stipulated civil penalties, to the Hazardous Substance Superfund established under section 9507 of the Internal Revenue Code of 1986, in amounts, and using funds, as follows:

(A) Using funds authorized to be appropriated to the Environmental Restoration Account, Army, established under section 2703(a)(2) of title 10, United States Code (as amended by section 322 of this Act)—

(i) not more than $34,000 assessed against Fort Riley, Kansas, under CERCLA; and

(ii) not more than $37,500 assessed against Lake City Army Ammunition Plant, Missouri, under CERCLA.

(B) Using funds authorized to be appropriated to the Environmental Restoration Account, Navy, established under section 2703(a)(3) of that title, as so amended, not more than $30,000 assessed against the Naval Education and Training Center, Newport, Rhode Island, under CERCLA.

(C) Using funds authorized to be appropriated to the Environmental Restoration Account, Air Force, established under section 2703(a)(4) of that title, as so amended—

(i) not more than $55,000 assessed against the Massachusetts Military Reservation, Massachusetts, under CERCLA; and

(ii) not more than $10,000 assessed against F.E. Warren Air Force Base, Wyoming, under CERCLA.

(2) Using funds authorized to be appropriated to the Environmental Restoration Account, Air Force, established under section 2703(a)(4) of that title, as so amended, not more than $500,000 to carry out one environmental restoration project, as part of a negotiated agreement in lieu of stipulated penalties assessed under CERCLA against the Massachusetts Military Reservation, Massachusetts.

(b) CERCLA DEFINED.—In this section, the term "CERCLA" means the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.).

SEC. 324. SHIPBOARD SOLID WASTE CONTROL.

(a) IN GENERAL.—Section 3(c) of the Act to Prevent Pollution from Ships (33 U.S.C. 1902(c)) is amended—

(1) in paragraph (1), by striking out "Not later than" and inserting in lieu thereof "Except as provided in paragraphs (2) and (3), not later than"; and

(2) by striking out paragraphs (2), (3), and (4) and inserting in lieu thereof the following:

"(2)(A) Subject to subparagraph (B), any ship described in subparagraph (C) may discharge, without regard to the special area requirements of Regulation 5 of Annex V to the Convention, the following non-plastic, non-floating garbage:

"(i) A slurry of seawater, paper, cardboard, or food waste that is capable of passing through a screen with openings no larger than 12 millimeters in diameter.

"(ii) Metal and glass that have been shredded and bagged so as to ensure negative buoyancy.

"(B)(i) Garbage described in subparagraph (A)(i) may not be discharged within 3 nautical miles of land.

"(ii) Garbage described in subparagraph (A)(ii) may not be discharged within 12 nautical miles of land.

"(C) This paragraph applies to any ship that is owned or operated by the Department of the Navy that, as determined by the Secretary of the Navy—

"(i) has unique military design, construction, manning, or operating requirements; and

"(ii) cannot fully comply with the special area requirements of Regulation 5 of Annex V to the Convention because compliance is not technologically feasible or would impair the operations or operational capability of the ship.

"(3)(A) Not later than December 31, 2000, the Secretary of the Navy shall prescribe and publish in the Federal Register standards to ensure that each ship described in subparagraph (B) is, to the maximum extent practicable without impairing the operations or operational capabilities of the ship, operated in a manner that is consistent with the special area requirements of Regulation 5 of Annex V to the Convention.

"(B) Subparagraph (A) applies to surface ships that are owned or operated by the Department of the Navy that the Secretary plans to decommission during the period beginning on January 1, 2001, and ending on December 31, 2005.

"(C) At the same time that the Secretary publishes standards under subparagraph (A), the Secretary shall publish in the Federal Register a list of the ships covered by subparagraph (B).".

(b) SENSE OF CONGRESS.—(1) It is the sense of Congress that it should be an objective of the Navy to achieve full compliance with Annex V to the Convention as part of the Navy's development of ships that are environmentally sound.

(2) In this subsection, the terms "Convention" and "ship" have the meanings given such terms in section 2(a) of the Act to Prevent Pollution from Ships (33 U.S.C. 1901(a)).

(c) REPORT ON COMPLIANCE WITH ANNEX V TO THE CONVENTION.—The Secretary of Defense shall include in each report on environmental compliance activities submitted to Congress under section 2706(b) of title 10, United States Code, the following information:

(1) A list of the ship types, if any, for which the Secretary of the Navy has made the determination referred to in paragraph (2)(C) of section 3(c) of the Act to Prevent Pollution from Ships, as amended by subsection (a)(2) of this section.

(2) A list of ship types which the Secretary of the Navy has determined can comply with Regulation 5 of Annex V to the Convention.

(3) A summary of the progress made by the Navy in implementing the requirements of paragraphs (2) and (3) of such section 3(c), as so amended.

(4) A description of any emerging technologies offering the potential to achieve full compliance with Regulation 5 of Annex V to the Convention.

(5) The amount and nature of the discharges in special areas, not otherwise authorized under the Act to Prevent Pollu-

tion from Ships (33 U.S.C. 1901 et seq.), during the preceding year from ships referred to in section 3(b)(1)(A) of such Act owned or operated by the Department of the Navy.

(d) PUBLICATION REGARDING SPECIAL AREA DISCHARGES.—Subparagraph (A) of section 3(e)(4) of the Act to Prevent Pollution from Ships (33 U.S.C. 1902(e)(4)) is amended to read as follows:

> *"(A) Each year, the amount and nature of the discharges in special areas, not otherwise authorized under this Act, during the preceding year from ships referred to in subsection (b)(1)(A) of this section owned or operated by the Department of the Navy.".*

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

(a) AUTHORITY.—The Secretary of Defense may, to the extent possible and practical, develop and implement, as part of the Defense Environmental Restoration Program provided for in chapter 160 of title 10, United States Code, a land use plan for any defense site selected by the Secretary under subsection (b).

(b) SELECTION OF SITES.—The Secretary may select up to 10 defense sites, from among sites where the Secretary is planning or implementing environmental restoration activities, for which land use plans may be developed under this section.

(c) REQUIREMENT TO CONSULT WITH REVIEW COMMITTEE OR ADVISORY BOARD.—In developing a land use plan under this section, the Secretary shall consult with a technical review committee established pursuant to section 2705(c) of title 10, United States Code, a restoration advisory board established pursuant to section 2705(d) of such title, a local land use redevelopment authority, or another appropriate State agency.

(d) 50-YEAR PLANNING PERIOD.—A land use plan developed under this section shall cover a period of at least 50 years.

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

(f) DEADLINES.—For each defense site for which the Secretary intends to develop a land use plan under this section, the Secretary shall develop a draft land use plan by October 1, 1997, and a final land use plan by March 15, 1998.

(g) DEFINITION OF DEFENSE SITE.—For purposes of this section, the term "defense site" means (A) any building, structure, installation, equipment, pipe or pipeline (including any pipe into a sewer or publicly owned treatment works), well, pit, pond, lagoon, impoundment, ditch, landfill, storage container, motor vehicle, rolling stock, or aircraft under the jurisdiction of the Department of Defense, or (B) any site or area under the jurisdiction of the Department of Defense where a hazardous substance has been deposited, stored, disposed of, or placed, or otherwise come to be located; but does not include any consumer product in consumer use or any vessel.

(h) REPORT.—In the annual report required under section 2706(a) of title 10, United States Code, the Secretary shall include

information on the land use plans developed under this section and the effect such plans have had on environmental restoration activities at the defense sites where they have been implemented. The annual report submitted in 1999 shall include recommendations on whether such land use plans should be developed and implemented throughout the Department of Defense.

(i) SAVINGS PROVISIONS.—(1) Nothing in this section, or in a land use plan developed under this section with respect to a defense site, shall be construed as requiring any modification to a land use plan that was developed before the date of the enactment of this Act.

(2) Nothing in this section may be construed to affect statutory requirements for an environmental restoration or waste management activity or project or to modify or otherwise affect applicable statutory or regulatory environmental restoration and waste management requirements, including substantive standards intended to protect public health and the environment, nor shall anything in this section be construed to preempt or impair any local land use planning or zoning authority or State authority.

SEC. 326. PILOT PROGRAM TO TEST ALTERNATIVE TECHNOLOGY FOR LIMITING AIR EMISSIONS DURING SHIPYARD BLASTING AND COATING OPERATIONS.

(a) DETERMINATION BY SECRETARY OF THE NAVY.—(1) The Secretary of the Navy shall make a determination whether the alternative technology described in paragraph (2) has the clear potential for significant benefit to the Navy. The Secretary shall submit to Congress a notification in writing of the determination not later than 60 days after the date of the enactment of this Act.

(2) The technology referred to in paragraph (1) is an alternative technology designed to capture and destroy or remove particulate emissions and volatile air pollutants that occur during abrasive blasting and coating operations at naval shipyards.

(b) PILOT PROGRAM.—If the determination made under subsection (a)(1) is in the affirmative, the Secretary shall establish a pilot program to test the alternative technology. In conducting the test, the Secretary shall seek to demonstrate whether the technology is valid, cost effective, and in compliance with environmental laws and regulations.

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

SEC. 327. AGREEMENTS FOR SERVICES OF OTHER AGENCIES IN SUPPORT OF ENVIRONMENTAL TECHNOLOGY CERTIFICATION.

(a) AUTHORITY.—Subject to subsection (b), the Secretary of Defense may enter into a cooperative agreement with an agency of a State or local government to obtain assistance in certifying environmental technologies.

(b) LIMITATIONS.—The Secretary of Defense may enter into a cooperative agreement with respect to an environmental technology under subsection (a) only if the Secretary determines—

(1) that the technology has clear potential to be of significant value to the Department of Defense in carrying out its environmental restoration activities; and

(2) that there is no reasonably available market in the private sector for the technology without a certification by the Department of Defense, the Environmental Protection Agency, or a State environmental agency.

(c) TYPES OF ASSISTANCE.—The types of assistance that may be obtained under subsection (a) include the following:

(1) Data collection and analysis.

(2) Technical assistance in conducting a demonstration of an environmental technology, including the implementation of quality assurance and quality control programs.

(d) REPORT.—In the annual report required under section 2706(a) of title 10, United States Code, the Secretary of Defense shall include the following information with respect to cooperative agreements entered into under this section:

(1) The number of such agreements.

(2) The number of States in which such agreements have been entered into.

(3) A description of the nature of the technology involved in each such agreement.

(4) The amount of funds obligated or expended by the Department of Defense for each such agreement during the year covered by the report.

(e) TERMINATION OF AUTHORITY.—The authority provided under subsection (a) shall terminate five years after the date of the enactment of this Act.

SEC. 328. REPEAL OF REDUNDANT NOTIFICATION AND CONSULTATION REQUIREMENTS REGARDING REMEDIAL INVESTIGATIONS AND FEASIBILITY STUDIES AT CERTAIN INSTALLATIONS TO BE CLOSED UNDER THE BASE CLOSURE LAWS.

Section 334 of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102–190; 105 Stat. 1340; 10 U.S.C. 2687 note) is repealed.

SEC. 329. AUTHORITY FOR AGREEMENTS WITH INDIAN TRIBES FOR SERVICES UNDER ENVIRONMENTAL RESTORATION PROGRAM.

Section 2701(d) of title 10, United States Code, is amended—

(1) in the first sentence of paragraph (1), by striking out ", or with any State or local government agency," and inserting in lieu thereof ", with any State or local government agency, or with any Indian tribe,"; and

(2) by adding at the end the following:

"(3) DEFINITION.—In this subsection, the term 'Indian tribe' has the meaning given such term in section 101(36) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601(36)).".

SEC. 330. AUTHORITY TO WITHHOLD LISTING OF FEDERAL FACILITIES ON NATIONAL PRIORITIES LIST.

Section 120(d) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9620(d)) is amended—

(1) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B), respectively;

(2) by striking out "Not later than 18 months after the enactment of the Superfund Amendments and Reauthorization Act of 1986, the Administrator" and inserting in lieu thereof the following:

"(1) IN GENERAL.—The Administrator";

(3) by moving the remainder of the text of paragraph (1), as designated by paragraph (2) of this section (including subparagraphs (A) and (B), as redesignated by paragraph (1) of this section) 2 ems to the right; and

(4) by striking out "Such criteria" and all that follows through the end of the subsection and inserting in lieu thereof the following:

"(2) APPLICATION OF CRITERIA.—

"(A) IN GENERAL.—Subject to subparagraph (B), the criteria referred to in paragraph (1) shall be applied in the same manner as the criteria are applied to facilities that are owned or operated by persons other than the United States.

"(B) RESPONSE UNDER OTHER LAW.—It shall be an appropriate factor to be taken into consideration for the purposes of section 105(a)(8)(A) that the head of the department, agency, or instrumentality that owns or operates a facility has arranged with the Administrator or appropriate State authorities to respond appropriately, under authority of a law other than this Act, to a release or threatened release of a hazardous substance.

"(3) COMPLETION.—Evaluation and listing under this subsection shall be completed in accordance with a reasonable schedule established by the Administrator.".

SEC. 331. CLARIFICATION OF MEANING OF UNCONTAMINATED PROPERTY FOR PURPOSES OF TRANSFER BY THE UNITED STATES.

Section 120(h)(4)(A) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9620(h)(4)(A)) is amended in the first sentence by striking out "stored for one year or more, known to have been released," and inserting in lieu thereof "known to have been released".

SEC. 332. CONSERVATION AND CULTURAL ACTIVITIES.

(a) IN GENERAL.—(1) Chapter 159 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2694. Conservation and cultural activities

"(a) ESTABLISHMENT.—The Secretary of Defense may establish and carry out a program to conduct and manage in a coordinated manner the conservation and cultural activities described in subsection (b).

"(b) ACTIVITIES.—(1) A conservation or cultural activity eligible for the program that the Secretary establishes under subsection (a) is any activity—

"(A) that has regional or Department of Defense-wide significance and that involves more than one military department;

"(B) that is necessary to meet legal requirements or to support military operations;

"(C) that can be more effectively managed at the Department of Defense level; and

"(D) for which no executive ageny has been designated responsible by the Secretary.

"(2) Such activities include the following:

"(A) The development of ecosystem-wide land management plans.

"(B) The conduct of wildlife studies to ensure the safety of military operations.

"(C) The identification and return of Native American human remains and cultural items in the possession or control of the Department of Defense, or discovered on land under the jurisdiction of the Department, to the appropriate Native American tribes.

"(D) The control of invasive species that may hinder military activities or degrade military training ranges.

"(E) The establishment of a regional curation system for artifacts found on military installations.

"(c) COOPERATIVE AGREEMENTS.—The Secretary may negotiate and enter into cooperative agreements with public and private agencies, organizations, institutions, individuals, or other entities to carry out the program established under subsection (a).

"(d) EFFECT ON OTHER LAWS.—Nothing in this section shall be construed or interpreted as preempting any otherwise applicable Federal, State, or local law or regulation relating to the management of natural and cultural resources on military installations.".

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

"2694. Conservation and cultural activities.".

(b) EFFECTIVE DATE.—Section 2694 of title 10, United States Code, as added by subsection (a), shall take effect on October 1, 1996.

SEC. 333. NAVY PROGRAM TO MONITOR ECOLOGICAL EFFECTS OF ORGANOTIN.

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

(b) FUNDING.—The Administrator of the Environmental Protection Agency shall provide, in advance, such sums as are necessary to the Secretary of the Navy for the costs of developing and implementing the program under subsection (a).

(c) WRITTEN AGREEMENT.—The Secretary of the Navy and the Administrator of the Environmental Protection Agency shall enter into a written agreement setting forth the actions that the Secretary

plans to take under subsection (a) and the funding that the Administrator agrees to provide under subsection (b). If the Secretary determines that the Administrator will not enter into such an agreement, the Secretary shall notify the Committee on National Security of the House of Representatives and the Committee on Armed Services of the Senate not later than 30 days after such determination.

(d) NONIMPAIRMENT OF MISSION.—Compliance with subsection (a) shall be conducted in such a manner so as not to impair the ability of the Department of the Navy to meet its operational requirements.

(e) REPORT.—Not later than June 1, 1997, the Secretary of the Navy shall submit to Congress a report containing the following:

(1) A description of the monitoring program developed pursuant to subsection (a).

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

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

(4) An assessment, developed in consultation with the Administrator of the Environmental Protection Agency, of the effectiveness of existing laws and rules concerning organotin compounds in ensuring protection of human health and the environment.

(f) SENSE OF CONGRESS.—(1) It is the sense of Congress that the Administrator of the Environmental Protection Agency, in consultation with the Secretary of the Navy, should develop, for purposes of the national pollutant discharge elimination system, a model permit for the discharge of organotin compounds at shipbuilding and ship repair facilities.

(2) For purposes of this subsection, the term "organotin" has the meaning provided in section 3 of the Organotin Antifouling Paint Control Act of 1988 (33 U.S.C. 2402).

(g) TERMINATION.—The program required by subsection (a) shall terminate five years after the date of the enactment of this Act.

SEC. 334. AUTHORITY TO TRANSFER CONTAMINATED FEDERAL PROPERTY BEFORE COMPLETION OF REQUIRED RESPONSE ACTIONS.

(a) IN GENERAL.—Section 120(h)(3) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9620(h)(3)) is amended—

(1) by redesignating subparagraph (A) as clause (i) and clauses (i), (ii), and (iii) of that subparagraph as subclauses (I), (II), and (III), respectively;

(2) by striking out "After the last day" and inserting in lieu thereof the following:

"(A) IN GENERAL.—After the last day";

(3) by redesignating subparagraph (B) as clause (ii) and clauses (i) and (ii) of that subparagraph as subclauses (I) and (II), respectively;

(4) by redesignating subparagraph (C) as clause (iii);

(5) by moving the remainder of the text of subparagraph (A), as designated by paragraph (2) of this subsection (including the clauses and subclauses redesignated by paragraphs (1), (3), and (4) of this subsection) 2 ems to the right;

(6) by striking "For purposes of subparagraph (B)(i)" and inserting the following:

"(B) COVENANT REQUIREMENTS.—For purposes of subparagraphs (A)(ii)(I) and (C)(iii)";

(7) in subparagraph (B), as designated by paragraph (5), by striking "subparagraph (B)" each place it appears and inserting "subparagraph (A)(ii)"; and

(8) by adding at the end the following:

"(C) DEFERRAL.—

"(i) IN GENERAL.—The Administrator, with the concurrence of the Governor of the State in which the facility is located (in the case of real property at a Federal facility that is listed on the National Priorities List), or the Governor of the State in which the facility is located (in the case of real property at a Federal facility not listed on the National Priorities List) may defer the requirement of subparagraph (A)(ii)(I) with respect to the property if the Administrator or the Governor, as the case may be, determines that the property is suitable for transfer, based on a finding that—

"(I) the property is suitable for transfer for the use intended by the transferee, and the intended use is consistent with protection of human health and the environment;

"(II) the deed or other agreement proposed to govern the transfer between the United States and the transferee of the property contains the assurances set forth in clause (ii);

"(III) the Federal agency requesting deferral has provided notice, by publication in a newspaper of general circulation in the vicinity of the property, of the proposed transfer and of the opportunity for the public to submit, within a period of not less than 30 days after the date of the notice, written comments on the suitability of the property for transfer; and

"(IV) the deferral and the transfer of the property will not substantially delay any necessary response action at the property.

"(ii) RESPONSE ACTION ASSURANCES.—With regard to a release or threatened release of a hazardous substance for which a Federal agency is potentially responsible under this section, the deed or other agreement proposed to govern the transfer shall contain assurances that—

"(I) provide for any necessary restrictions on the use of the property to ensure the protection of human health and the environment;

"(II) provide that there will be restrictions on use necessary to ensure that required remedial in-

vestigations, response action, and oversight activities will not be disrupted;

"(III) provide that all necessary response action will be taken and identify the schedules for investigation and completion of all necessary response action as approved by the appropriate regulatory agency; and

"(IV) provide that the Federal agency responsible for the property subject to transfer will submit a budget request to the Director of the Office of Management and Budget that adequately addresses schedules for investigation and completion of all necessary response action, subject to congressional authorizations and appropriations.

"(iii) WARRANTY.—When all response action necessary to protect human health and the environment with respect to any substance remaining on the property on the date of transfer has been taken, the United States shall execute and deliver to the transferee an appropriate document containing a warranty that all such response action has been taken, and the making of the warranty shall be considered to satisfy the requirement of subparagraph (A)(ii)(I).

"(iv) FEDERAL RESPONSIBILITY.—A deferral under this subparagraph shall not increase, diminish, or affect in any manner any rights or obligations of a Federal agency (including any rights or obligations under sections 106, 107, and 120 existing prior to transfer) with respect to a property transferred under this subparagraph.".

(b) CONTINUED APPLICATION OF STATE LAW.—The first sentence of section 120(a)(4) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9620(a)(4)) is amended by inserting "or facilities that are the subject of a deferral under subsection (h)(3)(C)" after "United States".

Subtitle D—Commissaries and Nonappropriated Fund Instrumentalities

SEC. 341. CONTRACTS WITH OTHER AGENCIES TO PROVIDE OR OBTAIN GOODS AND SERVICES TO PROMOTE EFFICIENT OPERATION AND MANAGEMENT OF EXCHANGES AND MORALE, WELFARE, AND RECREATION ACTIVITIES.

(a) CONTRACTS TO PROMOTE EFFICIENT OPERATION AND MANAGEMENT.—(1) Chapter 147 of title 10, United States Code, is amended by inserting after section 2482 the following new section:

"§ 2482a. Nonappropriated fund instrumentalities: contracts with other agencies and instrumentalities to provide and obtain goods and services

"An agency or instrumentality of the Department of Defense that supports the operation of the exchange system, or the operation of a morale, welfare, and recreation system, of the Department of Defense may enter into a contract or other agreement with another

element of the Department of Defense or with another Federal department, agency, or instrumentality to provide or obtain goods and services beneficial to the efficient management and operation of the exchange system or that morale, welfare, and recreation system.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2482 the following new item:

"2482a. Nonappropriated fund instrumentalities: contracts with other agencies and instrumentalities to provide and obtain goods and services.".

(b) CONFORMING AMENDMENT REGARDING COMMISSARY SYSTEM.—Section 2482(b)(1) of such title is amended by striking out "another department" and all that follows through "provide services" and inserting in lieu thereof "another element of the Department of Defense or with another Federal department, agency, or instrumentality to provide or obtain services".

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

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

"(e) The Secretary of Defense may not use the exception provided in section 2304(c)(5) of this title regarding the procurement of a brand-name commercial item for resale in commissary stores unless the commercial item is regularly sold outside of commissary stores under the same brand name as the name by which the commercial item will be sold in commissary stores.".

(b) EFFECT ON EXISTING CONTRACTS OR OTHER AGREEMENTS.—Section 2486(e) of title 10, United States Code, as added by subsection (a), shall not affect the terms, conditions, or duration of any contract or other agreement entered into by the Secretary of Defense before the date of the enactment of this Act for the procurement of commercial items for resale in commissary stores.

SEC. 343. PROHIBITION OF SALE OR RENTAL OF SEXUALLY EXPLICIT MATERIAL.

(a) IN GENERAL—(1) Chapter 147 of title 10, United States Code, is amended by inserting after section 2489 the following new section:

"§ 2489a. Sale or rental of sexually explicit material prohibited

"(a) PROHIBITION OF SALE OR RENTAL.—The Secretary of Defense may not permit the sale or rental of sexually explicit material on property under the jurisdiction of the Department of Defense.

"(b) PROHIBITION OF OFFICIALLY PROVIDED SEXUALLY EXPLICIT MATERIAL.—A member of the armed forces or a civilian officer or employee of the Department of Defense acting in an official capacity may not provide for sale, remuneration, or rental sexually explicit material to another person.

"(c) REGULATIONS.—The Secretary of Defense shall prescribe regulations to implement this section.

"(d) DEFINITIONS.—In this section:

"(1) The term 'sexually explicit material' means an audio recording, a film or video recording, or a periodical with visual

depictions, produced in any medium, the dominant theme of which depicts or describes nudity, including sexual or excretory activities or organs, in a lascivious way.

"(2) The term 'property under the jurisdiction of the Department of Defense' includes commissaries, all facilities operated by the Army and Air Force Exchange Service, the Navy Exchange Service Command, the Navy Resale and Services Support Office, Marine Corps exchanges, and ships' stores.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2489 the following new item:

"2489a. Sale or rental of sexually explicit material prohibited.".

(b) EFFECTIVE DATE.—Subsection (a) of section 2489a of title 10, United States Code, as added by subsection (a) of this section, shall take effect 90 days after the date of the enactment of this Act.

Subtitle E—Performance of Functions by Private-Sector Sources

SEC. 351. EXTENSION OF REQUIREMENT FOR COMPETITIVE PROCUREMENT OF PRINTING AND DUPLICATION SERVICES.

(a) EXTENSION.—Section 351(a) of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 266) is amended by striking out "fiscal year 1996" and inserting in lieu thereof "fiscal years 1996 and 1997".

(b) REPORTING REQUIREMENTS.—Such section is further amended by adding at the end the following new subsection:

"(c) REPORTING REQUIREMENTS.—(1) Not later than 90 days after the end of each fiscal year in which the requirement of subsection (a) applies, the Secretary of Defense shall submit to Congress a report—

"(A) describing the extent of the compliance of the Secretary with the requirement during that fiscal year;

"(B) specifying the total volume of printing and duplication services procured by Department of Defense during that fiscal year—

"(i) from sources within the Department of Defense;

"(ii) from private-sector sources; and

"(iii) from other sources in the Federal Government; and

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

"(2) The report required for fiscal year 1996 shall also include the plans of the Secretary for further implementation of the requirement of subsection (a) during fiscal year 1997.".

SEC. 352. REPORTING REQUIREMENTS UNDER DEMONSTRATION PROJECT FOR PURCHASE OF FIRE, SECURITY, POLICE, PUBLIC WORKS, AND UTILITY SERVICES FROM LOCAL GOVERNMENT AGENCIES.

Section 816(b) of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 108 Stat. 2820) is amended

by striking out ", 1996" and inserting in lieu thereof "of each of the years 1997 and 1998".

Subtitle F—Other Matters

SEC. 361. AUTHORITY FOR USE OF APPROPRIATED FUNDS FOR RECRUITING FUNCTIONS.

(a) AUTHORITY.—Chapter 31 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 520c. Recruiting functions: use of funds

"(a) PROVISION OF MEALS AND REFRESHMENTS.—Under regulations prescribed by the Secretary concerned, funds appropriated to the Department of Defense for recruitment of military personnel may be expended for small meals and refreshments during recruiting functions for the following persons:

"(1) Persons who have enlisted under the Delayed Entry Program authorized by section 513 of this title.

"(2) Persons who are objects of armed forces recruiting efforts.

"(3) Persons whose assistance in recruiting efforts of the military departments is determined to be influential by the Secretary concerned.

"(4) Members of the armed forces and Federal employees when attending recruiting events in accordance with a requirement to do so.

"(5) Other persons whose presence at recruiting efforts will contribute to recruiting efforts.

"(b) ANNUAL REPORT.—Not later than February 1 of each of the years 1998 through 2002, the Secretary of Defense shall submit to Congress a report on the extent to which the authority under subsection (a) was exercised during the fiscal year ending in the preceding year.

"(c) TERMINATION OF AUTHORITY.—The authority in subsection (a) may not be exercised after September 30, 2001.".

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

"520c. Recruiting functions: use of funds.".

SEC. 362. TRAINING OF MEMBERS OF THE UNIFORMED SERVICES AT NON-GOVERNMENT FACILITIES.

(a) AUTHORITY TO ENTER INTO AGREEMENTS FOR TRAINING AT NON-GOVERNMENT FACILITIES.—(1) Chapter 101 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2013. Training at non-Government facilities

"(a) AUTHORITY TO ENTER INTO AGREEMENTS.—(1) The Secretary concerned, without regard to section 3709 of the Revised Statutes (41 U.S.C. 5), may make agreements or other arrangements for the training of members of the uniformed services under the jurisdiction of that Secretary by, in, or through non-Government facilities.

"(2) In this section, the term 'non-Government facility' means any of the following:

"(A) The government of a State or of a territory or possession of the United States, including the Commonwealth of Puerto Rico, an interstate governmental organization, and a unit, subdivision, or instrumentality of any of the foregoing.

"(B) A foreign government or international organization, or instrumentality of either, which is designated by the President as eligible to provide training under this section.

"(C) A medical, scientific, technical, educational, research, or professional institution, foundation, or organization.

"(D) A business, commercial, or industrial firm, corporation, partnership, proprietorship, or other organization.

"(E) Individuals other than civilian or military personnel of the Government.

"(F) The services and property of any of the foregoing providing the training.

"(b) EXPENSES.—The Secretary concerned, from appropriations or other funds available to the Secretary, may—

"(1) pay all or a part of the pay of a member of a uniformed service who is selected and assigned for training under this section, for the period of training; and

"(2) pay, or reimburse the member of a uniformed service for, all or a part of the necessary expenses of the training (without regard to subsections (a) and (b) of section 3324 of title 31), including among those expenses the necessary costs of the following:

"(A) Travel and per diem instead of subsistence under sections 404 and 405 of title 37 and the Joint Travel Regulations for the Uniformed Services.

"(B) Transportation of immediate family, household goods and personal effects, packing, crating, temporarily storing, draying, and unpacking under sections 406 and 409 of title 37 and the Joint Travel Regulations for the Uniformed Services when the estimated costs of transportation and related services are less than the estimated aggregate per diem payments for the period of training.

"(C) Tuition and matriculation fees.

"(D) Library and laboratory services.

"(E) Purchase or rental of books, materials, and supplies.

"(F) Other services or facilities directly related to the training of the member.

"(c) CERTAIN EXPENSES EXCLUDED.—The expenses of training do not include membership fees except to the extent that the fee is a necessary cost directly related to the training itself or that payment of the fee is a condition precedent to undergoing the training.".

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

"2013. Training at non-Government facilities.".

(b) EFFECTIVE DATE.—Section 2013 of title 10, United States Code, as added by subsection (a), shall take effect on October 1, 1996.

SEC. 363. REQUIREMENT FOR PREPARATION OF PLAN FOR IMPROVED OPERATION OF WORKING-CAPITAL FUNDS AND EFFECT OF FAILURE TO PRODUCE AN APPROVED PLAN.

(a) PLAN FOR IMPROVED OPERATION OF WORKING-CAPITAL FUNDS.—Not later than September 30, 1997, the Secretary of Defense shall submit to Congress a plan to improve the management and performance of the industrial, commercial, and support type activities of the military departments or the Defense Agencies that are currently managed through the Defense Business Operations Fund.

(b) ELEMENTS OF PLAN.—The plan required by subsection (a) shall address the following issues:

(1) The ability of each military department or Defense Agency to set working capital requirements and set charges at its own industrial and supply activities.

(2) The desirability of separate business accounts for the management of both industrial and supply activities for each military department or Defense Agency.

(3) Liability for operation losses at industrial and supply activities.

(4) Reimbursement to the Department of Defense by each military department or Defense Agency of its fair share of the costs of legitimate common business support services (such as accounting and financial services and central logistics services) provided by the Department of Defense.

(5) The role of the Department of Defense in setting charges or imposing surcharges for activities managed by the business accounts of a military department or Defense Agency (except for the common business support cost described in paragraph (4)), and what such charges should properly reflect.

(6) The appropriate use of operating profits arising from the operations of the industrial and supply activities of a military department or Defense Agency.

(7) The ability of a military department or Defense Agency to purchase industrial and supply services from, and provide such services to, other military departments or Defense Agencies.

(8) Standardization of financial management and accounting practices employed by the business accounts of a military department or Defense Agency.

(9) Reporting requirements related to actual and projected performance of business management account activities of a military department or Defense Agency.

(c) EFFECT OF FAILURE TO SUBMIT OR APPROVE OF PLAN.—(1) Unless, before October 1, 1999, the Secretary of Defense submits the plan required by subsection (a) and Congress enacts a provision of law described in paragraph (2) that approves of the plan as submitted or in an amended form, then section 2216a of title 10, United States Code, regarding the Defense Business Operations Fund (as redesignated by section 1074(a)(10) of this Act), shall be repealed effective as of that date.

(2) The provision of law referred to in paragraph (1) is a provision of law that—

(A) is enacted after the submission of the plan required by subsection (a);

(B) specifically refers to the plan and this section; and

(C) specifically states that the plan required by subsection (a) is approved as submitted or with such amendments as may be contained in such law.

(d) BASIS FOR CHARGES FOR GOODS AND SERVICES; COMPTROLLER GENERAL REVIEW.—(1) In the development of the proposed budget for the Defense Business Operations Fund for a fiscal year, the Secretary of Defense shall ensure that accurate and realistic pricing and quantity estimates are used regarding the goods and services to be provided by working-capital funds and industrial, commercial, and support type activities managed through the Fund.

(2) The Secretary of Defense shall make available to the Comptroller General information used to establish the charges for goods and services to be provided by working-capital funds and industrial, commercial, and support type activities managed through the Fund. The Comptroller General shall conduct an annual review of the adequacy of the basis for the charges. Not later than 30 days after the date on which the Secretary submits the annual report and proposed budget for the Fund under subsection (h) of section 2216a of title 10, United States Code, as redesignated by section 1074(a)(10) of this Act, the Comptroller General shall submit to Congress a report containing the results of the review.

SEC. 364. INCREASE IN CAPITAL ASSET THRESHOLD UNDER DEFENSE BUSINESS OPERATIONS FUND.

Section 2216a of title 10, United States Code, as redesignated by section 1074(a)(10) of this Act, is amended in subsection (i)(1) by striking out "$50,000" and inserting in lieu thereof "$100,000".

SEC. 365. EXPANSION OF AUTHORITY TO DONATE UNUSABLE FOOD.

(a) AUTHORITY FOR DONATIONS FROM DEFENSE AGENCIES.—Section 2485 of title 10, United States Code, is amended by striking out "Secretary of a military department" in subsections (a) and (b) and inserting in lieu thereof "Secretary of Defense".

(b) EXPANSION OF ELIGIBLE RECIPIENTS.—Such section is further amended—

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

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

"(1) A charitable nonprofit food bank that is designated by the Secretary of Defense or the Secretary of Health and Human Services as authorized to receive such donations.

"(2) A State or local agency that is designated by the Secretary of Defense or the Secretary of Health and Human Services as authorized to receive such donations.

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

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

(c) CLARIFICATION OF FOOD THAT MAY BE DONATED.—Subsection (b) of such section is further amended by inserting "rations known as humanitarian daily rations (HDRs)," after "(MREs),".

SEC. 366. ASSISTANCE TO COMMITTEES INVOLVED IN INAUGURATION OF THE PRESIDENT.

(a) IN GENERAL.—Section 2543 of title 10, United States Code, is amended to read as follows:

"§ 2543. Equipment and services: Presidential inaugural ceremonies

"(a) ASSISTANCE AUTHORIZED.—The Secretary of Defense may, with respect to the ceremonies relating to the inauguration of a President, provide the assistance referred to in subsection (b) to—

(1) the Presidential Inaugural Committee; and

(2) the congressional Joint Inaugural Committee.

"(b) ASSISTANCE.—Assistance that may be provided under subsection (a) is the following:

"(1) Planning and carrying out activities relating to security and safety.

"(2) Planning and carrying out ceremonial activities.

"(3) Loan of property.

"(4) Any other assistance that the Secretary considers appropriate.

"(c) REIMBURSEMENT.—(1) The Presidential Inaugural Committee shall reimburse the Secretary for any costs incurred in connection with the provision to the committee of assistance referred to in subsection (b)(4).

"(2) Costs reimbursed under paragraph (1) shall be credited to the appropriations from which the costs were paid. The amount credited to an appropriation shall be proportionate to the amount of the costs charged to that appropriation.

"(d) LOANED PROPERTY.—With respect to property loaned for a presidential inauguration under subsection (b)(3), the Presidential Inaugural Committee shall—

"(1) return that property within nine days after the date of the ceremony inaugurating the President;

"(2) give good and sufficient bond for the return in good order and condition of that property;

"(3) indemnify the United States for any loss of, or damage to, that property; and

"(4) defray any expense incurred for the delivery, return, rehabilitation, replacement, or operation of that property.

"(e) DEFINITIONS.—In this section:

"(1) The term 'Presidential Inaugural Committee' means the committee referred to in subsection (b)(2) of the first section of the Presidential Inaugural Ceremonies Act (36 U.S.C. 721) that is appointed with respect to the inauguration of a President-elect and Vice President-elect.

"(2) The term 'congressional Joint Inaugural Committee' means the joint committee of the Senate and House of Representatives referred to in the proviso in section 9 of the Presidential Inaugural Ceremonies Act (36 U.S.C. 729) that is appointed with respect to the inauguration of a President-elect and Vice President-elect.".

(b) CLERICAL AMENDMENT.—The item relating to section 2543 in the table of sections at the beginning of chapter 152 of such title is amended to read as follows:

"2543. Equipment and services: Presidential inaugural ceremonies.".

SEC. 367. DEPARTMENT OF DEFENSE SUPPORT FOR SPORTING EVENTS.

(a) AUTHORITY TO PROVIDE SUPPORT.—Subchapter II of chapter 152 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2554. Provision of support for certain sporting events

"(a) SECURITY AND SAFETY ASSISTANCE.—At the request of a Federal, State, or local government agency responsible for providing law enforcement services, security services, or safety services, the Secretary of Defense may authorize the commander of a military installation or other facility of the Department of Defense or the commander of a specified or unified combatant command to provide assistance for the World Cup Soccer Games, the Goodwill Games, the Olympics, and any other civilian sporting event in support of essential security and safety at such event, but only if the Attorney General certifies that such assistance is necessary to meet essential security and safety needs.

"(b) OTHER ASSISTANCE.—The Secretary of Defense may authorize a commander referred to in subsection (a) to provide assistance for a sporting event referred to in that subsection in support of other needs relating to such event, but only—

"(1) to the extent that such needs cannot reasonably be met by a source other than the Department;

"(2) to the extent that the provision of such assistance does not adversely affect the military preparedness of the armed forces; and

"(3) if the organization requesting such assistance agrees to reimburse the Department for amounts expended by the Department in providing the assistance in accordance with the provisions of section 377 of this title and other applicable provisions of law.

"(c) INAPPLICABILITY TO CERTAIN EVENTS.—Subsections (a) and (b) do not apply to the following sporting events:

"(1) Sporting events for which funds have been appropriated before the date of the enactment of this Act.

"(2) The Special Olympics.

"(3) The Paralympics.

"(d) TERMS AND CONDITIONS.—The Secretary of Defense may require such terms and conditions in connection with the provision of assistance under this section as the Secretary considers necessary and appropriate to protect the interests of the United States.

"(e) REPORT ON ASSISTANCE.—Not later than January 30 of each year following a year in which the Secretary of Defense provides assistance under this section, the Secretary shall submit to Congress a report on the assistance provided. The report shall set forth—

"(1) a description of the assistance provided;

"(2) the amount expended by the Department in providing the assistance;

"(3) if the assistance was provided under subsection (a), the certification of the Attorney General with respect to the assistance under that subsection; and

"(4) if the assistance was provided under subsection (b)—

"(A) an explanation why the assistance could not reasonably be met by a source other than the Department; and

"(B) the amount the Department was reimbursed under that subsection.

"(f) RELATIONSHIP TO OTHER LAWS.—Assistance provided under this section shall be subject to the provisions of sections 375 and 376 of this title.".

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

"2554. Provision of support for certain sporting events.".

SEC. 368. STORAGE OF MOTOR VEHICLE IN LIEU OF TRANSPORTATION.

(a) STORAGE AUTHORIZED.—(1) Section 2634 of title 10, United States Code, is amended—

(A) by redesignating subsection (b) as subsection (g);

(B) by transferring subsection (g), as so redesignated, to the end of such section; and

(C) by inserting after subsection (a) the following new subsection:

"(b)(1) In lieu of transportation authorized by this section, if a member is ordered to make a change of permanent station to a foreign country and the laws, regulations, or other restrictions imposed by the foreign country or the United States preclude entry of a motor vehicle described in subsection (a) into that country, or would require extensive modification of the vehicle as a condition to entry, the member may elect to have the vehicle stored at the expense of the United States at a location approved by the Secretary concerned.

"(2) If a member is transferred or assigned in connection with a contingency operation to duty at a location other than the permanent station of the member for a period of more than 30 consecutive days, but the transfer or assignment is not considered a change of permanent station, the member may elect to have a motor vehicle described in subsection (a) stored at the expense of the United States at a location approved by the Secretary concerned.

"(3) Authorized expenses under this subsection include costs associated with the delivery of the motor vehicle for storage and removal of the vehicle for delivery to a destination approved by the Secretary concerned.".

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

"§ 2634. Motor vehicles: transportation or storage for members on change of permanent station or extended deployment".

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

"2634. Motor vehicles: transportation or storage for members on change of permanent station or extended deployment.".

(b) CONFORMING AMENDMENT.—Subparagraph (B) of section 406(h)(1) of title 37, United States Code, is amended to read as follows:

"(B) in the case of a member described in paragraph (2)(A), authorize the transportation of one motor vehicle, which is owned or leased by the member (or a dependent of the member) and is for the personal use of a dependent of the member, to that location by means of transportation authorized under section 2634 of title 10 or authorize the storage of the motor vehicle pursuant to subsection (b) of such section.".

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

SEC. 369. SECURITY PROTECTIONS AT DEPARTMENT OF DEFENSE FACILITIES IN NATIONAL CAPITAL REGION.

(a) EXPANSION OF AUTHORITY.—Subsection (b) of section 2674 of title 10, United States Code, is amended by striking out "at the Pentagon Reservation" and inserting in lieu thereof "in the National Capital Region".

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

"§ 2674. Operation and control of Pentagon Reservation and defense facilities in National Capital Region".

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

"2674. Operation and control of Pentagon Reservation and defense facilities in National Capital Region.".

SEC. 370. ADMINISTRATION OF MIDSHIPMEN'S STORE AND OTHER NAVAL ACADEMY SUPPORT ACTIVITIES AS NONAPPROPRIATED FUND INSTRUMENTALITY.

(a) IN GENERAL.—Section 6971 of title 10, United States Code, is amended to read as follows:

"§ 6971. Midshipmen's store trade shops, dairy, and laundry: nonappropriated fund instrumentality and accounts

"(a) OPERATION AS NONAPPROPRIATED FUND INSTRUMENTALITY.—The Superintendent of the Naval Academy shall operate the Naval Academy activities referred to in subsection (b) as a nonappropriated fund instrumentality under the jurisdiction of the Navy.

"(b) COVERED ACTIVITIES.—The nonappropriated fund instrumentality required under subsection (a) shall consist of the following Naval Academy activities:

"(1) The midshipmen's store.
"(2) The barber shop.
"(3) The cobbler shop.
"(4) The tailor shop.
"(5) The dairy.
"(6) The laundry.

"(c) NONAPPROPRIATED FUND ACCOUNTS.—The Superintendent of the Naval Academy shall administer a separate nonappropriated fund account for each of the Naval Academy activities included in the nonappropriated fund instrumentality required under subsection (a).

"(d) CREDITING OF REVENUE.—The Superintendent shall credit all revenue received from a Naval Academy activity referred to in subsection (b) to the account administered with respect to that activity under subsection (c), and amounts so credited shall be available for operating expenses of that activity.

"(e) REGULATIONS.—This section shall be carried out under regulations prescribed by the Secretary of the Navy.".

(b) CIVIL SERVICE EMPLOYMENT STATUS OF EMPLOYEES OF COVERED ACTIVITIES.—Section 2105(b) of title 5, United States Code, is amended—

(1) by inserting "who is" after "An individual"; and

(2) by inserting "and whose employment in such a position began before October 1, 1996, and has been uninterrupted in such a position since that date" after "Academy dairy,".

(c) CONFORMING REPEAL.—Section 6970 of title 10, United States Code, is repealed.

(d) CLERICAL AMENDMENTS.—The table of sections at the beginning of chapter 603 of title 10, United States Code, is amended by striking out the items relating to sections 6970 and 6971 and inserting in lieu thereof the following new item:

"6971. Midshipmen's store, trade shops, dairy, and laundry: nonappropriated fund instrumentality and accounts.".

(e) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1996.

SEC. 371. REIMBURSEMENT UNDER AGREEMENT FOR INSTRUCTION OF CIVILIAN STUDENTS AT FOREIGN LANGUAGE INSTITUTE OF THE DEFENSE LANGUAGE INSTITUTE.

(a) AUTHORITY TO ACCEPT REIMBURSEMENT IN KIND.—Section 559(a)(1) of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 108 Stat. 2776; 10 U.S.C. 4411 note) is amended—

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

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

"(c) REIMBURSEMENT OPTIONS FOR CERTAIN INSTRUCTION.—In the case of instruction provided to students described in subsection (a)(1), the Secretary may provide the instruction on a cost-reimbursable basis, a reimbursement-in-kind basis, or a combination of both options. Regardless of the reimbursement option, the value of the reimbursement received under this subsection may not be less than the amount charged for providing language instruction to Federal employees who are not Department of Defense employees. The Secretary may not delegate the authority to accept an offer for in-kind reimbursement below the level of the Assistant Secretary of the Army.".

(b) CONFORMING AMENDMENTS.—Such section is further amended—

(1) in subsection (a)(1), by striking out "cost-reimbursable,"; and

(2) in subsection (d), as redesignated by subsection (a)(1) of this section, by striking out "subsection (a)" the first place it appears and inserting in lieu thereof "subsection (a) or (c)".

SEC. 372. ASSISTANCE TO LOCAL EDUCATIONAL AGENCIES THAT BENEFIT DEPENDENTS OF MEMBERS OF THE ARMED FORCES AND DEPARTMENT OF DEFENSE CIVILIAN EMPLOYEES.

(a) CONTINUATION OF DEPARTMENT OF DEFENSE PROGRAM FOR FISCAL YEAR 1997.—Of the amounts authorized to be appropriated in section 301(5)—

(1) $30,000,000 shall be available for providing educational agencies assistance (as defined in subsection (d)(1)) to local educational agencies; and

(2) $5,000,000 shall be available for making educational agencies payments (as defined in subsection (d)(2)) to local educational agencies.

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

(1) notify each local educational agency that is eligible for educational agencies assistance for fiscal year 1997 of that agency's eligibility for such assistance and the amount of such assistance for which that agency is eligible; and

(2) notify each local educational agency that is eligible for an educational agencies payment for fiscal year 1997 of that agency's eligibility for such payment and the amount of the payment for which that agency is eligible.

(c) DISBURSEMENT OF FUNDS.—The Secretary of Defense shall disburse funds made available under paragraphs (1) and (2) of 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 "educational agencies payments" means payments authorized under section 386(d) of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102–484; 20 U.S.C. 7703 note).

(3) The term "local educational agency" has the meaning given that term in section 8013(9) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7713(9)).

SEC. 373. RENOVATION OF BUILDING FOR DEFENSE FINANCE AND ACCOUNTING SERVICE CENTER, FORT BENJAMIN HARRISON, INDIANA.

(a) TRANSFER AUTHORITY.—To pay the costs of planning, design, and renovation of Building One, Fort Benjamin Harrison, Indiana, for use as a Defense Finance and Accounting Service Center, the Secretary of Defense may transfer to the Administrator of General Services in the manner provided in subsection (b) funds available to the Department of Defense for the Defense Finance and Accounting Service for a fiscal year for operation and maintenance.

(b) AUTHORITY SUBJECT TO AUTHORIZATIONS AND APPROPRIATIONS.—To the extent provided in appropriations Acts—

(1) of funds described in subsection (a) and appropriated for fiscal year 1997, $9,000,000 may be transferred under such subsection; and

(2) of funds described in subsection (a) and appropriated for fiscal years 1998, 1999, 2000, and 2001, funds may be transferred under such subsection in such amounts as are authorized to be transferred in an Act enacted after the date of the enactment of this Act.

(c) AUTHORITY SUBJECT TO AGREEMENT BETWEEN DEPARTMENT OF DEFENSE AND GENERAL SERVICES ADMINISTRATION.—The transfer authority provided in subsection (a) shall not take effect until the date on which the Secretary of Defense and the Administrator of General Services enter into an agreement that provides for the Department of Defense to receive a full reimbursement for the funds transferred under such subsection. Such reimbursement may include reimbursement in the form of reduced or static rental rates for Building One.

SEC. 374. FOOD DONATION PILOT PROGRAM AT SERVICE ACADEMIES.

(a) PROGRAM AUTHORIZED.—The Secretaries of the military departments and the Secretary of Transportation may each carry out a food donation pilot program at the service academy under the jurisdiction of such Secretary.

(b) DONATIONS AND COLLECTIONS OF FOOD AND GROCERY PRODUCTS.—Under the pilot program, the Secretary concerned may donate to, and permit others to collect for, a nonprofit organization any food or grocery product that—

(1) is—

(A) an apparently wholesome food;

(B) an apparently fit grocery product; or

(C) a food or grocery product that is donated in accordance with section 402(e) of the National and Community Service Act of 1990 (42 U.S.C. 12672(e));

(2) is owned by the United States;

(3) is located at a service academy under the jurisdiction of such Secretary; and

(4) is excess to the requirements of the academy.

(c) PROGRAM COMMENCEMENT.—The Secretary concerned shall commence carrying out the pilot program, if at all, during fiscal year 1997.

(d) APPLICABILITY OF GOOD SAMARITAN FOOD DONATION ACT.—Section 402 of the National and Community Service Act of 1990 (42 U.S.C. 12672) shall apply to donations and collections of food and grocery products under the pilot program without regard to section 403 of such Act (42 U.S.C. 12673).

(e) REPORTS.—(1) Each Secretary that carries out a pilot program at a service academy under this section shall submit to Congress an interim report and a final report on the pilot program.

(2) The Secretary concerned shall submit the interim report not later than one year after the date on which the Secretary commences the pilot program at a service academy.

(3) The Secretary concerned shall submit the final report not later than 90 days after the Secretary completes the pilot program at a service academy.

(4) Each report shall include the following:

(A) A description of the conduct of the pilot program.

(B) A discussion of the experience under the pilot program.

(C) An evaluation of the extent to which section 402 of the National and Community Service Act of 1990 (42 U.S.C. 12672) has been effective in protecting the United States and others from liabilities associated with actions taken under the pilot program.

(D) Any recommendations for legislation to facilitate donations or collections of excess food and grocery products of the United States or others for nonprofit organizations.

(f) DEFINITIONS.—For purposes of this section:

(1) The term "service academy" means each of the following:

(A) The United States Military Academy.

(B) The United States Naval Academy.

(C) The United States Air Force Academy.

(D) The United States Coast Guard Academy.

(2) The term "Secretary concerned" means the following:

(A) The Secretary of the Army, with respect to the United States Military Academy.

(B) The Secretary of the Navy, with respect to the United States Naval Academy.

(C) The Secretary of the Air Force, with respect to the United States Air Force Academy.

(D) The Secretary of Transportation, with respect to the United States Coast Guard Academy.

(3) The terms "apparently fit grocery product", "apparently wholesome food", "donate", "food", and "grocery product" have the meanings given those terms in section 402(b) of the National and Community Service Act of 1990 (42 U.S.C. 12672(b)).

SEC. 375. AUTHORITY OF AIR NATIONAL GUARD TO PROVIDE CERTAIN SERVICES AT LINCOLN MUNICIPAL AIRPORT, LINCOLN, NEBRASKA.

(a) AUTHORITY.—The Nebraska Air National Guard may provide fire protection services and rescue services relating to aircraft at Lincoln Municipal Airport, Lincoln, Nebraska, on behalf of the Lincoln Municipal Airport Authority, Lincoln, Nebraska.

(b) AGREEMENT.—The Nebraska Air National Guard may not provide services under subsection (a) until the Nebraska Air National Guard and the authority enter into an agreement under which the authority agrees—

(1) to reimburse the Nebraska Air National Guard for the cost of the services provided; and

(2) to hold harmless and indemnify the United States, except in cases of willful misconduct or gross negligence, from any claim for damages or injury to any person or property arising out of the provision of, or the failure to provide, such services.

(c) EFFECT ON MILITARY PREPAREDNESS.—Services may only be provided under subsection (a) to the extent that the provision of

such services does not adversely affect the military preparedness of the Armed Forces.

SEC. 376. TECHNICAL AMENDMENT REGARDING IMPACT AID PROGRAM.

Paragraph (3) of section 8003(a) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7703(a)) is amended by striking out "2,000 and such number equals or exceeds 15" and inserting in lieu thereof "1,000 or such number equals or exceeds 10".

TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS

Subtitle A—Active Forces

Sec. 401. End strengths for active forces.
Sec. 402. Permanent end strength levels to support two major regional contingencies.
Sec. 403. Authorized strengths for commissioned officers on active duty in grades of major, lieutenant colonel, and colonel and navy grades of lieutenant commander, commander, and captain.
Sec. 404. Extension of requirement for recommendations regarding appointments to joint 4-star officer positions.
Sec. 405. Increase in authorized number of general officers on active duty in the Marine Corps.

Subtitle B—Reserve Forces

Sec. 411. End strengths for Selected Reserve.
Sec. 412. End strengths for reserves on active duty in support of the Reserves.
Sec. 413. End strengths for military technicians.
Sec. 414. Assurance of continued assignment of military personnel to serve in Selective Service System.

Subtitle C—Authorization of Appropriations

Sec. 421. Authorization of appropriations for military personnel.

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, 1997, as follows:

(1) The Army, 495,000.
(2) The Navy, 407,318.
(3) The Marine Corps, 174,000.
(4) The Air Force, 381,100.

SEC. 402. PERMANENT END STRENGTH LEVELS TO SUPPORT TWO MAJOR REGIONAL CONTINGENCIES.

(a) REQUIREMENT TO BUDGET FOR AND MAINTAIN STATUTORY END STRENGTH LEVELS.—Section 691 of title 10, United States Code, is amended—

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

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

"(c) The budget for the Department of Defense for any fiscal year as submitted to Congress shall include amounts for funding for each of the armed forces (other than the Coast Guard) at least in the amounts necessary to maintain the active duty end strengths

prescribed in subsection (b), as in effect at the time that such budget is submitted.

"(d) No funds appropriated to the Department of Defense may be used to implement a reduction of the active duty end strength for any of the armed forces (other than the Coast Guard) for any fiscal year below the level specified in subsection (b) unless the reduction in end strength for that armed force for that fiscal year is specifically authorized by law.".

(b) TEMPORARY FLEXIBILITY RELATING TO PERMANENT END STRENGTH LEVELS.—Subsection (e) of such section, as redesignated by subsection (a)(1), is amended by striking out "not more than 0.5 percent" and inserting in lieu thereof "not more than 1 percent".

SEC. 403. AUTHORIZED STRENGTHS FOR COMMISSIONED OFFICERS ON ACTIVE DUTY IN GRADES OF MAJOR, LIEUTENANT COLONEL, AND COLONEL AND NAVY GRADES OF LIEUTENANT COMMANDER, COMMANDER, AND CAPTAIN.

(a) REVISION IN ARMY, AIR FORCE, AND MARINE CORPS LIMITATIONS.—The table in paragraph (1) of section 523(a) of title 10, United States Code, is amended to read as follows:

"Total number of commissioned officers (excluding officers in categories specified in subsection (b)) on active duty:	*Number of officers who may be serving on active duty in the grade of:*		
	Major	*Lieutenant Colonel*	*Colonel*
Army:			
20,000	*6,848*	*5,253*	*1,613*
25,000	*7,539*	*5,642*	*1,796*
30,000	*8,231*	*6,030*	*1,980*
35,000	*8,922*	*6,419*	*2,163*
40,000	*9,614*	*6,807*	*2,347*
45,000	*10,305*	*7,196*	*2,530*
50,000	*10,997*	*7,584*	*2,713*
55,000	*11,688*	*7,973*	*2,897*
60,000	*12,380*	*8,361*	*3,080*
65,000	*13,071*	*8,750*	*3,264*
70,000	*13,763*	*9,138*	*3,447*
75,000	*14,454*	*9,527*	*3,631*
80,000	*15,146*	*9,915*	*3,814*
85,000	*15,837*	*10,304*	*3,997*
90,000	*16,529*	*10,692*	*4,181*
95,000	*17,220*	*11,081*	*4,364*
100,000	*17,912*	*11,469*	*4,548*
110,000	*19,295*	*12,246*	*4,915*
120,000	*20,678*	*13,023*	*5,281*
130,000	*22,061*	*13,800*	*5,648*
170,000	*27,593*	*16,908*	*7,116*
Air Force:			
35,000	*9,216*	*7,090*	*2,125*
40,000	*10,025*	*7,478*	*2,306*
45,000	*10,835*	*7,866*	*2,487*
50,000	*11,645*	*8,253*	*2,668*
55,000	*12,454*	*8,641*	*2,849*
60,000	*13,264*	*9,029*	*3,030*
65,000	*14,073*	*9,417*	*3,211*
70,000	*14,883*	*9,805*	*3,392*
75,000	*15,693*	*10,193*	*3,573*
80,000	*16,502*	*10,582*	*3,754*
85,000	*17,312*	*10,971*	*3,935*
90,000	*18,121*	*11,360*	*4,115*
95,000	*18,931*	*11,749*	*4,296*
100,000	*19,741*	*12,138*	*4,477*
105,000	*20,550*	*12,527*	*4,658*

"Total number of commissioned officers (excluding officers in categories specified in subsection (b)) on active duty:	Number of officers who may be serving on active duty in the grade of:		
	Major	Lieutenant Colonel	Colonel
110,000	21,360	12,915	4,838
115,000	22,169	13,304	5,019
120,000	22,979	13,692	5,200
125,000	23,789	14,081	5,381
Marine Corps:			
10,000	2,525	1,480	571
12,500	2,900	1,600	592
15,000	3,275	1,720	613
17,500	3,650	1,840	633
20,000	4,025	1,960	654
22,500	4,400	2,080	675
25,000	4,775	2,200	695."

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

"Total number of commissioned officers (excluding officers in categories specified in subsection (b)) on active duty:	Number of officers who may be serving on active duty in grade of:		
	Lieutenant commander	Commander	Captain
Navy:			
30,000	7,331	5,018	2,116
33,000	7,799	5,239	2,223
36,000	8,267	5,460	2,330
39,000	8,735	5,681	2,437
42,000	9,203	5,902	2,544
45,000	9,671	6,123	2,651
48,000	10,139	6,343	2,758
51,000	10,606	6,561	2,864
54,000	11,074	6,782	2,971
57,000	11,541	7,002	3,078
60,000	12,009	7,222	3,185
63,000	12,476	7,441	3,292
66,000	12,944	7,661	3,398
70,000	13,567	7,954	3,541
90,000	16,683	9,419	4,254."

(c) REPEAL OF TEMPORARY AUTHORITY FOR VARIATIONS IN END STRENGTHS.—The following provisions of law are repealed:

(1) Section 402 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160; 107 Stat. 1639; 10 U.S.C. 523 note).

(2) Section 402 of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 108 Stat. 2743; 10 U.S.C. 523 note).

(3) Section 402 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 286; 10 U.S.C. 523 note).

(d) EFFECTIVE DATE.—The amendments made by subsections (a), (b), and (c) shall take effect on September 1, 1997.

SEC. 404. EXTENSION OF REQUIREMENT FOR RECOMMENDATIONS REGARDING APPOINTMENTS TO JOINT 4-STAR OFFICER POSITIONS.

(a) SERVICE SECRETARY RECOMMENDATION REQUIRED.—Section 604(c) of title 10, United States Code, is amended by striking out

"September 30, 1997" and inserting in lieu thereof "September 30, 2000".

(b) GRADE RELIEF WHEN RECOMMENDATION MADE.—Section 525(b)(5)(C) of such title is amended by striking out "September 30, 1997" and inserting in lieu thereof "September 30, 2000".

SEC. 405. INCREASE IN AUTHORIZED NUMBER OF GENERAL OFFICERS ON ACTIVE DUTY IN THE MARINE CORPS.

Section 526(a)(4) of title 10, United States Code, is amended by striking out "68" and inserting in lieu thereof "80".

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, 1997, as follows:

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

(2) The Army Reserve, 215,179.

(3) The Naval Reserve, 96,304.

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

(5) The Air National Guard of the United States, 109,178.

(6) The Air Force Reserve, 73,311.

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

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

(c) ADJUSTMENTS.—The end strengths prescribed by subsection (a) for the Selected Reserve of any reserve component for a fiscal year 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, 1997, 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, 22,798.

(2) The Army Reserve, 11,729.

(3) The Naval Reserve, 16,603.

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

(5) The Air National Guard of the United States, 10,403.

(6) The Air Force Reserve, 655.

SEC. 413. END STRENGTHS FOR MILITARY TECHNICIANS.

(a) AUTHORIZATION FOR FISCAL YEAR 1997.—The minimum number of military technicians as of the last day of fiscal year 1997 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 Reserve, 6,799.

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

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

(4) For the Air National Guard of the United States, 23,299.

(b) INFORMATION TO BE PROVIDED WITH FUTURE AUTHORIZATION REQUESTS.—Section 10216 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) INFORMATION REQUIRED TO BE SUBMITTED WITH ANNUAL END STRENGTH AUTHORIZATION REQUEST.—(1) The Secretary of Defense shall include as part of the budget justification documents submitted to Congress with the budget of the Department of Defense for any fiscal year the following information with respect to the end strengths for military technicians requested in that budget pursuant to section 115(g) of this title, shown separately for each of the Army and Air Force reserve components:

"(A) The number of dual-status technicians in the high priority units and organizations specified in subsection (a)(1).

"(B) The number of technicians other than dual-status technicians in the high priority units and organizations specified in subsection (a)(1).

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

"(D) The number of technicians other than dual-status technicians in other than high priority units and organizations specified in subsection (a)(1).

"(2)(A) If the budget submitted to Congress for any fiscal year requests authorization for that fiscal year under section 115(g) of this title of a military technician end strength for a reserve component of the Army or Air Force in a number that constitutes a reduction from the end strength minimum established by law for that reserve component for the fiscal year during which the budget is submitted, the Secretary of Defense shall submit to the congressional defense committees with that budget a justification providing the basis for that requested reduction in technician end strength.

"(B) Any justification submitted under subparagraph (A) shall clearly delineate—

"(i) in the case of a reduction that includes a reduction in technicians described in subparagraph (A) or (C) of paragraph (1), the specific force structure reductions forming the basis for such requested technician reduction (and the numbers related to those force structure reductions); and

"(ii) in the case of a reduction that includes reductions in technicians described in subparagraphs (B) or (D) of paragraph (1), the specific force structure reductions, Department of Defense civilian personnel reductions, or other reasons forming the basis for such requested technician reduction (and the numbers related to those reductions).".

(c) TECHNICAL AMENDMENTS.—Such section is further amended—

(1) in subsection (a), by striking out "section 115" and inserting in lieu thereof "section 115(g)"; and

(2) in subsection (c), as redesignated by subsection (b)(1), by striking out "after the date of the enactment of this section" both places it appears and inserting in lieu thereof "after February 10, 1996,".

SEC. 414. ASSURANCE OF CONTINUED ASSIGNMENT OF MILITARY PERSONNEL TO SERVE IN SELECTIVE SERVICE SYSTEM.

(a) NUMBER OF MILITARY PERSONNEL TO BE ASSIGNED.—Section 10 of the Military Selective Service Act (50 U.S.C. App. 460) is amended—

(1) in subsection (b)(2), by inserting ", subject to subsection (e)," after "to employ such number of civilians, and"; and

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

"(e) The total number of armed forces personnel assigned to the Selective Service System under subsection (b)(2) at any time may not be less than the number of such personnel determined by the Director of Selective Service to be necessary, but not to exceed 745 persons, except that the President may assign additional armed forces personnel to the Selective Service System during a time of war or a national emergency declared by Congress or the President.".

(b) STYLISTIC AMENDMENTS.—Subsection (b) of such section is amended—

(1) by striking out "authorized—" in the matter preceding paragraph (1) and inserting in lieu thereof "authorized to undertake the following:";

(2) by striking out "to" at the beginning of paragraphs (1) through (7) and inserting in lieu thereof "To";

(3) by striking out "subject" at the beginning of paragraphs (8), (9), and (10) and inserting in lieu thereof "Subject"; and

(4) by striking out the semicolon at the end of paragraphs (1) through (9) and inserting in lieu thereof a period.

Subtitle C—Authorization of Appropriations

SEC. 421. AUTHORIZATION OF APPROPRIATIONS FOR MILITARY PERSONNEL.

There is hereby authorized to be appropriated to the Department of Defense for military personnel for fiscal year 1997 a total of $70,056,130,000. The authorization in the preceding sentence supersedes any other authorization of appropriations (definite or indefinite) for such purpose for fiscal year 1997.

TITLE V—MILITARY PERSONNEL POLICY

Subtitle A—Officer Personnel Policy

Sec. 501. Grade of Chief of Naval Research.
Sec. 502. Chief and assistant chief of Army Nurse Corps and Air Force Nurse Corps.
Sec. 503. Navy spot promotion authority for certain lieutenants with critical skills.
Sec. 504. Time for award of degrees by unaccredited educational institutions for graduates to be considered educationally qualified for appointment as Reserve officers in grade O–3.
Sec. 505. Exception to baccalaureate degree requirement for appointment in the Naval Reserve in grades above O–2.
Sec. 506. Chief warrant officer promotions.
Sec. 507. Service credit for senior ROTC cadets and midshipmen in simultaneous membership program.
Sec. 508. Continuation on active status for certain Reserve officers of the Air Force.
Sec. 509. Reports on response to recommendations concerning improvements to Department of Defense joint manpower process.
Sec. 510. Frequency of reports to Congress on joint officer management policies.

Subtitle B—Enlisted Personnel Policy

Sec. 511. Career service reenlistments for members with at least 10 years of service.
Sec. 512. Authority to extend period for entry on active duty under the delayed entry program.

Subtitle C—Activation and Recall

Sec. 521. Limitations on recall of retired members to active duty.
Sec. 522. Clarification of definition of active status.
Sec. 523. Limitation of requirement for physical examinations of members of National Guard called into Federal service.

Subtitle D—Reserve Component Retirement

Sec. 531. Increase in annual limit on days of inactive duty training creditable toward reserve retirement.
Sec. 532. Retirement of reserve enlisted members who qualify for active duty retirement after administrative reduction in enlisted grade.
Sec. 533. Authority for a Reserve on active duty to waive retirement sanctuary.
Sec. 534. Eligibility of Reserves for disability retirement.

Subtitle E—Other Reserve Component Matters

Sec. 541. Training for Reserves on active duty in support of the Reserves.
Sec. 542. Eligibility for enrollment in Ready Reserve mobilization income insurance program.
Sec. 543. Reserve credit for participation in Health Professions Scholarship and Financial Assistance Program.
Sec. 544. Amendments to Reserve Officer Personnel Management Act provisions.
Sec. 545. Report on number of advisers in active component support of Reserves pilot program.
Sec. 546. Sense of Congress and report regarding reemployment rights for mobilized reservists employed in foreign countries.
Sec. 547. Payment of premiums under Mobilization Income Insurance Program.

Subtitle F—Officer Education Programs

Sec. 551. Oversight and management of Senior Reserve Officers' Training Corps program.
Sec. 552. Prohibition on reorganization of Army ROTC cadet command or termination of senior ROTC units pending report on ROTC.
Sec. 553. Pilot program to test expansion of ROTC program to include graduate students.
Sec. 554. Demonstration project for instruction and support of Army ROTC units by members of the Army Reserve and National Guard.
Sec. 555. Extension of maximum age for appointment as a cadet or midshipman in the Senior Reserve Officers' Training Corps and the service academies.
Sec. 556. Expansion of eligibility for education benefits to include certain Reserve Officers' Training Corps (ROTC) participants.
Sec. 557. Comptroller General report on cost and policy implications of permitting up to five percent of service academy graduates to be assigned directly to Reserve duty upon graduation.

Subtitle G—Decorations and Awards

Sec. 561. Authority for award of Medal of Honor to certain African American soldiers who served during World War II.
Sec. 562. Waiver of time limitations for award of certain decorations to specified persons.
Sec. 563. Replacement of certain American Theater Campaign Ribbons.

Subtitle H—Other Matters

Sec. 571. Hate crimes in the military.
Sec. 572. Disability coverage for members granted excess leave for educational or emergency purposes.
Sec. 573. Clarification of authority of a reserve judge advocate to act as a military notary public when not in a duty status.
Sec. 574. [H531–539 SR w/am] Panel on jurisdiction of courts-martial for the National Guard when not in Federal service.
Sec. 575. Authority to expand law enforcement placement program to include firefighters.
Sec. 576. Improvements to program to assist separated military and civilian personnel to obtain employment as teachers or teachers' aides.
Sec. 577. Retirement at grade to which selected for promotion when a physical disability is found at any physical examination.
Sec. 578. [S537 HR w/am] Revisions to missing persons authorities.

Subtitle I—Commissioned Corps of the Public Health Service

Sec. 581. Applicability to Public Health Service of prohibition on crediting cadet or midshipmen service at the service academies.
Sec. 582. Exception to strength limitations for Public Health Service officers assigned to the Department of Defense.
Sec. 583. Authority to provide legal assistance to Public Health Service officers.

Subtitle A—Officer Personnel Policy

SEC. 501. GRADE OF CHIEF OF NAVAL RESEARCH.

(a) REAR ADMIRAL (UPPER HALF).—Section 5022(a) of title 10, United States Code, is amended—

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

(2) by adding at the end the following:

"(2) Unless appointed to higher grade under another provision of law, an officer, while serving in the Office of Naval Research as Chief of Naval Research, has the rank of rear admiral (upper half).".

(b) EFFECTIVE DATE.—Paragraph (2) of section 5022(a) of title 10, United States Code, as added by subsection (a), shall take effect upon the occurrence of the first vacancy in the position of Chief of Naval Research after the date of the enactment of this Act.

SEC. 502. CHIEF AND ASSISTANT CHIEF OF ARMY NURSE CORPS AND AIR FORCE NURSE CORPS.

(a) ARMY NURSE CORPS.—(1) Subsection (b) of section 3069 of title 10, United States Code, is amended—

(A) in the first sentence, by striking out "major" and inserting in lieu thereof "lieutenant colonel";

(B) by inserting after the first sentence the following: "An appointee who holds a lower regular grade shall be appointed in the regular grade of brigadier general."; and

(C) in the last sentence, by inserting "to the same position" before the period at the end.

(2) Subsection (c) of such section is amended by striking out "major" in the first sentence and inserting in lieu thereof "lieutenant colonel".

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

"§ 3069. Army Nurse Corps: composition; Chief and assistant chief; appointment; grade

(b) AIR FORCE NURSE CORPS.—Chapter 807 of such title is amended by inserting after section 8067 the following new section:

"§ 8069. Air Force nurses: Chief and assistant chief; appointment; grade

"(a) POSITIONS OF CHIEF AND ASSISTANT CHIEF.—There are a Chief and assistant chief of the Air Force Nurse Corps.

"(b) CHIEF.—The Secretary of the Air Force shall appoint the Chief from the officers of the Regular Air Force designated as Air Force nurses whose regular grade is above lieutenant colonel and who are recommended by the Surgeon General. An appointee who holds a lower regular grade shall be appointed in the regular grade of brigadier general. The Chief serves during the pleasure of the Secretary, but not for more than three years, and may not be reappointed to the same position.

"(c) ASSISTANT CHIEF.—The Surgeon General shall appoint the assistant chief from the officers of the Regular Air Force designated as Air Force nurses whose regular grade is above lieutenant colonel.".

(c) CLERICAL AMENDMENTS.—(1) The item relating to section 3069 in the table of sections at the beginning of chapter 307 of such title is amended to read as follows:

"3069. Army Nurse Corps: composition; Chief and assistant chief; appointment; grade.".

(2) The table of sections at the beginning of chapter 807 of such title is amended by inserting after the item relating to section 8067 the following new item:

"8069. Air Force Nurse Corps: Chief and assistant chief; appointment; grade.".

SEC. 503. NAVY SPOT PROMOTION AUTHORITY FOR CERTAIN LIEUTENANTS WITH CRITICAL SKILLS.

(a) ADVICE-AND-CONSENT APPOINTMENTS.—Subsection (a) of section 5721 of title 10, United States Code, is amended by striking out "the President alone" and inserting in lieu thereof "the President, by and with the advice and consent of the Senate".

(b) REPEAL OF TERMINATION OF AUTHORITY.—Such section is further amended by striking out subsection (g).

(c) CLERICAL AMENDMENT.—The caption for subsection (a) is amended to read as follows: "PROMOTION AUTHORITY FOR CERTAIN OFFICERS WITH CRITICAL SKILLS.—".

SEC. 504. TIME FOR AWARD OF DEGREES BY UNACCREDITED EDUCATIONAL INSTITUTIONS FOR GRADUATES TO BE CONSIDERED EDUCATIONALLY QUALIFIED FOR APPOINTMENT AS RESERVE OFFICERS IN GRADE O–3.

Section 12205(c)(2)(C) of title 10, United States Code, is amended by striking out "three years" and inserting in lieu thereof "eight years".

SEC. 505. EXCEPTION TO BACCALAUREATE DEGREE REQUIREMENT FOR APPOINTMENT IN THE NAVAL RESERVE IN GRADES ABOVE O–2.

Section 12205(b)(3) of title 10, United States Code, is amended by inserting "or the Seaman to Admiral program" after "(NAVCAD) program".

SEC. 506. CHIEF WARRANT OFFICER PROMOTIONS.

(a) REDUCTION OF MINIMUM TIME IN GRADE REQUIRED FOR CONSIDERATION FOR PROMOTION.—Section 574(e) of title 10, United States Code, is amended by striking out "three years of service" and inserting in lieu thereof "two years of service".

(b) BELOW-ZONE SELECTION.—Section 575(b)(1) of such title is amended by inserting "chief warrant officer, W–3," in the first sentence after "to consider warrant officers for selection for promotion to the grade of".

SEC. 507. SERVICE CREDIT FOR SENIOR ROTC CADETS AND MIDSHIPMEN IN SIMULTANEOUS MEMBERSHIP PROGRAM.

(a) AMENDMENTS TO TITLE 10.—(1) Section 2106(c) of title 10, United States Code, is amended by striking out "while serving on active duty other than for training after July 31, 1990, while a member of the Selected Reserve" and inserting in lieu thereof "performed on or after August 1, 1979, as a member of the Selected Reserve".

(2) Section 2107(g) of such title is amended by striking out "while serving on active duty other than for training after July 31, 1990, while a member of the Selected Reserve" and inserting in lieu thereof "performed on or after August 1, 1979, as a member of the Selected Reserve".

(3) Section 2107a(g) of such title is amended by inserting ", other than enlisted service performed after August 1, 1979, as a member of Selected Reserve" after "service as a cadet or with concurrent enlisted service".

(b) AMENDMENT TO TITLE 37.—Section 205(d) of title 37, United States Code, is amended by striking out "that service after July 31, 1990, that the officer performed while serving on active duty" and inserting in lieu thereof "for service that the officer performed on or after August 1, 1979.".

(c) BENEFITS NOT TO ACCRUE FOR PRIOR PERIODS.—No increase in pay or retired or retainer pay shall accrue for periods before the date of the enactment of this Act by reason of the amendments made by this section.

SEC. 508. CONTINUATION ON ACTIVE STATUS FOR CERTAIN RESERVE OFFICERS OF THE AIR FORCE.

(a) AUTHORITY.—Section 14507 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(c) TEMPORARY AUTHORITY TO RETAIN CERTAIN OFFICERS DESIGNATED AS JUDGE ADVOCATES.—(1) Notwithstanding the provisions of subsections (a) and (b), the Secretary of the Air Force may retain on the reserve active-status list any reserve officer of the Air Force who is designated as a judge advocate and who obtained the first professional degree in law while on an educational delay program subsequent to being commissioned through the Reserve Officers' Training Corps.

"(2) No more than 50 officers may be retained on the reserve active-status list under the authority of paragraph (1) at any time.

"(3) No officer may be retained on the reserve active-status list under the authority of paragraph (1) for a period exceeding three years from the date on which, but for that authority, that officer would have been removed from the reserve active-status list under subsection (a) or (b).

"(4) The authority of the Secretary of the Air Force under paragraph (1) expires on September 30, 2003.".

(b) EFFECTIVE DATE.—Subsection (c) of section 14507 of title 10, United States Code, as added by subsection (a), shall take effect on October 1, 1996.

SEC. 509. REPORTS ON RESPONSE TO RECOMMENDATIONS CONCERNING IMPROVEMENTS TO DEPARTMENT OF DEFENSE JOINT MANPOWER PROCESS.

(a) SEMIANNUAL REPORT.—The Secretary of Defense shall submit to Congress a semiannual report on the status of actions taken by the Secretary to implement the recommendations made by the Department of Defense Inspector General in the report of November 29, 1995, entitled "Inspection of the Department of Defense Joint Manpower Process" (Report No. 96–029). The first such report shall be submitted not later than February 1, 1997. The requirement to submit such reports terminates after the fourth such report is submitted.

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

(1) The Secretary's assessment as to the need to establish a joint, centralized permanent organization in the Department of Defense to determine, validate, approve, and manage military and civilian manpower requirements resources at joint organizations.

(2) The Secretary's assessment of the Department of Defense timeline and plan to increase the capability of the joint professional military education system (including the Armed Forces Staff College) to overcome the capacity limitations cited in the report referred to in subsection (a).

(3) The Secretary's plan and timeline to provide the necessary training and education of reserve component officers.

(c) GAO ASSESSMENT.—The Comptroller General of the United States shall assess the completeness and adequacy of the corrective actions taken by the Secretary with respect to the matters covered

in the Inspector General report referred to in subsection (a). Not later than one year after the date of the enactment of this Act, the Comptroller General shall submit to Congress a report, based on the assessment under this subsection, providing the Comptroller General's findings and recommendations.

SEC. 510. FREQUENCY OF REPORTS TO CONGRESS ON JOINT OFFICER MANAGEMENT POLICIES.

(a) CHANGE FROM SEMIANNUAL TO ANNUAL REPORT.—Section 662(b) of title 10, United States Code, is amended by striking out "REPORT.—The Secretary of Defense shall periodically (and not less often than every six months) report to Congress on the promotion rates" and inserting in lieu thereof "ANNUAL REPORT.—Not later than January 1 of each year, the Secretary of Defense shall submit to Congress a report on the promotion rates during the preceding fiscal year".

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

(1) in the first sentence, by striking out "clauses" and inserting in lieu thereof "paragraphs"; and

(2) in the second sentence—

(A) by inserting "for any fiscal year" after "such objectives"; and

(B) by striking out "periodic report required by this subsection" and inserting in lieu thereof "report for that fiscal year".

Subtitle B—Enlisted Personnel Policy

SEC. 511. CAREER SERVICE REENLISTMENTS FOR MEMBERS WITH AT LEAST 10 YEARS OF SERVICE.

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

"(d)(1) The Secretary concerned may accept a reenlistment in the Regular Army, Regular Navy, Regular Air Force, Regular Marine Corps, or Regular Coast Guard, as the case may be, for a period determined under this subsection.

"(2) In the case of a member who has less than 10 years of service in the armed forces as of the day before the first day of the period for which reenlisted, the period for which the member reenlists shall be at least two years but not more than six years.

"(3) In the case of a member who has at least 10 years of service in the armed forces as of the day before the first day of the period for which reenlisted, the Secretary concerned may accept a reenlistment for either—

"(A) a specified period of at least two years but not more than six years; or

"(B) an unspecified period.

"(4) No enlisted member is entitled to be reenlisted for a period that would expire before the end of the member's current enlistment.".

SEC. 512. AUTHORITY TO EXTEND PERIOD FOR ENTRY ON ACTIVE DUTY UNDER THE DELAYED ENTRY PROGRAM.

(a) AUTHORITY.—Section 513(b) of title 10, United States Code, is amended by inserting after the first sentence the following: "The Secretary concerned may extend the 365-day period for any person for up to an additional 180 days if the Secretary determines that it is in the best interests of the armed force of which that person is a member to do so.".

(b) TECHNICAL AMENDMENTS.—Section 513(b) of such title, as amended by subsection (a), is further amended—

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

(2) by designating the third sentence as paragraph (2); and

(3) in paragraph (2), as so designated, by striking out "the preceding sentence" and inserting in lieu thereof "paragraph (1)".

Subtitle C—Activation and Recall

SEC. 521. LIMITATIONS ON RECALL OF RETIRED MEMBERS TO ACTIVE DUTY.

(a) REVISION AND RECODIFICATION OF AUTHORITIES RELATING TO RETIRED MEMBERS ORDERED TO ACTIVE DUTY.—Chapter 39 of title 10, United States Code, is amended by striking out section 688 and inserting in lieu thereof the following:

"§ 688. Retired members: authority to order to active duty; duties

"(a) AUTHORITY.—Under regulations prescribed by the Secretary of Defense, a member described in subsection (b) may be ordered to active duty by the Secretary of the military department concerned at any time.

"(b) COVERED MEMBERS.—Except as provided in subsection (d), subsection (a) applies to the following members of the armed forces:

"(1) A retired member of the Regular Army, Regular Navy, Regular Air Force, or Regular Marine Corps.

"(2) A member of the Retired Reserve who was retired under section 1293, 3911, 3914, 6323, 8911, or 8914 of this title.

"(3) A member of the Fleet Reserve or Fleet Marine Corps Reserve.

"(c) DUTIES OF MEMBER ORDERED TO ACTIVE DUTY.—The Secretary concerned may, to the extent consistent with other provisions of law, assign a member ordered to active duty under this section to such duties as the Secretary considers necessary in the interests of national defense.

"(d) EXCLUSION OF OFFICERS RETIRED ON SELECTIVE EARLY RETIREMENT BASIS.—The following officers may not be ordered to active duty under this section:

"(1) An officer who retired under section 638 of this title.

"(2) An officer who—

"(A) after having been notified that the officer was to be considered for early retirement under section 638 of this title by a board convened under section 611(b) of this title

and before being considered by that board, requested retirement under section 3911, 6323, or 8911 of this title; and

"(B) was retired pursuant to that request.

"(e) LIMITATION OF PERIOD OF RECALL SERVICE.—A member ordered to active duty under subsection (a) may not serve on active duty pursuant to orders under that subsection for more than 12 months within the 24 months following the first day of the active duty to which ordered under that subsection.

"(f) WAIVER FOR PERIODS OF WAR OR NATIONAL EMERGENCY.—Subsections (d) and (e) do not apply in time of war or of national emergency declared by Congress or the President.

"§ 689. Retired members: grade in which ordered to active duty and upon release from active duty

"(a) GENERAL RULE FOR GRADE IN WHICH ORDERED TO ACTIVE DUTY.—Except as provided in subsections (b) and (c), a retired member ordered to active duty under section 688 of this title shall be ordered to active duty in the member's retired grade.

"(b) MEMBERS RETIRED IN O–9 AND O–10 GRADES.—A retired member ordered to active duty under section 688 of this title whose retired grade is above the grade of major general or rear admiral shall be ordered to active duty in the highest permanent grade held by such member while serving on active duty.

"(c) MEMBERS WHO PREVIOUSLY SERVED IN GRADE HIGHER THAN RETIRED GRADE.—(1) A retired member ordered to active duty under section 688 of this title who has previously served on active duty satisfactorily, as determined by the Secretary of the military department concerned, in a grade higher than that member's retired grade may be ordered to active duty in the highest grade in which the member had so served satisfactorily, except that such a member may not be so ordered to active duty in a grade above major general or rear admiral.

"(2) A retired member ordered to active duty in a grade that is higher than the member's retired grade pursuant to subsection (a) shall be treated for purposes of section 690 of this title as if the member was promoted to that higher grade while on that tour of active duty.

"(3) If, upon being released from that tour of active duty, such a retired member has served on active duty satisfactorily, as determined by the Secretary concerned, for not less than a total of 36 months in a grade that is a higher grade than the member's retired grade, the member is entitled to placement on the retired list in that grade.

"(d) GRADE UPON RELEASE FROM ACTIVE DUTY.—A member ordered to active duty under section 688 of this title who, while on active duty, is promoted to a grade that is higher than that member's retired grade is entitled, upon that member's release from that tour of active duty, to placement on the retired list in the highest grade in which the member served on active duty satisfactorily, as determined by the Secretary of the military department concerned, for not less than six months.

"§ 690. Retired members ordered to active duty: limitation on number

"(a) GENERAL AND FLAG OFFICERS.—Not more than 15 retired general officers of the Army, Air Force, or Marine Corps, and not more than 15 retired flag officers of the Navy, may be on active duty at any one time. For the purposes of this subsection a retired officer ordered to active duty for a period of 60 days or less is not counted.

"(b) LIMITATION BY SERVICE.—(1) Not more than 25 officers of any one armed force may be serving on active duty concurrently pursuant to orders to active duty issued under section 688 of this title.

"(2) In the administration of paragraph (1), the following officers shall not be counted:

"(A) A chaplain who is assigned to duty as a chaplain for the period of active duty to which ordered.

"(B) A health care professional (as characterized by the Secretary concerned) who is assigned to duty as a health care professional for the period of the active duty to which ordered.

"(C) Any officer assigned to duty with the American Battle Monuments Commission for the period of active duty to which ordered.

"(c) WAIVER FOR PERIODS OF WAR OR NATIONAL EMERGENCY.—Subsection (a) does not apply in time of war or of national emergency declared by Congress or the President after November 30, 1980. Subsection (b) does not apply in time of war or of national emergency declared by Congress or the President.".

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on September 30, 1997.

(c) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by striking out the item relating to section 688 and inserting in lieu thereof the following:

"688. Retired members: authority to order to active duty; duties.
"689. Retired members: grade in which ordered to active duty and upon release from active duty.
"690. Retired members ordered to active duty: limitation on number.".

(d) CROSS REFERENCE AMENDMENT.—Section 6151(a) of title 10, United States Code, is amended by striking out "688" and inserting in lieu thereof "689".

SEC. 522. CLARIFICATION OF DEFINITION OF ACTIVE STATUS.

Section 101(d)(4) of title 10, United States Code, is amended by striking out "a reserve commissioned officer, other than a commissioned warrant officer," and inserting in lieu thereof the following: "a member of a reserve component".

SEC. 523. LIMITATION OF REQUIREMENT FOR PHYSICAL EXAMINATIONS OF MEMBERS OF NATIONAL GUARD CALLED INTO FEDERAL SERVICE.

Section 12408(a) of title 10, United States Code, is amended by inserting "under section 12301(a), 12302, or 12304 of this title" after "called into Federal service".

Subtitle D—Reserve Component Retirement

SEC. 531. INCREASE IN ANNUAL LIMIT ON DAYS OF INACTIVE DUTY TRAINING CREDITABLE TOWARD RESERVE RETIREMENT.

(a) INCREASE IN LIMIT.—Section 12733(3) is amended by inserting before the period at the end the following: "of service before the year of service in which the date of the enactment of the National Defense Authorization Act for Fiscal Year 1997 occurs and not more than 75 days in any subsequent year of service".

(b) TRACKING SYSTEM FOR AWARD OF RETIREMENT POINTS.—To better enable the Secretary of Defense and Congress to assess the cost and the effect on readiness of the amendment made by subsection (a) and of other potential changes to the Reserve retirement system under chapter 1223 of title 10, United States Code, the Secretary of Defense shall require the Secretary of each military department to implement a system to monitor the award of retirement points for purposes of that chapter by categories in accordance with the recommendation set forth in the August 1988 report of the Sixth Quadrennial Review of Military Compensation.

(c) RECOMMENDATIONS TO CONGRESS.—The Secretary shall submit to Congress, not later than one year after the date of the enactment of this Act, the recommendations of the Secretary with regard to the adoption of the following Reserve retirement initiatives recommended in the August 1988 report of the Sixth Quadrennial Review of Military Compensation:

(1) Elimination of membership points under subparagraph (C) of section 12732(a)(2) of title 10, United States Code, in conjunction with a decrease from 50 to 35 in the number of points required for a satisfactory year under that section.

(2) Limitation to 60 in any year on the number of points that may be credited under subparagraph (B) of section 12732(a)(2) of such title at two points per day.

(3) Limitation to 360 in any year on the total number of retirement points countable for purposes of section 12733 of such title.

SEC. 532. RETIREMENT OF RESERVE ENLISTED MEMBERS WHO QUALIFY FOR ACTIVE DUTY RETIREMENT AFTER ADMINISTRATIVE REDUCTION IN ENLISTED GRADE.

(a) ARMY.—(1) Chapter 369 of title 10, United States Code, is amended by inserting after section 3962 the following new section:

"§ 3963. Highest grade held satisfactorily: Reserve enlisted members reduced in grade not as a result of the member's misconduct

"(a) A Reserve enlisted member of the Army described in subsection (b) who is retired under section 3914 of this title shall be retired in the highest enlisted grade in which the member served on active duty satisfactorily (or, in the case of a member of the National Guard, in which the member served on full-time National Guard duty satisfactorily), as determined by the Secretary of the Army.

"(b) This section applies to a Reserve enlisted member who—

"(1) at the time of retirement is serving on active duty (or, in the case of a member of the National Guard, on full-time Na-

tional Guard duty) in a grade lower than the highest enlisted grade held by the member while on active duty (or full-time National Guard duty); and

"(2) was previously administratively reduced in grade not as a result of the member's own misconduct, as determined by the Secretary of the Army.

"(c) This section applies with respect to Reserve enlisted members who are retired under section 3914 of this title after September 30, 1996.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 3962 the following new item:

"3963. Highest grade held satisfactorily: Reserve enlisted members reduced in grade not as a result of the member's misconduct.".

(b) NAVY AND MARINE CORPS.—(1) Chapter 571 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 6336. Highest grade held satisfactorily: Reserve enlisted members reduced in grade not as a result of the member's misconduct

"(a) A member of the Naval Reserve or Marine Corps Reserve described in subsection (b) who is transferred to the Fleet Reserve or the Fleet Marine Corps Reserve under section 6330 of this title shall be transferred in the highest enlisted grade in which the member served on active duty satisfactorily, as determined by the Secretary of the Navy.

"(b) This section applies to a Reserve enlisted member who—

"(1) at the time of transfer to the Fleet Reserve or Fleet Marine Corps Reserve is serving on active duty in a grade lower than the highest enlisted grade held by the member while on active duty; and

"(2) was previously administratively reduced in grade not as a result of the member's own misconduct, as determined by the Secretary of the Navy.

"(c) This section applies with respect to enlisted members of the Naval Reserve and Marine Corps Reserve who are transferred to the Fleet Reserve or the Fleet Marine Corps Reserve after September 30, 1996.".

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

"6336. Highest grade held satisfactorily: Reserve enlisted members reduced in grade not as a result of the member's misconduct.".

(c) AIR FORCE.—(1) Chapter 869 of title 10, United States Code, is amended by inserting after section 8962 the following new section:

"§ 8963. Highest grade held satisfactorily: Reserve enlisted members reduced in grade not as a result of the member's misconduct

"(a) A Reserve enlisted member of the Air Force described in subsection (b) who is retired under section 8914 of this title shall be retired in the highest enlisted grade in which the member served

on active duty satisfactorily (or, in the case of a member of the National Guard, in which the member served on full-time National Guard duty satisfactorily), as determined by the Secretary of the Air Force.

"(b) This section applies to a Reserve enlisted member who—

"(1) at the time of retirement is serving on active duty (or, in the case of a member of the National Guard, on full-time National Guard duty) in a grade lower than the highest enlisted grade held by the member while on active duty (or full-time National Guard duty); and

"(2) was previously administratively reduced in grade not as a result of the member's own misconduct, as determined by the Secretary of the Air Force.

"(c) This section applies with respect to Reserve enlisted members who are retired under section 8914 of this title after September 30, 1996.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 8962 the following new item:

"8963. Highest grade held satisfactorily: Reserve enlisted members reduced in grade not as a result of the member's misconduct.".

(d) COMPUTATION OF RETIRED AND RETAINER PAY BASED UPON RETIRED GRADE.—(1) Section 3991 of such title is amended by adding at the end the following new subsection:

"(c) SPECIAL RULE FOR RETIRED RESERVE ENLISTED MEMBERS COVERED BY SECTION 3963.—In the case of a Reserve enlisted member retired under section 3914 of this title whose retired grade is determined under section 3963 of this title and who first became a member of a uniformed service before September 8, 1980, the retired pay base of the member (notwithstanding section 1406(a)(1) of this title) is the amount of the monthly basic pay of the member's retired grade (determined based upon the rates of basic pay applicable on the date of the member's retirement), and that amount shall be used for the purposes of subsection (a)(1)(A) rather than the amount computed under section 1406(c) of this title.".

(2) Section 6333 of such title is amended by adding at the end the following new subsection:

"(c) In the case of a Reserve enlisted member whose grade upon transfer to the Fleet Reserve or Fleet Marine Corps Reserve is determined under section 6336 of this title and who first became a member of a uniformed service before September 8, 1980, the retainer pay base of the member (notwithstanding section 1406(a)(1) of this title) is the amount of the monthly basic pay of the grade in which the member is so transferred (determined based upon the rates of basic pay applicable on the date of the member's transfer), and that amount shall be used for the purposes of the table in subsection (a) rather than the amount computed under section 1406(d) of this title.".

(3) Section 8991 of such title is amended by adding at the end the following new subsection:

"(c) SPECIAL RULE FOR RETIRED RESERVE ENLISTED MEMBERS COVERED BY SECTION 8963.—In the case of a Reserve enlisted member retired under section 8914 of this title whose retired grade is determined under section 8963 of this title and who first became a

member of a uniformed service before September 8, 1980, the retired pay base of the member (notwithstanding section 1406(a)(1) of this title) is the amount of the monthly basic pay of the member's retired grade (determined based upon the rates of basic pay applicable on the date of the member's retirement), and that amount shall be used for the purposes of subsection (a)(1)(A) rather than the amount computed under section 1406(e) of this title.".

SEC. 533. AUTHORITY FOR A RESERVE ON ACTIVE DUTY TO WAIVE RETIREMENT SANCTUARY.

Section 12686 of title 10, United States Code, is amended—

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

(2) by adding at the end the following:

"(b) WAIVER.—With respect to a member of a reserve component who is to be ordered to active duty (other than for training) under section 12301 of this title pursuant to an order to active duty that specifies a period of less than 180 days and who (but for this subsection) would be covered by subsection (a), the Secretary concerned may require, as a condition of such order to active duty, that the member waive the applicability of subsection (a) to the member for the period of active duty covered by that order. In carrying out this subsection, the Secretary concerned may require that a waiver under the preceding sentence be executed before the period of active duty begins.".

SEC. 534. ELIGIBILITY OF RESERVES FOR DISABILITY RETIREMENT.

Paragraph (2) of section 1204 of title 10, United States Code, is amended to read as follows:

"(2) the disability is the proximate result of, or was incurred in line of duty after the date of the enactment of this Act as a result of—

"(A) performing active duty or inactive-duty training;

"(B) traveling directly to or from the place at which such duty is performed; or

"(C) an injury, illness, or disease incurred or aggravated while remaining overnight, between successive periods of inactive-duty training, at or in the vicinity of the site of the inactive duty training, if the site is outside reasonable commuting distance of the member's residence;".

Subtitle E—Other Reserve Component Matters

SEC. 541. TRAINING FOR RESERVES ON ACTIVE DUTY IN SUPPORT OF THE RESERVES.

Subsection (b) of section 12310 of title 10, United States Code, is amended to read as follows:

"(b) A Reserve on active duty as described in subsection (a) may be provided training consistent with training provided to other members on active duty, as the Secretary concerned sees fit.".

SEC. 542. ELIGIBILITY FOR ENROLLMENT IN READY RESERVE MOBILIZATION INCOME INSURANCE PROGRAM.

Section 12524 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(g) MEMBERS OF INDIVIDUAL READY RESERVE.—Notwithstanding any other provision of this section, and pursuant to regulations issued by the Secretary, a member of the Individual Ready Reserve who becomes a member of the Selected Reserve shall not be denied eligibility to purchase insurance under this chapter upon becoming a member of the Selected Reserve unless the member previously declined to enroll in the program of insurance under this chapter while a member of the Selected Reserve.".

SEC. 543. RESERVE CREDIT FOR PARTICIPATION IN HEALTH PROFESSIONS SCHOLARSHIP AND FINANCIAL ASSISTANCE PROGRAM.

(a) CREDIT AUTHORIZED.—Section 2126 of title 10, United States Code, is amended—

(1) by striking out "Service performed" and inserting in lieu thereof "(a) SERVICE NOT CREDITABLE.—Except as provided in subsection (b), service performed"; and

(2) by adding at the end the following:

"(b) SERVICE CREDITABLE FOR CERTAIN PURPOSES.—(1) The Secretary concerned may authorize service performed by a member of the program in pursuit of a course of study under this subchapter to be counted in accordance with this subsection if the member—

"(A) completes the course of study;

"(B) completes the active duty obligation imposed under section 2123(a) of this title; and

"(C) possesses a specialty designated by the Secretary concerned as critically needed in wartime.

"(2) Service credited under paragraph (1) counts only for the following purposes:

"(A) Award of retirement points for computation of years of service under section 12732 of this title and for computation of retired pay under section 12733 of this title.

"(B) Computation of years of service creditable under section 205 of title 37.

"(3) For purposes of paragraph (2)(A), a member may be credited in accordance with paragraph (1) with not more than 50 points for each year of participation in a course of study that the member satisfactorily completes as a member of the program.

"(4) Service may not be counted under paragraph (1) for more than four years of participation in a course of study as a member of the program.

"(5) A member is not entitled to any retroactive award of, or increase in, pay or allowances under title 37 by reason of an award of service credit under paragraph (1).".

(b) AWARD OF RETIREMENT POINTS.—(1) Section 12732(a)(2) of such title is amended—

(A) by inserting after clause (C) the following:

"(D) Points credited for the year under section 2126(b) of this title."; and

(B) in the matter following clause (D), as inserted by paragraph (1), by striking out "and (C)" and inserting in lieu thereof "(C), and (D)".

(2) Section 12733(3) of such title is amended by striking out "or (C)" and inserting in lieu thereof "(C), or (D)".

SEC. 544. AMENDMENTS TO RESERVE OFFICER PERSONNEL MANAGEMENT ACT PROVISIONS.

(a) SERVICE REQUIREMENT FOR RETIREMENT IN HIGHEST GRADE HELD.—Section 1370(d) of title 10, United States Code, is amended—

(1) by redesignating paragraph (3) as paragraph (4);

(2) in paragraph (2)(A), by striking out "(A)";

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

(4) in paragraph (3), as so redesignated—

(A) by designating the first sentence as subparagraph (A);

(B) by designating the second sentence as subparagraph (B);

(C) in subparagraph (B), as so redesignated, by striking out "the preceding sentence" and inserting in lieu thereof "subparagraph (A)"; and

(D) by adding at the end the following:

"(C) If a person covered by subparagraph (A) has completed at least six months of satisfactory service in grade, the person was serving in that grade while serving in a position of adjutant general required under section 314 of title 32 or while serving in a position of assistant adjutant general subordinate to such a position of adjutant general, and the person has failed to complete three years of service in that grade solely because the person's appointment to such position has been terminated or vacated as described in section 324(b) of such title, then such person may be credited with satisfactory service in that grade, notwithstanding the failure to complete three years of service in that grade.

"(D) To the extent authorized by the Secretary of the military department concerned, a person who, after having been recommended for promotion in a report of a promotion board but before being promoted to the recommended grade, served in a position for which that grade is the minimum authorized grade may be credited for purposes of subparagraph (A) as having served in that grade for the period for which the person served in that position while in the next lower grade. The period credited may not include any period before the date on which the Senate provides advice and consent for the appointment of that person in the recommended grade.

"(E) To the extent authorized by the Secretary of the military department concerned, a person who, after having been extended temporary Federal recognition as a reserve officer of the Army National Guard in a particular grade under section 308 of title 32 or temporary Federal recognition as a reserve officer of the Air National Guard in a particular grade under such section, served in a position for which that grade is the minimum authorized grade may be credited for purposes of subparagraph (A) as having served in that grade for the period for which the person served in that posi-

tion while extended the temporary Federal recognition, but only if the person was subsequently extended permanent Federal recognition as a reserve officer in that grade and also served in that position after being extended the permanent Federal recognition.".

(b) EXCEPTION TO REQUIREMENT FOR RETENTION OF RESERVE OFFICERS UNTIL COMPLETION OF REQUIRED SERVICE.—Section 12645(b)(2) of such title is amended by inserting "or a reserve active-status list" after "active-duty list".

(c) TECHNICAL CORRECTION.—Section 14314(b)(2)(B) of such title is amended by striking out "of the Air Force".

SEC. 545. REPORT ON NUMBER OF ADVISERS IN ACTIVE COMPONENT SUPPORT OF RESERVES PILOT PROGRAM.

(a) REPORT ON NUMBER OF ACTIVE COMPONENT ADVISERS.—Not later than six months after the date of the enactment of this Act, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report setting forth the Secretary's determination as to the appropriate number of active component personnel to be assigned to serve as advisers to reserve components under section 414 of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (10 U.S.C. 12001 note). If the Secretary's determination is that such number should be a number other than the required minimum number in effect under subsection (c) of such section, the Secretary shall include in the report an explanation providing the Secretary's justification for the number recommended.

(b) TECHNICAL AMENDMENT.—Section 414(a) of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (10 U.S.C. 12001 note) is amended by striking out "During fiscal years 1992 and 1993, the Secretary of the Army shall institute" and inserting in lieu thereof "The Secretary of the Army shall carry out".

SEC. 546. SENSE OF CONGRESS AND REPORT REGARDING REEMPLOYMENT RIGHTS FOR MOBILIZED RESERVISTS EMPLOYED IN FOREIGN COUNTRIES.

(a) SENSE OF CONGRESS.—Congress is concerned about the lack of reemployment rights afforded Reserve component members who reside in foreign countries and either work for United States companies that maintain offices or operations in foreign countries or work for foreign employers. Being outside the jurisdiction of the United States, these employers are not subject to the provisions of chapter 43 of title 38, United States Code, known as the Uniformed Services Employment and Reemployment Rights Act (USERRA). The purpose of that Act is to provide statutory employment protections that include reinstatement, seniority, status, and rate of pay coverage for Reservists who are ordered to active duty for a specified period of time, including involuntary active duty in support of an operational contingency. While most Reserve members are afforded the protections of that Act (which covers reemployment rights in their civilian jobs upon completion of military service), approximately 2,000 members of the Selected Reserve reside outside the United States and its territories and, not being guaranteed the job protection envisioned by the USERRA, are potentially subject to reemployment problems after release from active duty. This situation poses a continuing personnel management challenge for the reserve components.

(b) RECOGNITION OF PROBLEM.—Congress, while recognizing that foreign governments and companies located abroad, not being within the jurisdiction of the United States, cannot be required to comply with the provisions of the Uniformed Services Employment and Reemployment Rights Act, also recognizes that there is a need to provide assistance to Reservists in the situation described in subsection (a), both in the near term and the long term.

(c) REPORT REQUIREMENT.—Not later than April 1, 1997, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report that sets forth recommended actions to help alleviate reemployment problems for Reservists who are employed outside the United States and its territories by United States companies that maintain offices or operations in foreign countries or by foreign employers. The report shall include recommendations on the assistance and support that may be required by other organizations of the Government, including the Defense Attaché Offices, the Department of Labor, and the Department of State. The report shall be prepared in consultation with the Secretary of State and the Secretary of Labor.

SEC. 547. PAYMENT OF PREMIUMS UNDER MOBILIZATION INCOME INSURANCE PROGRAM.

Section 12527(a) of title 10, United States Code, is amended—

(1) in paragraph (1), by inserting "of the Selected Reserve" after "a member"; and

(2) by striking out paragraph (2) and inserting in lieu thereof the following:

"(2) The Secretary of Defense, in consultation with the Secretary of Transportation, shall prescribe regulations which specify the procedures for payment of premiums by members of the Individual Ready Reserve and other members who do not receive pay on a monthly basis.".

Subtitle F—Officer Education Programs

SEC. 551. OVERSIGHT AND MANAGEMENT OF SENIOR RESERVE OFFICERS' TRAINING CORPS PROGRAM.

(a) ENROLLMENT PRIORITY TO BE CONSISTENT WITH PURPOSE OF PROGRAM.—(1) Section 2103 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(e) An educational institution at which a unit of the program has been established shall give priority for enrollment in the program to students who are eligible for advanced training under section 2104 of this title.".

(2) Section 2109 of such title is amended by adding at the end the following new subsection:

"(c)(1) A person who is not qualified for, and (as determined by the Secretary concerned) will not be able to become qualified for, advanced training by reason of one or more of the requirements prescribed in paragraphs (1) through (3) of section 2104(b) of this title shall not be permitted to participate in—

"(A) field training or a practice cruise under section 2106(b)(6) of this title; or

"(B) practical military training under subsection (a).

"(2) The Secretary of the military department concerned may waive the limitation in paragraph (1) under procedures prescribed by the Secretary. Such procedures shall ensure uniform application of limitations and restrictions without regard to the reason for disqualification for advanced training.".

(b) WEAR OF THE MILITARY UNIFORM.—Section 772(h) of such title is amended by inserting before the period at the end the following: "if the wear of such uniform is specifically authorized under regulations prescribed by the Secretary of the military department concerned".

SEC. 552. PROHIBITION ON REORGANIZATION OF ARMY ROTC CADET COMMAND OR TERMINATION OF SENIOR ROTC UNITS PENDING REPORT ON ROTC.

(a) PROHIBITION.—(1) The Secretary of the Army may not reorganize or restructure the Reserve Officers Training Corps Cadet Command, and may not terminate any Senior Reserve Officer Training Corps unit identified in the document referred to in paragraph (2), until 180 days after the date on which the Secretary submits to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives the report described in subsection (b).

(2) The document referred to in paragraph (1) is the Department of Defense document dated May 20, 1996, entitled "Information for Members of Congress concerning Senior Reserve Officer Training Corps (ROTC) Unit Closures".

(b) REPORT CONTENTS.—The report referred to in subsection (a) is a report by the Secretary of the Army in which the Secretary—

(1) describes the selection process used to identify the Reserve Officer Training Corps units of the Army to be terminated;

(2) lists the criteria used by the Army to select Reserve Officer Training Corps units for termination;

(3) sets forth the specific ranking of each unit of the Reserve Officer Training Corps of the Army to be terminated as against all other such units;

(4) sets forth the authorized and actual cadre staffing of each such unit for each fiscal year of the 10-fiscal year period ending with fiscal year 1996;

(5) sets forth the production goals and performance evaluations of each such unit for each fiscal year of the 10-fiscal year period ending with fiscal year 1996;

(6) describes how cadets currently enrolled in the units referred to in paragraph (5) will be accommodated after the closure of such units;

(7) describes the incentives to enhance the Reserve Officer Training Corps program that are provided by each of the colleges on the closure list;

(8) includes the projected officer accession plan by source of commission for the active-duty Army, the Army Reserve, and the Army National Guard; and

(9) describes whether the closure of any ROTC unit will adversely affect the recruitment of minority officer candidates.

SEC. 553. PILOT PROGRAM TO TEST EXPANSION OF ROTC PROGRAM TO INCLUDE GRADUATE STUDENTS.

(a) TEST PROGRAM.—Section 2107(c) of title 10, United States Code, is amended—

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

(2) by adding at the end the following:

"(2) The Secretary of Defense shall authorize the Secretaries of the military departments to carry out a test program to determine the desirability of enabling graduate students to participate in the financial assistance program under this section. As part of such test program, the Secretary of a military department may provide financial assistance, as described in paragraph (1), to a student enrolled in an advanced education program beyond the baccalaureate degree level if the student also is a cadet or midshipman in an advanced training program. Not more than 15 percent of the total number of scholarships awarded under this section in any year may be awarded under the test program. No scholarship may be awarded under the test program after September 30, 1999.".

(b) AUTHORITY TO ENROLL IN ADVANCED TRAINING PROGRAM.—Paragraph (3) of section 2101 of title 10, United States Code, is amended by inserting "students enrolled in an advanced education program beyond the baccalaureate degree level or to" after 'instruction offered in the Senior Reserve Officers' Training Corps to".

(c) REPORT TO CONGRESS.—Not later than December 31, 1998, the Secretary of Defense shall submit to Congress a report on the experience to that date under the test program authorized under the amendment made by subsection (a)(2). The report shall include the Secretary's assessment of the effect of the test program on the Senior ROTC program and the Secretary's recommendation as to whether the authority under the test program should be made permanent.

SEC. 554. DEMONSTRATION PROJECT FOR INSTRUCTION AND SUPPORT OF ARMY ROTC UNITS BY MEMBERS OF THE ARMY RESERVE AND NATIONAL GUARD.

(a) DEMONSTRATION PROJECT REQUIRED.—The Secretary of the Army shall carry out a demonstration project in order to assess the feasibility and advisability of providing instruction and similar support to units of the Senior Reserve Officers Training Corps of the Army through members of the Army Reserve (including members of the Individual Ready Reserve) and members of the Army National Guard.

(b) PROJECT REQUIREMENTS.—(1) The Secretary shall carry out the demonstration project at at least one institution of higher education.

(2) In order to enhance the value of the project, the Secretary may take actions to ensure that members of the Army Reserve and the Army National Guard provide instruction and support under the project in a variety of innovative ways.

(c) INAPPLICABILITY OF LIMITATION ON RESERVES IN SUPPORT OF ROTC.—The assignment of a member of the Army Reserve or the Army National Guard to provide instruction or support under the demonstration project shall not be treated as an assignment of the member to duty with a unit of a Reserve Officer Training Corps program for purposes of section 12321 of title 10, United States Code.

(d) REPORTS TO CONGRESS.—Not later than February 1 in each of 1998 and 1999, the Secretary shall submit to Congress a report assessing the activities under the demonstration project during the preceding year. The report submitted in 1999 shall include the Secretary's recommendation as to the advisability of continuing or expanding the authority for the project.

(e) TERMINATION.—The authority of the Secretary to carry out the demonstration project shall expire three years after the date of the enactment of this Act.

SEC. 555. EXTENSION OF MAXIMUM AGE FOR APPOINTMENT AS A CADET OR MIDSHIPMAN IN THE SENIOR RESERVE OFFICERS' TRAINING CORPS AND THE SERVICE ACADEMIES.

(a) SENIOR RESERVE OFFICERS' TRAINING CORPS.—Sections 2107(a) and 2107a(a) of title 10, United States Code, are amended—

(1) by striking out "25 years of age" and inserting in lieu thereof "27 years of age"; and

(2) by striking out "29 years of age" and inserting in lieu thereof "30 years of age".

(b) UNITED STATES MILITARY ACADEMY.—Section 4346(a) of such title is amended by striking out "twenty-second birthday" and inserting in lieu thereof "twenty-third birthday".

(c) UNITED STATES NAVAL ACADEMY.—Section 6958(a)(1) of such title is amended by striking out "twenty-second birthday" and inserting in lieu thereof "twenty-third birthday".

(d) UNITED STATES AIR FORCE ACADEMY.—Section 9346(a) of such title is amended by striking out "twenty-second birthday" and inserting in lieu thereof "twenty-third birthday".

SEC. 556. EXPANSION OF ELIGIBILITY FOR EDUCATION BENEFITS TO INCLUDE CERTAIN RESERVE OFFICERS' TRAINING CORPS (ROTC) PARTICIPANTS.

(a) ACTIVE DUTY SERVICE.—Section 3011(c) of title 38, United States Code, is amended—

(1) by striking out "or upon completion of a program of educational assistance under section 2107 of title 10" in paragraph (2); and

(2) by adding at the end the following:

"(3) An individual who after December 31, 1976, receives a commission as an officer in the Armed Forces upon completion of a program of educational assistance under section 2107 of title 10 is not eligible for educational assistance under this section if the individual enters on active duty—

"(A) before October 1, 1996; or

"(B) after September 30, 1996, and while participating in such program received more than $2,000 for each year of such participation.".

(b) SELECTED RESERVE.—Section 3012(d) of title 38, United States Code, is amended—

(1) by striking out "or upon completion of a program of educational assistance under section 2107 of title 10" in paragraph (2); and

(2) by adding at the end the following:

"(3) An individual who after December 31, 1976, receives a commission as an officer in the Armed Forces upon completion of a pro-

gram of educational assistance under section 2107 of title 10 is not eligible for educational assistance under this section if the individual enters on active duty—

"(A) before October 1, 1996; or

"(B) after September 30, 1996, and while participating in such program received more than $2,000 for each year of such participation.".

SEC. 557. COMPTROLLER GENERAL REPORT ON COST AND POLICY IMPLICATIONS OF PERMITTING UP TO FIVE PERCENT OF SERVICE ACADEMY GRADUATES TO BE ASSIGNED DIRECTLY TO RESERVE DUTY UPON GRADUATION.

(a) REPORT REQUIRED.—The Comptroller General of the United States shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report providing an analysis of the cost implications, and the policy implications, of permitting up to 5 percent of each graduating class of each of the service academies to be placed, upon graduation and commissioning, in an active status in the appropriate reserve component (without a minimum period of obligated active duty service), with a corresponding increase in the number of ROTC graduates each year who are permitted to serve on active duty upon commissioning.

(b) INFORMATION ON CURRENT ACADEMY GRADUATES IN RESERVE COMPONENTS.—The Comptroller General shall include in the report information (shown in the aggregate and separately for each of the Armed Forces and for graduates of each service academy) on—

(1) the number of academy graduates who at the time of the report are serving in an active status in a reserve component; and

(2) within the number under paragraph (1), the number for each reserve component and, of those, the number within each reserve component who are on active duty under section 12301(d) of title 10, United States Code, for the purpose of organizing, administering, recruiting, instructing, or training the reserve components.

(c) SUBMISSION OF REPORT.—The report shall be submitted not later than six months after the date of the enactment of this Act.

(d) SERVICE ACADEMIES.—For purposes of this section, the term "service academies" means—

(1) the United States Military Academy;

(2) the United States Naval Academy; and

(3) the United States Air Force Academy.

Subtitle G—Decorations and Awards

SEC. 561. AUTHORITY FOR AWARD OF MEDAL OF HONOR TO CERTAIN AFRICAN AMERICAN SOLDIERS WHO SERVED DURING WORLD WAR II.

(a) INAPPLICABILITY OF TIME LIMITATIONS.—Notwithstanding the time limitations in section 3744(b) of title 10, United States Code, or any other time limitation, the President may award the Medal of Honor to the persons specified in subsection (b), each of whom has been found by the Secretary of the Army to have distin-

guished himself conspicuously by gallantry and intrepidity at the risk of his life above and beyond the call of duty while serving in the United States Army during World War II.

(b) PERSONS ELIGIBLE TO RECEIVE THE MEDAL OF HONOR.—The persons referred to in subsection (a) are the following:

(1) Vernon J. Baker, who served as a first lieutenant in the 370th Infantry Regiment, 92nd Infantry Division.

(2) Edward A. Carter, who served as a staff sergeant in the 56th Armored Infantry Battalion, Twelfth Armored Division.

(3) John R. Fox, who served as a first lieutenant in the 366th Infantry Regiment, 92nd Infantry Division.

(4) Willy F. James, Jr., who served as a private first class in the 413th Infantry Regiment, 104th Infantry Division.

(5) Ruben Rivers, who served as a staff sergeant in the 761st Tank Battalion.

(6) Charles L. Thomas, who served as a first lieutenant in the 614th Tank Destroyer Battalion.

(7) George Watson, who served as a private in the 29th Quartermaster Regiment.

(c) POSTHUMOUS AWARD.—The Medal of Honor may be awarded under this section posthumously, as provided in section 3752 of title 10, United States Code.

(d) PRIOR AWARD.—The Medal of Honor may be awarded under this section for service for which a Distinguished-Service Cross, or other award, has been awarded.

SEC. 562. WAIVER OF TIME LIMITATIONS FOR AWARD OF CERTAIN DECORATIONS TO SPECIFIED PERSONS.

(a) WAIVER OF TIME LIMITATION.—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 in the case of awards of decorations as described in subsection (b), the award of each such decoration having been determined by the Secretary of the Navy to be warranted in accordance with section 1130 of title 10, United States Code.

(b) DISTINGUISHED FLYING CROSS.—Subsection (a) applies to awards of the Distinguished Flying Cross for service during World War II as follows:

(1) FIRST AWARD.—First award, for completion of at least 20 qualifying combat missions, to the following members and former members of the Armed Forces:

Vernard V. Aiken of Wilmington, Vermont.
Ira V. Babcock of Dothan, Georgia.
George S. Barlow of Grafton, Virginia.
Earl A. Bratton of Bodega Bay, California.
Travis C. Cork of Leesburg, Florida.
Herman C. Edwards of Johns Island, South Carolina.
Norman J. Ehr of Kiel, Wisconsin.
James M. Fitzgerald of Anchorage, Alaska.
Raymond C. Gordon of Sherborn, Massachusetts.
Paul L. Hitchcock of Raleigh, North Carolina.
Harold H. Hottle of Hillsboro, Ohio.
Samuel M. Keith of Anderson, South Carolina.
Stanley J. Ksiadz of Cheektowaga, New York.
Otis Lancaster of Wyoming, Michigan.

Robert W. Lorette of Wilton, New Hampshire.
John B. McCabe of Biglerville, Pennsylvania.
James P. Merriman of Midland, Texas.
The late Michael L. Michalak, formerly of Akron, New York.
The late Edward J. Naparkowsky, formerly of Hartford, Connecticut.
Pete G. Nicora of Warren, Ohio.
Stanley J. Orlowski of Jackson, Michigan.
Raymond A. Peischl of Allentown, Pennsylvania.
A. Jerome Pfeiffer of Racine, Wisconsin.
Duane L. Rhodes of Earp, California.
Frank V. Roach of Bloomfield, New Jersey.
Arnold V. Rosekrans of Horseheads, New York.
Joseph E. Seaman, Jr. of Bordentown, New Jersey.
Richard F. Shumaker of Hilliard, Ohio.
Luther E. Thomas of Panama City, Florida.
Merton S. Ward of South Hamilton, Massachusetts.
Simon L. Webb of Magnolia, Mississippi.
Jerry W. Webster of Leander, Texas.

(2) SECOND AWARD.—Second award, for completion of at least 40 qualifying combat missions, to the following members and former members of the Armed Forces:

Arthur C. Adair of Grants Pass, Oregon.
Robert B. Carnes of West Yarmouth, Massachusetts.
Daniel K. Connors of Hampton, New Hampshire.
Glen E. Danielson of Whittier, California.
Ralph J. Deceuster of Dover, Ohio.
Albert P. Emsley of Bothell, Washington.
Urbain J. Fournier of Houma, Louisiana.
Prescott C. Jernegan of Hemet, California.
Stephen K. Johnson of Englewood, Florida.
Warren E. Johnson of Vista, California.
Elbert J. Kimble of San Francisco, California.
George W. Knauff of Monument, Colorado.
John W. Lincoln of Rockland, Massachusetts.
Alan D. Marker of Sonoma, California.
Joseph J. Oliver of White Haven, Pennsylvania.
Shefield Phelps of Seattle, Washington.
John B. Tagliapiri of St. Helena, California.
Dewilles A.H.W. Schwartz of Watertown, South Dakota.
Ray B. Stiltner of Centralia, Washington.

(3) THIRD AWARD.—Third award, for completion of at least 60 qualifying combat missions, to the following members and former members of the Armed Forces:

Glenn Bowers of Dillsburg, Pennsylvania.
Arthur C. Casey of Irving, California.
Robert J. Larsen of Gulf Breeze, Florida.
David Mendoza of McAllen, Texas.
William A. Nickerson of Portland, Oregon.
Maurice F. Smith of Sequim, Washington.

(4) FOURTH AWARD.—Fourth award, for completion of at least 80 qualifying combat missions, to the following members and former members of the Armed Forces:

Robert Bair of Ontario, California.
Arvid L. Kretz of Santa Rosa, California.
George E. McClane of Cocoa Beach, Florida.
Orville R. Swick of Issaquah, Washington.

(5) FIFTH AWARD.—Fifth award, for completion of at least 100 qualifying combat missions, to the following members and former members of the Armed Forces:

William A. Baldwin of San Clemente, California.
George Bobb of Blackwood, New Jersey.
John R. Conrad of Hot Springs, Arkansas.
Herbert R. Hetrick of Roaring Springs, Pennsylvania.
William L. Wells of Cordele, Georgia.

(6) SIXTH AWARD.—Sixth award, for completion of at least 120 qualifying combat missions, to Richard L. Murray of Dallas, Texas.

SEC. 563. REPLACEMENT OF CERTAIN AMERICAN THEATER CAMPAIGN RIBBONS.

(a) REPLACEMENT RIBBONS.—The Secretary of the Army, pursuant to section 3751 of title 10, United States Code, may replace any World War II decoration known as the American Theater Campaign Ribbon that was awarded to a person listed in the order described in subsection (b).

(b) RIBBONS PROPERLY AWARDED.—Any person listed in the document titled "General Order Number 1", issued by the Third Auxiliary Surgical Group, APO 647, United States Army, dated February 1, 1943, shall be considered to have been properly awarded the American Theater Campaign Ribbon for service during World War II.

Subtitle H—Other Matters

SEC. 571. HATE CRIMES IN THE MILITARY.

(a) HUMAN RELATIONS TRAINING.—(1) The Secretary of Defense shall ensure that the Secretary of each military department conducts ongoing programs for human relations training for all members of the Armed Forces under the jurisdiction of the Secretary. Matters to be covered by such training include race relations, equal opportunity, opposition to gender discrimination, and sensitivity to "hate group" activity. Such training shall be provided during basic training (or other initial military training) and on a regular basis thereafter.

(2) The Secretary of Defense shall also ensure that unit commanders are aware of their responsibilities in ensuring that impermissible activity based upon discriminatory motives does not occur in units under their command.

(b) INFORMATION TO BE PROVIDED TO PROSPECTIVE RECRUITS.—The Secretary of Defense shall ensure that each individual preparing to enter an officer accession program or to execute an original enlistment agreement is provided information concerning the meaning of the oath of office or oath of enlistment for service in

the Armed Forces in terms of the equal protection and civil liberties guarantees of the Constitution, and each such individual shall be informed that if supporting those guarantees is not possible personally for that individual, then that individual should decline to enter the Armed Forces.

(c) ANNUAL SURVEY.—(1) Section 451 of title 10, United States Code, is amended to read as follows:

"§ 451. Race relations, gender discrimination, and hate group activity: annual survey and report

"(a) ANNUAL SURVEY.—The Secretary of Defense shall carry out an annual survey to measure the state of racial, ethnic, and gender issues and discrimination among members of the armed forces serving on active duty and the extent (if any) of activity among such members that may be seen as so-called 'hate group' activity. The survey shall solicit information on the race relations and gender relations climate in the armed forces, including—

"(1) indicators of positive and negative trends of relations among all racial and ethnic groups and between the sexes;

"(2) the effectiveness of Department of Defense policies designed to improve race, ethnic, and gender relations; and

"(3) the effectiveness of current processes for complaints on and investigations into racial, ethnic, and gender discrimination.

"(b) IMPLEMENTING ENTITY.—The Secretary shall carry out each annual survey through the entity in the Department of Defense known as the Armed Forces Survey on Race/Ethnic Issues.

"(c) REPORTS TO CONGRESS.—Upon completion of each annual survey under subsection (a), the Secretary shall submit to Congress a report containing the results of the survey.".

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

"451. Race relations, gender discrimination, and hate group activity: annual survey and report.".

SEC. 572. DISABILITY COVERAGE FOR MEMBERS GRANTED EXCESS LEAVE FOR EDUCATIONAL OR EMERGENCY PURPOSES.

(a) ELIGIBILITY FOR RETIREMENT.—Section 1201 of title 10, United States Code, is amended—

(1) by striking out the matter preceding paragraph (1) and inserting in lieu thereof the following:

"(a) RETIREMENT.—Upon a determination by the Secretary concerned that a member described in subsection (c) is unfit to perform the duties of the member's office, grade, rank, or rating because of physical disability incurred while entitled to basic pay or while absent as described in subsection (c)(3), the Secretary may retire the member, with retired pay computed under section 1401 of this title, if the Secretary also makes the determinations with respect to the member and that disability specified in subsection (b).

"(b) REQUIRED DETERMINATIONS OF DISABILITY.—Determinations referred to in subsection (a) are determinations by the Secretary that—"; and

(2) by adding at the end the following:

"(c) ELIGIBLE MEMBERS.—This section and sections 1202 and 1203 of this title apply to the following members:

"(1) A member of a regular component of the armed forces entitled to basic pay.

"(2) Any other member of the armed forces entitled to basic pay who has been called or ordered to active duty (other than for training under section 10148(a) of this title) for a period of more than 30 days.

"(3) Any other member of the armed forces who is on active duty but is not entitled to basic pay by reason of section 502(b) of title 37 due to authorized absence (A) to participate in an educational program, or (B) for an emergency purpose, as determined by the Secretary concerned.".

(b) ELIGIBILITY FOR PLACEMENT ON TEMPORARY DISABILITY RETIREMENT LIST.—Section 1202 of title 10, United States Code, is amended by striking out "a member of a regular component" and all that follows through "more than 30 days," and inserting in lieu thereof "a member described in section 1201(c) of this title".

(c) ELIGIBILITY FOR SEPARATION.—Section 1203 of title 10, United States Code, is amended by striking out the matter preceding paragraph (1) and inserting in lieu thereof the following:

"(a) SEPARATION.—Upon a determination by the Secretary concerned that a member described in section 1201(c) of this title is unfit to perform the duties of the member's office, grade, rank, or rating because of physical disability incurred while entitled to basic pay or while absent as described in section 1201(c)(3) of this title, the member may be separated from the member's armed force, with severance pay computed under section 1212 of this title, if the Secretary also makes the determinations with respect to the member and that disability specified in subsection (b).

"(b) REQUIRED DETERMINATIONS OF DISABILITY.—Determinations referred to in subsection (a) are determinations by the Secretary that—".

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act and shall apply with respect to physical disabilities incurred on or after such date.

SEC. 573. CLARIFICATION OF AUTHORITY OF A RESERVE JUDGE ADVOCATE TO ACT AS A MILITARY NOTARY PUBLIC WHEN NOT IN A DUTY STATUS.

Section 1044a(b) of title 10, United States Code, is amended—

(1) in paragraph (1), by striking out "on active duty or performing inactive-duty training" and inserting in lieu thereof ", including reserve judge advocates when not in a duty status";

(2) in paragraph (3), by striking out "adjutants on active duty or performing inactive-duty training" and inserting in lieu thereof "adjutants, including reserve members when not in a duty status"; and

(3) in paragraph (4), by striking out "persons on active duty or performing inactive-duty training" and inserting in lieu thereof "members of the armed forces, including reserve members when not in a duty status,".

SEC. 574. PANEL ON JURISDICTION OF COURTS-MARTIAL FOR THE NATIONAL GUARD WHEN NOT IN FEDERAL SERVICE.

(a) ESTABLISHMENT.—The Secretary of Defense shall establish a panel to review the various authorities for court-martial and nonjudicial punishment jurisdiction for the National Guard not in Federal service and the use of those authorities.

(b) MEMBERSHIP.—The Secretary shall appoint the members of the panel so as to ensure representation of the following:

(1) The State Adjutants General of the National Guard.

(2) The State Attorneys General.

(3) The Joint Service Committee on Military Justice of the Department of Defense.

(c) DUTIES.—Matters reviewed by the panel shall include the following:

(1) The extent of the use of court-martial and nonjudicial punishment authority for the National Guard not in Federal service.

(2) The extent to which the authority used is—

(A) authority under title 32, United States Code; or

(B) authority under State law.

(d) REPORT.—(1) Not later than February 1, 1997, the panel shall submit a report on the panel's findings and conclusions to the Secretary of Defense.

(2) The report shall include recommended legislation for amending title 32, United States Code—

(A) to increase the uniformity in State use of courts-martial and nonjudicial punishment for the National Guard when not in Federal service; and

(B) to achieve increased comparability between the court-martial and nonjudicial punishment procedures that are applicable to the National Guard not in Federal service and the court-martial and nonjudicial punishment procedures that are applicable under the Uniform Code of Military Justice to the National Guard in Federal service.

(e) SUBMISSION OF REPORT TO CONGRESS.—Not later than March 1, 1997, the Secretary of Defense shall submit to Congress the report of the panel under subsection (d) together with the views of the Secretary regarding the report and the matters covered in the report.

SEC. 575. AUTHORITY TO EXPAND LAW ENFORCEMENT PLACEMENT PROGRAM TO INCLUDE FIREFIGHTERS.

Section 1152(g) of title 10, United States Code, is amended—

(1) by striking out "(g) CONDITIONAL EXPANSION OF PLACEMENT TO INCLUDE FIREFIGHTERS.—(1) Subject to paragraph (2), the" and inserting in lieu thereof "(g) AUTHORITY TO EXPAND PLACEMENT TO INCLUDE FIREFIGHTERS.—The"; and

(2) in paragraph (2)—

(A) by striking out the first sentence; and

(B) in the second sentence, by inserting "authorized by this subsection" after "expansion".

SEC. 576. IMPROVEMENTS TO PROGRAM TO ASSIST SEPARATED MILITARY AND CIVILIAN PERSONNEL TO OBTAIN EMPLOYMENT AS TEACHERS OR TEACHERS' AIDES.

(a) PROGRAM FOR SEPARATED MEMBERS.—(1) Section 1151 of title 10, United States Code, is amended—

(A) in subsection (f)(2), by striking out "five school years" in subparagraphs (A) and (B) and inserting in lieu thereof "two school years"; and

(B) in subsection (h)(3)(A), by striking out "five consecutive school years" and inserting in lieu thereof "two consecutive school years".

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

(A) by striking out the comma after "section 1174a of this title" and inserting in lieu thereof "or"; and

(B) by striking out ", or retires pursuant to the authority provided in section 4403 of the National Defense Authorization Act for fiscal year 1993 (Public Law 102–484; 10 U.S.C. 1293 note)".

(3) Subsection (h)(3)(B) of such section is amended—

(A) in clause (i), by striking out "$25,000" and inserting in lieu thereof "$17,000";

(B) in clause (ii)—

(i) by striking out "40 percent" and inserting in lieu thereof "25 percent"; and

(ii) by striking out "$10,000" and inserting in lieu thereof "$8,000"; and

(C) by striking out clauses (iii), (iv), and (v).

(b) SEPARATED CIVILIAN EMPLOYEES OF THE DEPARTMENT OF DEFENSE.—Section 1598(d)(2) of such title is amended by striking out "five school years" in subparagraphs (A) and (B) and inserting in lieu thereof "two school years".

(c) DISPLACED DEPARTMENT OF DEFENSE CONTRACTOR EMPLOYEES.—Section 2410j(f)(2) of such title is amended by striking out "five school years" in subparagraphs (A) and (B) and inserting in lieu thereof "two school years".

(d) SAVINGS PROVISION.—The amendments made by this section do not affect obligations under agreements entered into in accordance with section 1151, 1598, or 2410j of title 10, United States Code, before the date of the enactment of this Act.

SEC. 577. RETIREMENT AT GRADE TO WHICH SELECTED FOR PROMOTION WHEN A PHYSICAL DISABILITY IS FOUND AT ANY PHYSICAL EXAMINATION.

Section 1372 of title 10, United States Code, is amended by striking out "his physical examination for promotion" in paragraphs (3) and (4) and inserting in lieu thereof "a physical examination".

SEC. 578. REVISIONS TO MISSING PERSONS AUTHORITIES.

(a) REPEAL OF APPLICABILITY OF AUTHORITIES TO DEPARTMENT OF DEFENSE CIVILIAN EMPLOYEES AND CONTRACTOR EMPLOYEES.—(1) Section 1501 of title 10, United States Code, is amended—

(A) in subsection (c)—

(i) by striking out "applies in the case of" and all that follows through "(1) Any member" and inserting in lieu thereof "applies in the case of any member"; and

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

(B) by striking out subsection (f).

(2) Section 1503(c) of such title is amended—

(A) in paragraph (1), by striking out "one individual described in paragraph (2)" and inserting in lieu thereof "one military officer";

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

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

(3) Section 1504(d) of such title is amended—

(A) by striking out the text of paragraph (1) and inserting in lieu thereof the following new text: "A board appointed under this section shall be composed of at least three members who are officers having the grade of major or lieutenant commander or above."; and

(B) in paragraph (4), by striking out "section 1503(c)(4)" and inserting in lieu thereof "section 1503(c)(3)".

(4) Paragraph (1) of section 1513 of such title is amended to read as follows:

"(1) The term 'missing person' means a member of the armed forces on active duty who is in a missing status.".

(b) REPORT ON PRELIMINARY ASSESSMENT OF STATUS.—(1) Section 1502 of such title is amended—

(A) in subsection (a)(2)—

(i) by striking out "48 hours" and inserting in lieu thereof "10 days"; and

(ii) by striking out "theater component commander with jurisdiction over the missing person" and inserting in lieu thereof "Secretary concerned";

(B) by striking out subsection (b);

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

(D) in subsection (b), as so redesignated, by striking out the second sentence.

(2) Section 1503(a) of such title is amended by striking out "section 1502(b)" and inserting in lieu thereof "section 1502(a)".

(3) Section 1513 of such title is amended by striking out paragraph (8).

(c) FREQUENCY OF SUBSEQUENT REVIEWS.—Subsection (b) of section 1505 of such title is amended to read as follows:

"(b) FREQUENCY OF SUBSEQUENT REVIEWS.—The Secretary concerned shall conduct inquiries into the whereabouts and status of a person under subsection (a) upon receipt of information that may result in a change of status of the person. The Secretary concerned shall appoint a board to conduct such inquiries.".

(d) REPEAL OF STATUTORY PENALTIES FOR WRONGFUL WITHHOLDING OF INFORMATION.—Section 1506 of such title is amended—

(1) by striking out subsection (e); and

(2) by redesignating subsection (f) as subsection (e).

(e) INFORMATION TO ACCOMPANY RECOMMENDATION OF STATUS OF DEATH.—Section 1507(b) of such title is amended by striking out paragraphs (3) and (4).

(f) SCOPE OF PREENACTMENT REVIEW.—(1) Section 1509 of such title is amended—

(A) by striking out subsection (c); and

(B) by redesignating subsection (d) as subsection (c).

*(2)(A) The heading of such section is amended by striking out "**, special interest**".*

(B) The item relating to such section in the table of sections at the beginning of chapter 76 of such title is amended by striking out ", special interest".

Subtitle I—Commissioned Corps of the Public Health Service

SEC. 581. APPLICABILITY TO PUBLIC HEALTH SERVICE OF PROHIBITION ON CREDITING CADET OR MIDSHIPMEN SERVICE AT THE SERVICE ACADEMIES.

(a) PROHIBITION ON COUNTING ENLISTED SERVICE PERFORMED WHILE AT SERVICE ACADEMY.—Subsection (a) of section 971 of title 10, United States Code, is amended by inserting before the period at the end the following: "or an officer in the Commissioned Corps of the Public Health Service".

(b) PROHIBITION ON COUNTING SERVICE AS A CADET OR MIDSHIPMAN.—Subsection (b) of such section is amended to read as follows:

"(b) PROHIBITION ON COUNTING SERVICE AS A CADET OR MIDSHIPMAN.—In computing length of service for any purpose, service as a cadet or midshipman may not be credited to any of the following officers:

"(1) An officer of the Navy or Marine Corps.

"(2) A commissioned officer of the Army or Air Force.

"(3) An officer of the Coast Guard.

"(4) An officer in the commissioned corps of the Public Health Service.".

(c) TECHNICAL AMENDMENTS.—(1) Such section is further amended by adding at the end the following new subsection:

"(c) SERVICE AS A CADET OR MIDSHIPMAN DEFINED.—In this section, the term 'service as a cadet or midshipman' means—

"(1) service as a cadet at the United States Military Academy, United States Air Force Academy, or United States Coast Guard Academy; or

"(2) service as a midshipman at the United States Naval Academy.".

(2) Subsection (a) of such section is further amended—

(A) by inserting "PROHIBITION ON COUNTING ENLISTED SERVICE PERFORMED WHILE AT SERVICE ACADEMY OR IN NAVAL RESERVE.—" after "(a)"; and

(B) by striking out "while also serving" and all that follows through "Naval Academy or" and inserting in lieu thereof "while also performing service as a cadet or midshipman or serving as a midshipman".

(3) The heading of such section, and the item relating to such section in the table of sections at the beginning of chapter 49 of such title, are amended by striking out the seventh word.

SEC. 582. EXCEPTION TO STRENGTH LIMITATIONS FOR PUBLIC HEALTH SERVICE OFFICERS ASSIGNED TO THE DEPARTMENT OF DEFENSE.

Section 206 of the Public Health Service Act (42 U.S.C. 207) is amended by adding at the end the following new subsection:

"(f) In computing the maximum number of commissioned officers of the Public Health Service authorized by law or administrative determination to serve on active duty, there may be excluded from such computation officers who are assigned to duty in the Department of Defense.".

SEC. 583. AUTHORITY TO PROVIDE LEGAL ASSISTANCE TO PUBLIC HEALTH SERVICE OFFICERS.

(a) LEGAL ASSISTANCE AVAILABLE.—Subsection (a) of section 1044 of title 10, United States Code, is amended by striking out paragraph (3) and inserting in lieu thereof the following:

"(3) Officers of the commissioned corps of the Public Health Service who are on active duty or entitled to retired or equivalent pay.

"(4) Dependents of members and former members described in paragraphs (1), (2), and (3).".

(b) LIMITATION ON ASSISTANCE.—Subsection (c) of such section is amended—

(1) by striking out "armed forces" and inserting in lieu thereof "uniformed services described in subsection (a)"; and

(2) by inserting "such" after "dependent of".

(c) CLARIFYING AMENDMENTS.—Subsection (a) of such section is further amended by striking out "under his jurisdiction" in paragraphs (1) and (2).

(d) STYLISTIC AMENDMENTS.—Subsection (a) of such section is further amended—

(1) in the matter preceding paragraph (1), by striking out "to—" and inserting in lieu thereof "to the following persons:";

(2) by capitalizing the first letter of the first word of paragraphs (1) and (2);

(3) by striking out the semicolon at the end of paragraph (1) and inserting in lieu thereof a period; and

(4) by striking out "; and" at the end of paragraph (2) and inserting in lieu thereof a period.

TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

Subtitle A—Pay and Allowances

Sec. 601. Military pay raise for fiscal year 1997.
Sec. 602. Adjustment of rate of cadet and midshipman pay.
Sec. 603. Pay of senior noncommissioned officers while hospitalized.
Sec. 604. Availability of basic allowance for quarters for certain members without dependents who serve on sea duty.
Sec. 605. Uniform applicability of discretion to deny an election not to occupy Government quarters.
Sec. 606. Establishment of minimum monthly amount of variable housing allowance for high housing cost areas.
Sec. 607. Family separation allowance for members separated by military orders from spouses who are members.
Sec. 608. Waiver of time limitations for claim for pay and allowances.

Subtitle B—Bonuses and Special and Incentive Pays

Sec. 611. One-year extension of certain bonuses and special pay authorities for reserve forces.
Sec. 612. One-year extension of certain bonuses and special pay authorities for nurse officer candidates, registered nurses, and nurse anesthetists.
Sec. 613. One-year extension of authorities relating to payment of other bonuses and special pays.
Sec. 614. Special pay for certain Public Health Service officers.
Sec. 615. Special incentives to recruit and retain dental officers.
Sec. 616. Foreign language proficiency pay for Public Health Service and National Oceanic and Atmospheric Administration officers.

Subtitle C—Travel and Transportation Allowances

Sec. 621. Allowance in connection with shipping motor vehicle at Government expense.
Sec. 622. Dislocation allowance at a rate equal to two and one-half months basic allowance for quarters.
Sec. 623. Allowance for travel performed in connection with leave between consecutive overseas tours.
Sec. 624. Funding for transportation of household effects of Public Health Service officers.

Subtitle D—Retired Pay, Survivor Benefits, and Related Matters

Sec. 631. Effective date for military retiree cost-of-living adjustment for fiscal year 1998.
Sec. 632. Clarification of initial computation of retiree COLAs after retirement.
Sec. 633. Suspension of payment of retired pay of members who are absent from the United States to avoid prosecution.
Sec. 634. Nonsubstantive restatement of Survivor Benefit Plan statute.
Sec. 635. Increases in Survivor Benefit Plan contributions to be effective concurrently with payment of retired pay cost-of-living increases.
Sec. 636. Amendments to the Uniformed Services Former Spouses' Protection Act.
Sec. 637. Prevention of circumvention of court order by waiver of retired pay to enhance civil service retirement annuity.
Sec. 638. Administration of benefits for so-called minimum income widows.

Subtitle E—Other Matters

Sec. 651. Discretionary allotment of pay, including retired or retainer pay.
Sec. 652. Reimbursement for adoption expenses incurred in adoptions through private placements.
Sec. 653. Waiver of recoupment of amounts withheld for tax purposes from certain separation pay.
Sec. 654. Technical correction clarifying limitation on furnishing clothing or allowances for enlisted National Guard technicians.
Sec. 655. Technical correction to prior authority for payment of back pay to certain persons.
Sec. 656. Compensation for persons awarded prisoner of war medal who did not previously receive compensation as a prisoner of war.
Sec. 657. Payments to certain persons captured and interned by North Vietnam.

Subtitle A—Pay and Allowances

SEC. 601. MILITARY PAY RAISE FOR FISCAL YEAR 1997.

(a) WAIVER OF SECTION 1009 ADJUSTMENT.—Any adjustment required by section 1009 of title 37, United States Code, in elements of compensation of members of the uniformed services to become effective during fiscal year 1997 shall not be made.

(b) INCREASE IN BASIC PAY AND BAS.—Effective on January 1, 1997, the rates of basic pay and basic allowance for subsistence of members of the uniformed services are increased by 3.0 percent.

(c) INCREASE IN BAQ.—Effective on January 1, 1997, the rates of basic allowance for quarters of members of the uniformed services are increased by 4.6 percent.

SEC. 602. ADJUSTMENT OF RATE OF CADET AND MIDSHIPMAN PAY.

Section 203(c) of title 37, United States Code, is amended—

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

(2) in paragraph (1), by striking out "(1)".

SEC. 603. PAY OF SENIOR NONCOMMISSIONED OFFICERS WHILE HOSPITALIZED.

(a) PAY DURING HOSPITALIZATION.—Section 210 of title 37, 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) A noncommissioned officer of an armed force who is hospitalized and who, during or immediately before such hospitalization, completed service as the senior enlisted member of that armed force, shall continue to be entitled, for not more than 180 days while so hospitalized, to the rate of basic pay authorized for the senior enlisted member of that armed force.".

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

"§ 210. Pay of senior enlisted members during terminal leave and while hospitalized".

(2) The item relating to such section in the table of sections at the beginning of chapter 3 of title 37, United States Code, is amended to read as follows:

"210. Pay of senior enlisted members during terminal leave and while hospitalized.".

SEC. 604. AVAILABILITY OF BASIC ALLOWANCE FOR QUARTERS FOR CERTAIN MEMBERS WITHOUT DEPENDENTS WHO SERVE ON SEA DUTY.

(a) ENTITLEMENT OF SINGLE MEMBERS ABOVE GRADE E–5.—Section 403(c)(2) of title 37, United States Code, is amended—

(1) by striking out "A member" in the first sentence and inserting in lieu thereof "(A) Except as provided in subparagraphs (B) and (C), a member"; and

(2) by striking out the second sentence.

(b) ENTITLEMENT OF CERTAIN SINGLE MEMBERS IN GRADE E–5.—Such section is further amended by adding at the end the following new subparagraph:

"(B) Under regulations prescribed by the Secretary concerned, the Secretary may authorize the payment of a basic allowance for quarters to a member of a uniformed service without dependents who is serving in pay grade E–5 and is assigned to sea duty. In prescribing regulations under this subparagraph, the Secretary concerned shall consider the availability of quarters for members serving in pay grade E–5.".

(c) ENTITLEMENT WHEN BOTH SPOUSES IN GRADES BELOW GRADE E–6 ARE ASSIGNED TO SEA DUTY.—Such section is further amended by inserting after subparagraph (B), as added by subsection (b), the following new subparagraph:

"(C) Notwithstanding section 421 of this title, two members of the uniformed services in a pay grade below pay grade E–6 who are married to each other, have no other dependents, and are simultaneously assigned to sea duty are jointly entitled to one basic allowance for quarters during the period of such simultaneous sea duty. The amount of the allowance shall be based on the without dependents rate for the pay grade of the senior member of the couple. However, this subparagraph shall not apply to a couple if one or both of the members are entitled to a basic allowance for quarters under subparagraph (B).".

(d) CONFORMING AMENDMENT REGARDING VARIABLE HOUSING ALLOWANCE.—Section 403a(b)(2)(C) of title 37, United States Code, is amended by striking out "E–6" and inserting in lieu thereof "E–4".

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

SEC. 605. UNIFORM APPLICABILITY OF DISCRETION TO DENY AN ELECTION NOT TO OCCUPY GOVERNMENT QUARTERS.

Section 403(b)(3) of title 37, United States Code, is amended by striking out "A member" and inserting in lieu thereof "Subject to the provisions of subsection (j), a member".

SEC. 606. ESTABLISHMENT OF MINIMUM MONTHLY AMOUNT OF VARIABLE HOUSING ALLOWANCE FOR HIGH HOUSING COST AREAS.

(a) MINIMUM MONTHLY AMOUNT OF ALLOWANCE.—Subsection (c) of section 403a of title 37, United States Code, is amended by striking out paragraph (1) and inserting in lieu thereof the following new paragraph:

"(1) The monthly amount of a variable housing allowance under this section for a member of a uniformed service with respect to an area is equal to the greater of the following amounts:

"(A) An amount equal to the difference between—

"(i) the median monthly cost of housing in that area for members of the uniformed services serving in the same pay grade and with the same dependency status as that member; and

"(ii) 80 percent of the median monthly cost of housing in the United States for members of the uniformed services serving in the same pay grade and with the same dependency status as that member.

"(B) An amount equal to the difference between—

"(i) the adequate housing allowance floor determined by the Secretary of Defense for all members of the uniformed services in that area entitled to a variable housing allowance under this section; and

"(ii) the monthly basic allowance for quarters for members of the uniformed services serving in the same pay grade and with the same dependency status as that member.".

(b) ADEQUATE HOUSING ALLOWANCE FLOOR.—Such subsection is further amended by adding at the end the following new paragraph:

"(7)(A) For purposes of paragraph (1)(B)(i), the Secretary of Defense shall establish an adequate housing allowance floor for mem-

bers of the uniformed services in an area as a selected percentage, not to exceed 85 percent, of the cost of adequate housing in that area based on an index of housing costs selected by the Secretary of Defense from among the following:

"(i) The fair market rentals established annually by the Secretary of Housing and Urban Development under section 8(c)(1) of the United States Housing Act of 1937 (42 U.S.C. 1437f(c)(1)).

"(ii) An index developed in the private sector that the Secretary of Defense determines is comparable to the fair market rentals referred to in clause (i) and is appropriate for use to determine the adequate housing allowance floor.

"(B) The Secretary of Defense shall carry out this paragraph in consultation with the Secretary of Transportation, the Secretary of Commerce, and the Secretary of Health and Human Services.".

(c) EFFECT ON TOTAL AMOUNT AVAILABLE FOR ALLOWANCE.—Subsection (d)(3) of such section is amended in the second sentence by striking out "the second sentence of subsection (c)(3)" and inserting in lieu thereof "paragraph (1)(B) of subsection (c) and the second sentence of paragraph (3) of that subsection".

(d) CONFORMING AMENDMENTS.—Subsection (c) of such section is further amended—

(1) in paragraph (3), by striking out "this subsection" in the first sentence and inserting lieu thereof "paragraph (1)(A) or the minimum amount of a variable housing allowance under paragraph (1)(B)"; and

(2) in paragraph (5), by inserting "or minimum amount of a variable housing allowance" after "costs of housing".

(e) EFFECTIVE DATE.—The amendments made by this section shall take effect on January 1, 1997, except that the Secretary of Defense may delay implementation of the requirements imposed by the amendments to such later date as the Secretary considers appropriate upon publication of notice to that effect in the Federal Register.

SEC. 607. FAMILY SEPARATION ALLOWANCE FOR MEMBERS SEPARATED BY MILITARY ORDERS FROM SPOUSES WHO ARE MEMBERS.

(a) ADDITIONAL BASIS FOR ALLOWANCE.—Paragraph (1) of section 427(b) of title 37, United States Code, is amended—

(1) by striking out "or" at the end of subparagraph (B);

(2) by striking out the period at the end of subparagraph (C) and inserting in lieu thereof "; or"; and

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

"(D) the member is married to a member of a uniformed service, the member has no dependent other than the spouse, the two members are separated by reason of the execution of military orders, and the two members were residing together immediately before being separated by reason of execution of military orders.".

(b) CONFORMING AMENDMENT.—Such section is further amended by adding at the end the following new paragraph:

"(5) Section 421 of this title does not apply to bar an entitlement to an allowance under paragraph (1)(D). However, not more than

one monthly allowance may be paid with respect to a married couple under paragraph (1)(D) for any month.".

SEC. 608. WAIVER OF TIME LIMITATIONS FOR CLAIM FOR PAY AND ALLOWANCES.

Section 3702 of title 31, United States Code, is amended by adding at the end the following new subsection:

"(e)(1) Upon the request of the Secretary concerned (as defined in section 101 of title 37), the Comptroller General may waive the time limitations set forth in subsection (b) or (c) in the case of a claim for pay or allowances provided under title 37 and, subject to paragraph (2), settle the claim.

"(2) Payment of a claim settled under paragraph (1) shall be subject to the availability of appropriations for payment of that particular claim.

"(3) This subsection does not apply to a claim in excess of $25,000.".

Subtitle B—Bonuses and Special and Incentive Pays

SEC. 611. ONE-YEAR EXTENSION OF CERTAIN BONUSES AND SPECIAL PAY AUTHORITIES FOR RESERVE FORCES.

(a) SPECIAL PAY FOR CRITICALLY SHORT WARTIME HEALTH SPECIALISTS.—Section 302g(f) of title 37, United States Code, is amended by striking out "September 30, 1997" and inserting in lieu thereof "September 30, 1998".

(b) SELECTED RESERVE REENLISTMENT BONUS.—Section 308b(f) of title 37, United States Code, is amended by striking out "September 30, 1997" and inserting in lieu thereof "September 30, 1998".

(c) SELECTED RESERVE ENLISTMENT BONUS.—Section 308c(e) of title 37, United States Code, is amended by striking out "September 30, 1997" and inserting in lieu thereof "September 30, 1998".

(d) SPECIAL PAY FOR ENLISTED MEMBERS ASSIGNED TO CERTAIN HIGH PRIORITY UNITS.—Section 308d(c) of title 37, United States Code, is amended by striking out "September 30, 1997" and inserting in lieu thereof "September 30, 1998".

(e) SELECTED RESERVE AFFILIATION BONUS.—Section 308e(e) of title 37, United States Code, is amended by striking out "September 30, 1997" and inserting in lieu thereof "September 30, 1998".

(f) READY RESERVE ENLISTMENT AND REENLISTMENT BONUS.—Section 308h(g) of title 37, United States Code, is amended by striking out "September 30, 1997" and inserting in lieu thereof "September 30, 1998".

(g) PRIOR SERVICE ENLISTMENT BONUS.—Section 308i(i) of title 37, United States Code, is amended by striking out "September 30, 1997" and inserting in lieu thereof "September 30, 1998".

SEC. 612. ONE-YEAR EXTENSION OF CERTAIN BONUSES 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 out "September 30, 1997" and inserting in lieu thereof "September 30, 1998".

(b) ACCESSION BONUS FOR REGISTERED NURSES.—Section 302d(a)(1) of title 37, United States Code, is amended by striking out "September 30, 1997" and inserting in lieu thereof "September 30, 1998".

(c) INCENTIVE SPECIAL PAY FOR NURSE ANESTHETISTS.—Section 302e(a)(1) of title 37, United States Code, is amended by striking out "September 30, 1997" and inserting in lieu thereof "September 30, 1998".

SEC. 613. ONE-YEAR EXTENSION OF AUTHORITIES RELATING TO PAYMENT OF OTHER BONUSES AND SPECIAL PAYS.

(a) AVIATION OFFICER RETENTION BONUS.—Section 301b(a) of title 37, United States Code, is amended by striking out "September 30, 1997" and inserting in lieu thereof "September 30, 1998,".

(b) REENLISTMENT BONUS FOR ACTIVE MEMBERS.—Section 308(g) of title 37, United States Code, is amended by striking out "September 30, 1997" and inserting in lieu thereof "September 30, 1998".

(c) ENLISTMENT BONUSES FOR CRITICAL SKILLS.—Sections 308a(c) and 308f(c) of title 37, United States Code, are each amended by striking out "September 30, 1997" and inserting in lieu thereof "September 30, 1998".

(d) SPECIAL PAY FOR NUCLEAR QUALIFIED OFFICERS EXTENDING PERIOD OF ACTIVE SERVICE.—Section 312(e) of title 37, United States Code, is amended by striking out "September 30, 1997" and inserting in lieu thereof "September 30, 1998".

(e) NUCLEAR CAREER ACCESSION BONUS.—Section 312b(c) of title 37, United States Code, is amended by striking out "September 30, 1997" and inserting in lieu thereof "September 30, 1998".

(f) NUCLEAR CAREER ANNUAL INCENTIVE BONUS.—Section 312c(d) of title 37, United States Code, is amended by striking out "October 1, 1997" and inserting in lieu thereof "October 1, 1998".

(g) 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 out "October 1, 1997" and inserting in lieu thereof "October 1, 1998".

SEC. 614. SPECIAL PAY FOR CERTAIN PUBLIC HEALTH SERVICE OFFICERS.

(a) OPTOMETRISTS.—Section 302a(b) of title 37, United States Code, is amended—

(1) in paragraph (2)—

(A) by striking out "an armed force" in the matter preceding subparagraph (A) and inserting in lieu thereof "a uniformed service"; and

(B) by striking out "of the military department" in subparagraph (C); and

(2) in paragraph (4), by striking out "of the military department".

(b) NONPHYSICIAN HEALTH CARE PROVIDERS.—Section 302c(d) of title 37, United States Code, is amended—

(1) in the matter preceding paragraph (1), by striking out "Secretary of Defense" and inserting in lieu thereof "Secretary concerned"; and

(2) in paragraph (1)—

(A) by striking out "or" the third place it appears; and

(B) by inserting before the period at the end the following: ", or an officer in the Regular or Reserve Corps of the Public Health Service".

SEC. 615. SPECIAL INCENTIVES TO RECRUIT AND RETAIN DENTAL OFFICERS.

(a) VARIABLE, ADDITIONAL, AND BOARD CERTIFIED SPECIAL PAYS FOR ACTIVE DUTY DENTAL OFFICERS.—Section 302b(a) of title 37, United States Code is amended—

(1) in paragraph (2)—

(A) in subparagraph (A), by striking out "$1,200" and inserting in lieu thereof "$3,000";

(B) in subparagraph (B), by striking out "$2,000" and inserting in lieu thereof "$7,000"; and

(C) in subparagraph (C), by striking out "$4,000" and inserting in lieu thereof "$7,000";

(2) in paragraph (4), by striking out subparagraphs (A), (B), and (C) and inserting in lieu thereof the following:

"(A) $4,000 per year, if the officer has less than three years of creditable service.

"(B) $6,000 per year, if the officer has at least three but less than 14 years of creditable service.

"(C) $8,000 per year, if the officer has at least 14 but less than 18 years of creditable service.

"(D) $10,000 per year, if the officer has at least 18 or more years of creditable service."; and

(3) in paragraph (5), by striking out subparagraphs (A), (B), and (C) and inserting in lieu thereof the following:

"(A) $2,500 per year, if the officer has less than 10 years of creditable service.

"(B) $3,500 per year, if the officer has at least 10 but less than 12 years of creditable service.

"(C) $4,000 per year, if the officer has at least 12 but less than 14 years of creditable service.

"(D) $5,000 per year, if the officer has at least 14 but less than 18 years of creditable service.

"(E) $6,000 per year, if the officer has 18 or more years of creditable service.".

(b) RESERVE DENTAL OFFICERS SPECIAL PAY.—Section 302b of title 37, United States Code, is amended by adding at the end the following new subsection:

"(h) RESERVE DENTAL OFFICERS SPECIAL PAY.—(1) A reserve dental officer described in paragraph (2) is entitled to special pay at the rate of $350 a month for each month of active duty, including active duty in the form of annual training, active duty for training, and active duty for special work.

"(2) A reserve dental officer referred to in paragraph (1) is a reserve officer who—

"(A) is an officer of the Dental Corps of the Army or the Navy or an officer of the Air Force designated as a dental officer; and

"(B) is on active duty under a call or order to active duty for a period of less than one year.".

(c) ACCESSION BONUS FOR DENTAL SCHOOL GRADUATES WHO ENTER THE ARMED FORCES.—(1) Chapter 5 of title 37, United

States Code, is amended by inserting after section 302g the following new section:

"§ 302h. Special pay: accession bonus for dental officers

"(a) ACCESSION BONUS AUTHORIZED.—(1) A person who is a graduate of an accredited dental school and who, during the period beginning on the date of the enactment of this section, and ending on September 30, 2002, executes a written agreement described in subsection (c) to accept a commission as an officer of the armed forces and remain on active duty for a period of not less than four years may, upon the acceptance of the agreement by the Secretary concerned, be paid an accession bonus in an amount determined by the Secretary concerned.

"(2) The amount of an accession bonus under paragraph (1) may not exceed $30,000.

"(b) LIMITATION ON ELIGIBILITY FOR BONUS.—A person may not be paid a bonus under subsection (a) if—

"(1) the person, in exchange for an agreement to accept an appointment as an officer, received financial assistance from the Department of Defense to pursue a course of study in dentistry; or

"(2) the Secretary concerned determines that the person is not qualified to become and remain certified and licensed as a dentist.

"(c) AGREEMENT.—The agreement referred to in subsection (a) shall provide that, consistent with the needs of the armed service concerned, the person executing the agreement will be assigned to duty, for the period of obligated service covered by the agreement, as an officer of the Dental Corps of the Army or the Navy or an officer of the Air Force designated as a dental officer.

"(d) REPAYMENT.—(1) An officer who receives a payment under subsection (a) and who fails to become and remain certified or licensed as a dentist during the period for which the payment is made shall refund to the United States an amount equal to the full amount of such payment.

"(2) An officer who voluntarily terminates service on active duty before the end of the period agreed to be served under subsection (a) shall refund to the United States an amount that bears the same ratio to the amount paid to the officer as the unserved part of such period bears to the total period agreed to be served.

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

"(4) A discharge in bankruptcy under title 11 that is entered less than five years after the termination of an agreement under this section does not discharge the person signing such agreement from a debt arising under such agreement or this subsection. This paragraph applies to any case commenced under title 11 after the date of the enactment of this section.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 302g the following new item:

"302h. Special pay: accession bonus for dental officers.".

(3) Section 303a of title 37, United States Code, is amended by striking out "302g" each place it appears and inserting in lieu thereof "302h".

(d) REPORT ON ADDITIONAL ACTIVITIES TO INCREASE RECRUITMENT OF DENTISTS.—Not later than April 1, 1997, the Secretary of Defense shall submit to Congress a report describing the feasibility of increasing the number of persons enrolled in the Armed Forces Health Professions Scholarship and Financial Assistance program who are pursuing a course of study in dentistry in anticipation of service as an officer of the Dental Corps of the Army or the Navy or an officer of the Air Force designated as a dental officer.

(e) STYLISTIC AMENDMENTS.—Section 302b of title 37, United States Code, is amended—

(1) in subsection (a), by inserting "VARIABLE, ADDITIONAL, AND BOARD CERTIFICATION SPECIAL PAY.—" after "(a)";

(2) in subsection (b), by inserting "ACTIVE-DUTY AGREEMENT.—" after "(b)";

(3) in subsection (c), by inserting "REGULATIONS.—" after "(c)";

(4) in subsection (d), by inserting "FREQUENCY OF PAYMENTS.—" after "(d)";

(5) in subsection (e), by inserting "REFUND FOR PERIOD OF UNSERVED OBLIGATED SERVICE.—" after "(e)";

(6) in subsection (f), by inserting "EFFECT OF DISCHARGE IN BANKRUPTCY.—" after "(f)"; and

(7) in subsection (g), by inserting "DETERMINATION OF CREDITABLE SERVICE.—" after "(g)".

SEC. 616. FOREIGN LANGUAGE PROFICIENCY PAY FOR PUBLIC HEALTH SERVICE AND NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION OFFICERS.

(a) ELIGIBILITY.—Subsection (a) of section 316 of title 37, United States Code, is amended—

(1) in the matter preceding paragraph (1), by striking out "armed forces" and inserting in lieu thereof "uniformed services";

(2) in paragraph (2)—

(A) by striking out "Secretary of Defense" and inserting in lieu thereof "Secretary concerned"; and

(B) by inserting "or public health" after "national defense"; and

(3) in paragraph (3)—

(A) in subparagraph (A), by striking out "military" and inserting in lieu thereof "uniformed services";

(B) in subparagraph (C), by striking out "military"; and

(C) in subparagraph (D)—

(i) by striking out "Department of Defense" and inserting in lieu thereof "uniformed service"; and

(ii) by striking out "Secretary of Defense" and inserting in lieu thereof "Secretary concerned".

(b) ADMINISTRATION.—Subsection (d) of such section is amended—

(1) by striking out "his jurisdiction and" and inserting in lieu thereof "the jurisdiction of the Secretary,"; and

(2) by inserting before the period at the end the following: ", by the Secretary of Health and Human Services for the Commissioned Corps of the Public Health Service, and by the Secretary of Commerce for the National Oceanic and Atmospheric Administration".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1996, and apply with respect to months beginning on or after such date.

Subtitle C—Travel and Transportation Allowances

SEC. 621. ALLOWANCE IN CONNECTION WITH SHIPPING MOTOR VEHICLE AT GOVERNMENT EXPENSE.

(a) ALLOWANCE AUTHORIZED.—Section 406(b)(1)(B) of title 37, United States Code, is amended by adding at the end the following: "If clause (i)(I) applies to the transportation by the member of a motor vehicle from the old duty station, the monetary allowance under this subparagraph shall also cover return travel to the old duty station by the member or other person transporting the vehicle. In the case of transportation described in clause (ii), the monetary allowance shall also cover travel from the new duty station to the port of debarkation to pick up the vehicle.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on January 1, 1997.

SEC. 622. DISLOCATION ALLOWANCE AT A RATE EQUAL TO TWO AND ONE-HALF MONTHS BASIC ALLOWANCE FOR QUARTERS.

(a) ALLOWANCE AUTHORIZED.—Section 407(a) of title 37, United States Code, is amended in the matter preceding paragraph (1) by striking out "two months" and inserting in lieu thereof "two and one-half months".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on January 1, 1997.

SEC. 623. ALLOWANCE FOR TRAVEL PERFORMED IN CONNECTION WITH LEAVE BETWEEN CONSECUTIVE OVERSEAS TOURS.

(a) AUTHORITY FOR ADDITIONAL DEFERRAL OF TRAVEL.—Section 411b(a)(2) of title 37, United States Code, is amended by adding at the end the following: "If the member is unable to undertake the travel before the end of such one-year period as a result of duty in connection with a contingency operation, the member may defer the travel for one additional year beginning on the date the duty of the member in connection with the contingency operation ends.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect as of November 1, 1995.

SEC. 624. FUNDING FOR TRANSPORTATION OF HOUSEHOLD EFFECTS OF PUBLIC HEALTH SERVICE OFFICERS.

Section 406(j) of title 37, United States Code, is amended—

(1) in the first sentence of paragraph (1)—

(A) by striking out "Appropriations available" and all that follows through "to a member" and inserting in lieu thereof "The Secretary concerned may pay a monetary allowance to a member of the armed forces or a member of the Commissioned Corps of the Public Health Service"; and

(B) by striking out "of the military department"; and

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

"(3) Appropriations available to the Department of Defense for providing transportation of household effects of members of the armed forces under subsection (b) shall be available to pay the monetary allowance authorized under paragraph (1) to such members. Appropriations available to the Department of Health and Human Services for providing transportation of household effects of members of the Commissioned Corps of the Public Health Service under subsection (b) shall be available to pay the monetary allowance authorized under paragraph (1) to such members.".

Subtitle D—Retired Pay, Survivor Benefits, and Related Matters

SEC. 631. EFFECTIVE DATE FOR MILITARY RETIREE COST-OF-LIVING ADJUSTMENT FOR FISCAL YEAR 1998.

(a) REPEAL OF ADJUSTMENT OF EFFECTIVE DATE FOR FISCAL YEAR 1998.—Section 1401a(b)(2)(B) of title 10, United States Code, is amended—

(1) by striking out "(B) SPECIAL RULES" and all that follows through "In the case of" in clause (i) and inserting in lieu thereof "(B) SPECIAL RULE FOR FISCAL YEAR 1996.—In the case of"; and

(2) by striking out clause (ii).

(b) REPEAL OF CONTINGENT ALTERNATIVE DATE FOR FISCAL YEAR 1998.—Section 631 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 364) is amended by striking out subsection (b).

SEC. 632. CLARIFICATION OF INITIAL COMPUTATION OF RETIREE COLAS AFTER RETIREMENT.

(a) IN GENERAL.—Section 1401a of title 10, United States Code, is amended by striking out subsections (c) and (d) and inserting in lieu thereof the following new subsections:

"(c) FIRST COLA ADJUSTMENT FOR MEMBERS WITH RETIRED PAY COMPUTED USING FINAL BASIC PAY.—

"(1) FIRST ADJUSTMENT WITH INTERVENING INCREASE IN BASIC PAY.—Notwithstanding subsection (b), if a person described in paragraph (3) becomes entitled to retired pay based on rates of monthly basic pay that became effective after the last day of the calendar quarter of the base index, the retired pay of the member or former member shall be increased on the effective date of the next adjustment of retired pay under subsection (b) only by the percent (adjusted to the nearest one-tenth of 1 percent) by which—

"(A) the price index for the base quarter of that year, exceeds

"(B) the price index for the calendar quarter immediately before the calendar quarter in which the rates of monthly basic pay on which the retired pay is based became effective.

"(2) FIRST ADJUSTMENT WITH NO INTERVENING INCREASE IN BASIC PAY.—If a person described in paragraph (3) becomes en-

titled to retired pay on or after the effective date of an adjustment in retired pay under subsection (b) but before the effective date of the next increase in the rates of monthly basic pay, the retired pay of the member or former member shall be increased, effective on the date the member becomes entitled to that pay, by the percent (adjusted to the nearest one-tenth of 1 percent) by which—

"(A) the base index, exceeds

"(B) the price index for the calendar quarter immediately before the calendar quarter in which the rates of monthly basic pay on which the retired pay is based became effective.

"(3) MEMBERS COVERED.—Paragraphs (1) and (2) apply to a member or former member of an armed force who first became a member of a uniformed service before August 1, 1986, and whose retired pay base is determined under section 1406 of this title.

"(d) FIRST COLA ADJUSTMENT FOR MEMBERS WITH RETIRED PAY COMPUTED USING HIGH-THREE.—Notwithstanding subsection (b), the retired pay of a member or former member of an armed force who first became a member of a uniformed service before August 1, 1986, and whose retired pay base is determined under section 1407 of this title shall be increased on the effective date of the first adjustment of retired pay under subsection (b) after the member or former member becomes entitled to retired pay by the percent (adjusted to the nearest one-tenth of 1 percent) equal to the difference between the percent by which—

"(1) the price index for the base quarter of that year, exceeds

"(2) the price index for the calendar quarter immediately before the calendar quarter during which the member became entitled to retired pay.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply only to adjustments of retired and retainer pay effective after the date of the enactment of this Act.

SEC. 633. SUSPENSION OF PAYMENT OF RETIRED PAY OF MEMBERS WHO ARE ABSENT FROM THE UNITED STATES TO AVOID PROSECUTION.

(a) DEVELOPMENT OF PROCEDURES FOR SUSPENSION.—The Secretary of Defense shall develop uniform procedures under which the Secretary of a military department may suspend the payment of the retired pay of a member or former member of the Armed Forces during periods in which the member willfully remains outside the United States to avoid criminal prosecution or civil liability. The procedures shall address the types of criminal offenses and civil proceedings for which the procedures may be used, including the offenses specified in section 8312 of title 5, United States Code, and the manner by which a member, upon the return of the member to the United States, may obtain retired pay withheld during the member's absence.

(b) REPORT TO CONGRESS.—The Secretary of Defense shall submit to Congress a report describing the procedures developed under subsection (a). The report shall include recommendations regarding changes to existing provisions of law (including section 8313 of title

5, United States Code) that the Secretary determines are necessary to fully implement the procedures.

(c) RETIRED PAY DEFINED.—For purposes of this section, the term "retired pay" means retired pay, retirement pay, retainer pay, or equivalent pay, payable under a statute to a member or former member of a uniformed service.

(d) EFFECTIVE DATE.—The uniform procedures required by subsection (a) shall be developed not later than 30 days after the date of the enactment of this Act.

SEC. 634. NONSUBSTANTIVE RESTATEMENT OF SURVIVOR BENEFIT PLAN STATUTE.

Subchapter II of chapter 73 of title 10, United States Code, is amended to read as follows:

"SUBCHAPTER II—SURVIVOR BENEFIT PLAN

"Sec.
"1447. Definitions.
"1448. Application of Plan.
"1449. Mental incompetency of member.
"1450. Payment of annuity: beneficiaries.
"1451. Amount of annuity.
"1452. Reduction in retired pay.
"1453. Recovery of amounts erroneously paid.
"1454. Correction of administrative errors.
"1455. Regulations.

"§ 1447. Definitions

"In this subchapter:

"(1) PLAN.—The term 'Plan' means the Survivor Benefit Plan established by this subchapter.

"(2) STANDARD ANNUITY.—The term 'standard annuity' means an annuity provided by virtue of eligibility under section 1448(a)(1)(A) of this title.

"(3) RESERVE-COMPONENT ANNUITY.—The term 'reserve-component annuity' means an annuity provided by virtue of eligibility under section 1448(a)(1)(B) of this title.

"(4) RETIRED PAY.—The term 'retired pay' includes retainer pay paid under section 6330 of this title.

"(5) RESERVE-COMPONENT RETIRED PAY.—The term 'reserve-component retired pay' means retired pay under chapter 1223 of this title (or under chapter 67 of this title as in effect before the effective date of the Reserve Officer Personnel Management Act).

"(6) BASE AMOUNT.—The term 'base amount' means the following:

"(A) FULL AMOUNT UNDER STANDARD ANNUITY.—In the case of a person who dies after becoming entitled to retired pay, such term means the amount of monthly retired pay (determined without regard to any reduction under section 1409(b)(2) of this title) to which the person—

"(i) was entitled when he became eligible for that pay; or

"(ii) later became entitled by being advanced on the retired list, performing active duty, or being trans-

ferred from the temporary disability retired list to the permanent disability retired list.

"(B) FULL AMOUNT UNDER RESERVE-COMPONENT ANNUITY.—In the case of a person who would have become eligible for reserve-component retired pay but for the fact that he died before becoming 60 years of age, such term means the amount of monthly retired pay for which the person would have been eligible—

"(i) if he had been 60 years of age on the date of his death, for purposes of an annuity to become effective on the day after his death in accordance with a designation made under section 1448(e) of this title; or

"(ii) upon becoming 60 years of age (if he had lived to that age), for purposes of an annuity to become effective on the 60th anniversary of his birth in accordance with a designation made under section 1448(e) of this title.

"(C) REDUCED AMOUNT.—Such term means any amount less than the amount otherwise applicable under subparagraph (A) or (B) with respect to an annuity provided under the Plan but which is not less than $300 and which is designated by the person (with the concurrence of the person's spouse, if required under section 1448(a)(3) of this title) providing the annuity on or before—

"(i) the first day for which he becomes eligible for retired pay, in the case of a person providing a standard annuity, or

"(ii) the end of the 90-day period beginning on the date on which he receives the notification required by section 12731(d) of this title that he has completed the years of service required for eligibility for reserve-component retired pay, in the case of a person providing a reserve-component annuity.

"(7) WIDOW.—The term 'widow' means the surviving wife of a person who, if not married to the person at the time he became eligible for retired pay—

"(A) was married to him for at least one year immediately before his death; or

"(B) is the mother of issue by that marriage.

"(8) WIDOWER.—The term 'widower' means the surviving husband of a person who, if not married to the person at the time she became eligible for retired pay—

"(A) was married to her for at least one year immediately before her death; or

"(B) is the father of issue by that marriage.

"(9) SURVIVING SPOUSE.—The term 'surviving spouse' means a widow or widower.

"(10) FORMER SPOUSE.—The term 'former spouse' means the surviving former husband or wife of a person who is eligible to participate in the Plan.

"(11) DEPENDENT CHILD.—

"(A) IN GENERAL.—The term 'dependent child' means a person who—

"(i) is unmarried;

"(ii) is (I) under 18 years of age, (II) at least 18, but under 22, years of age and pursuing a full-time course of study or training in a high school, trade school, technical or vocational institute, junior college, college, university, or comparable recognized educational institution, or (III) incapable of self support because of a mental or physical incapacity existing before the person's eighteenth birthday or incurred on or after that birthday, but before the person's twenty-second birthday, while pursuing such a full-time course of study or training; and

"(iii) is the child of a person to whom the Plan applies, including (I) an adopted child, and (II) a stepchild, foster child, or recognized natural child who lived with that person in a regular parent-child relationship.

"(B) SPECIAL RULES FOR COLLEGE STUDENTS.—For the purpose of subparagraph (A), a child whose twenty-second birthday occurs before July 1 or after August 31 of a calendar year, and while regularly pursuing such a course of study or training, is considered to have become 22 years of age on the first day of July after that birthday. A child who is a student is considered not to have ceased to be a student during an interim between school years if the interim is not more than 150 days and if the child shows to the satisfaction of the Secretary of Defense that the child has a bona fide intention of continuing to pursue a course of study or training in the same or a different school during the school semester (or other period into which the school year is divided) immediately after the interim.

"(C) FOSTER CHILDREN.—A foster child, to qualify under this paragraph as the dependent child of a person to whom the Plan applies, must, at the time of the death of that person, also reside with, and receive over one-half of his support from, that person, and not be cared for under a social agency contract. The temporary absence of a foster child from the residence of that person, while a student as described in this paragraph, shall not be considered to affect the residence of such a foster child.

"(12) COURT.—The term 'court' has the meaning given that term by section 1408(a)(1) of this title.

"(13) COURT ORDER.—

"(A) IN GENERAL.—The term 'court order' means a court's final decree of divorce, dissolution, or annulment or a court ordered, ratified, or approved property settlement incident to such a decree (including a final decree modifying the terms of a previously issued decree of divorce, dissolution, annulment, or legal separation, or of a court ordered, ratified, or approved property settlement agreement incident to such previously issued decree).

"(B) FINAL DECREE.—The term 'final decree' means a decree from which no appeal may be taken or from which no appeal has been taken within the time allowed for the taking of such appeals under the laws applicable to such

appeals, or a decree from which timely appeal has been taken and such appeal has been finally decided under the laws applicable to such appeals.

"(C) REGULAR ON ITS FACE.—The term 'regular on its face', when used in connection with a court order, means a court order that meets the conditions prescribed in section 1408(b)(2) of this title.

"§ 1448. Application of plan

"(a) GENERAL RULES FOR PARTICIPATION IN THE PLAN.—

"(1) NAME OF PLAN; ELIGIBLE PARTICIPANTS.—The program established by this subchapter shall be known as the Survivor Benefit Plan. The following persons are eligible to participate in the Plan:

"(A) Persons entitled to retired pay.

"(B) Persons who would be eligible for reserve-component retired pay but for the fact that they are under 60 years of age.

"(2) PARTICIPANTS IN THE PLAN.—The Plan applies to the following persons, who shall be participants in the Plan:

"(A) STANDARD ANNUITY PARTICIPANTS.—A person who is eligible to participate in the Plan under paragraph (1)(A) and who is married or has a dependent child when he becomes entitled to retired pay, unless he elects (with his spouse's concurrence, if required under paragraph (3)) not to participate in the Plan before the first day for which he is eligible for that pay.

"(B) RESERVE-COMPONENT ANNUITY PARTICIPANTS.—A person who (i) is eligible to participate in the Plan under paragraph (1)(B), (ii) is married or has a dependent child when he is notified under section 12731(d) of this title that he has completed the years of service required for eligibility for reserve-component retired pay, and (iii) elects to participate in the Plan (and makes a designation under subsection (e)) before the end of the 90-day period beginning on the date he receives such notification.

A person described in clauses (i) and (ii) of subparagraph (B) who does not elect to participate in the Plan before the end of the 90-day period referred to in that clause remains eligible, upon reaching 60 years of age and otherwise becoming entitled to retired pay, to participate in the Plan in accordance with eligibility under paragraph (1)(A).

"(3) ELECTIONS.—

"(A) SPOUSAL CONSENT FOR CERTAIN ELECTIONS RESPECTING STANDARD ANNUITY.—A married person who is eligible to provide a standard annuity may not without the concurrence of the person's spouse elect—

"(i) not to participate in the Plan;

"(ii) to provide an annuity for the person's spouse at less than the maximum level; or

"(iii) to provide an annuity for a dependent child but not for the person's spouse.

"(B) SPOUSAL CONSENT FOR CERTAIN ELECTIONS RESPECTING RESERVE-COMPONENT ANNUITY.—A married per-

son who elects to provide a reserve-component annuity may not without the concurrence of the person's spouse elect—

"(i) to provide an annuity for the person's spouse at less than the maximum level; or

"(ii) to provide an annuity for a dependent child but not for the person's spouse.

"(C) EXCEPTION WHEN SPOUSE UNAVAILABLE.—A person may make an election described in subparagraph (A) or (B) without the concurrence of the person's spouse if the person establishes to the satisfaction of the Secretary concerned—

"(i) that the spouse's whereabouts cannot be determined; or

"(ii) that, due to exceptional circumstances, requiring the person to seek the spouse's consent would otherwise be inappropriate.

"(D) CONSTRUCTION WITH FORMER SPOUSE ELECTION PROVISIONS.—This paragraph does not affect any right or obligation to elect to provide an annuity for a former spouse (or for a former spouse and dependent child) under subsection (b)(2).

"(E) NOTICE TO SPOUSE OF ELECTION TO PROVIDE FORMER SPOUSE ANNUITY.—If a married person who is eligible to provide a standard annuity elects to provide an annuity for a former spouse (or for a former spouse and dependent child) under subsection (b)(2), that person's spouse shall be notified of that election.

"(4) IRREVOCABILITY OF ELECTIONS.—

"(A) STANDARD ANNUITY.—An election under paragraph (2)(A) not to participate in the Plan is irrevocable if not revoked before the date on which the person first becomes entitled to retired pay.

"(B) RESERVE-COMPONENT ANNUITY.—An election under paragraph (2)(B) to participate in the Plan is irrevocable if not revoked before the end of the 90-day period referred to in that paragraph.

"(5) PARTICIPATION BY PERSON MARRYING AFTER RETIREMENT, ETC.—

"(A) ELECTION TO PARTICIPATE IN PLAN.—A person who is not married and has no dependent child upon becoming eligible to participate in the Plan but who later marries or acquires a dependent child may elect to participate in the Plan.

"(B) MANNER AND TIME OF ELECTION.—Such an election must be written, signed by the person making the election, and received by the Secretary concerned within one year after the date on which that person marries or acquires that dependent child.

"(C) LIMITATION ON REVOCATION OF ELECTION.—Such an election may not be revoked except in accordance with subsection (b)(3).

"(D) EFFECTIVE DATE OF ELECTION.—The election is effective as of the first day of the first calendar month following the month in which the election is received by the Secretary concerned.

"(E) DESIGNATION IF RCSBP ELECTION.—In the case of a person providing a reserve-component annuity, such an election shall include a designation under subsection (e).

"(6) ELECTION OUT OF PLAN BY PERSON WITH SPOUSE COVERAGE WHO REMARRIES.—

"(A) GENERAL RULE.—A person—

"(i) who is a participant in the Plan and is providing coverage under the Plan for a spouse (or a spouse and child);

"(ii) who does not have an eligible spouse beneficiary under the Plan; and

"(iii) who remarries,

may elect not to provide coverage under the Plan for the person's spouse.

"(B) EFFECT OF ELECTION ON RETIRED PAY.—If such an election is made, reductions in the retired pay of that person under section 1452 of this title shall not be made.

"(C) TERMS AND CONDITIONS OF ELECTION.—An election under this paragraph—

"(i) is irrevocable;

"(ii) shall be made within one year after the person's remarriage; and

"(iii) shall be made in such form and manner as may be prescribed in regulations under section 1455 of this title.

"(D) NOTICE TO SPOUSE.—If a person makes an election under this paragraph—

"(i) not to participate in the Plan;

"(ii) to provide an annuity for the person's spouse at less than the maximum level; or

"(iii) to provide an annuity for a dependent child but not for the person's spouse,

the person's spouse shall be notified of that election.

"(E) CONSTRUCTION WITH FORMER SPOUSE ELECTION PROVISIONS.—This paragraph does not affect any right or obligation to elect to provide an annuity to a former spouse under subsection (b).

"(b) INSURABLE INTEREST AND FORMER SPOUSE COVERAGE.—

"(1) COVERAGE FOR PERSON WITH INSURABLE INTEREST.—

"(A) GENERAL RULE.—A person who is not married and does not have a dependent child upon becoming eligible to participate in the Plan may elect to provide an annuity under the Plan to a natural person with an insurable interest in that person. In the case of a person providing a reserve-component annuity, such an election shall include a designation under subsection (e).

"(B) TERMINATION OF COVERAGE.—An election under subparagraph (A) for a beneficiary who is not the former spouse of the person providing the annuity may be terminated. Any such termination shall be made by a participant by the submission to the Secretary concerned of a request to discontinue participation in the Plan, and such participation in the Plan shall be discontinued effective on the first day of the first month following the month in

which the request is received by the Secretary concerned. Effective on such date, the Secretary concerned shall discontinue the reduction being made in such person's retired pay on account of participation in the Plan or, in the case of a person who has been required to make deposits in the Treasury on account of participation in the Plan, such person may discontinue making such deposits effective on such date.

"(C) FORM FOR DISCONTINUATION.—A request under subparagraph (B) to discontinue participation in the Plan shall be in such form and shall contain such information as may be required under regulations prescribed by the Secretary of Defense.

"(D) WITHDRAWAL OF REQUEST FOR DISCONTINUATION.—The Secretary concerned shall furnish promptly to each person who submits a request under subparagraph (B) to discontinue participation in the Plan a written statement of the advantages and disadvantages of participating in the Plan and the possible disadvantages of discontinuing participation. A person may withdraw the request to discontinue participation if withdrawn within 30 days after having been submitted to the Secretary concerned.

"(E) CONSEQUENCES OF DISCONTINUATION.—Once participation is discontinued, benefits may not be paid in conjunction with the earlier participation in the Plan and premiums paid may not be refunded. Participation in the Plan may not later be resumed except through a qualified election under paragraph (5) of subsection (a).

"(2) FORMER SPOUSE COVERAGE UPON BECOMING A PARTICIPANT IN THE PLAN.—

"(A) GENERAL RULE.—A person who has a former spouse upon becoming eligible to participate in the Plan may elect to provide an annuity to that former spouse.

"(B) EFFECT OF FORMER SPOUSE ELECTION ON SPOUSE OR DEPENDENT CHILD.—In the case of a person with a spouse or a dependent child, such an election prevents payment of an annuity to that spouse or child (other than a child who is a beneficiary under an election under paragraph (4)), including payment under subsection (d).

"(C) DESIGNATION IF MORE THAN ONE FORMER SPOUSE.—If there is more than one former spouse, the person shall designate which former spouse is to be provided the annuity.

"(D) DESIGNATION IF RCSBP ELECTION.—In the case of a person providing a reserve-component annuity, such an election shall include a designation under subsection (e).

"(3) FORMER SPOUSE COVERAGE BY PERSONS ALREADY PARTICIPATING IN PLAN.—

"(A) ELECTION OF COVERAGE.—

"(i) AUTHORITY FOR ELECTION.—A person—

"(I) who is a participant in the Plan and is providing coverage for a spouse or a spouse and child (even though there is no beneficiary currently eligible for such coverage), and

"(II) who has a former spouse who was not that person's former spouse when that person became eligible to participate in the Plan,

may (subject to subparagraph (B)) elect to provide an annuity to that former spouse.

"(ii) TERMINATION OF PREVIOUS COVERAGE.—Any such election terminates any previous coverage under the Plan.

"(iii) MANNER AND TIME OF ELECTION.—Any such election must be written, signed by the person making the election, and received by the Secretary concerned within one year after the date of the decree of divorce, dissolution, or annulment.

"(B) LIMITATION ON ELECTION.—A person may not make an election under subparagraph (A) to provide an annuity to a former spouse who that person married after becoming eligible for retired pay unless—

"(i) the person was married to that former spouse for at least one year, or

"(ii) that former spouse is the parent of issue by that marriage.

"(C) IRREVOCABILITY, EFFECTIVE DATE, ETC.—An election under this paragraph may not be revoked except in accordance with section 1450(f) of this title. Such an election is effective as of the first day of the first calendar month following the month in which it is received by the Secretary concerned. This paragraph does not provide the authority to change a designation previously made under subsection (e).

"(D) NOTICE TO SPOUSE.—If a person who is married makes an election to provide an annuity to a former spouse under this paragraph, that person's spouse shall be notified of the election.

"(4) FORMER SPOUSE AND CHILD COVERAGE.—A person who elects to provide an annuity for a former spouse under paragraph (2) or (3) may, at the time of the election, elect to provide coverage under that annuity for both the former spouse and a dependent child, if the child resulted from the person's marriage to that former spouse.

"(5) DISCLOSURE OF WHETHER ELECTION OF FORMER SPOUSE COVERAGE IS REQUIRED.—A person who elects to provide an annuity to a former spouse under paragraph (2) or (3) shall, at the time of making the election, provide the Secretary concerned with a written statement (in a form to be prescribed by that Secretary and signed by such person and the former spouse) setting forth—

"(A) whether the election is being made pursuant to the requirements of a court order; or

"(B) whether the election is being made pursuant to a written agreement previously entered into voluntarily by such person as a part of, or incident to, a proceeding of divorce, dissolution, or annulment and (if so) whether such voluntary written agreement has been incorporated in, or ratified or approved by, a court order.

"(c) PERSONS ON TEMPORARY DISABILITY RETIRED LIST.—The application of the Plan to a person whose name is on the temporary disability retired list terminates when his name is removed from that list and he is no longer entitled to disability retired pay.

"(d) COVERAGE FOR SURVIVORS OF RETIREMENT-ELIGIBLE MEMBERS WHO DIE ON ACTIVE DUTY.—

"(1) SURVIVING SPOUSE ANNUITY.—The Secretary concerned shall pay an annuity under this subchapter to the surviving spouse of a member who dies on active duty after—

"(A) becoming eligible to receive retired pay;

"(B) qualifying for retired pay except that he has not applied for or been granted that pay; or

"(C) completing 20 years of active service but before he is eligible to retire as a commissioned officer because he has not completed 10 years of active commissioned service.

"(2) DEPENDENT CHILD ANNUITY.—The Secretary concerned shall pay an annuity under this subchapter to the dependent child of a member described in paragraph (1) if there is no surviving spouse or if the member's surviving spouse subsequently dies.

"(3) MANDATORY FORMER SPOUSE ANNUITY.—If a member described in paragraph (1) is required under a court order or spousal agreement to provide an annuity to a former spouse upon becoming eligible to be a participant in the Plan or has made an election under subsection (b) to provide an annuity to a former spouse, the Secretary—

"(A) may not pay an annuity under paragraph (1) or (2); but

"(B) shall pay an annuity to that former spouse as if the member had been a participant in the Plan and had made an election under subsection (b) to provide an annuity to the former spouse, or in accordance with that election, as the case may be, if the Secretary receives a written request from the former spouse concerned that the election be deemed to have been made in the same manner as provided in section 1450(f)(3) of this title.

"(4) PRIORITY.—An annuity that may be provided under this subsection shall be provided in preference to an annuity that may be provided under any other provision of this subchapter on account of service of the same member.

"(5) COMPUTATION.—The amount of an annuity under this subsection is computed under section 1451(c) of this title.

"(e) DESIGNATION FOR COMMENCEMENT OF RESERVE-COMPONENT ANNUITY.—In any case in which a person electing to participate in the Plan is required to make a designation under this subsection, the person making such election shall designate whether, in the event he dies before becoming 60 years of age, the annuity provided shall become effective on—

"(1) the day after the date of his death; or

"(2) the 60th anniversary of his birth.

"(f) COVERAGE OF SURVIVORS OF PERSONS DYING WHEN ELIGIBLE TO ELECT RESERVE-COMPONENT ANNUITY.—

"(1) SURVIVING SPOUSE ANNUITY.—The Secretary concerned shall pay an annuity under this subchapter to the surviving

spouse of a person who is eligible to provide a reserve-component annuity and who dies—

"(A) before being notified under section 12731(d) of this title that he has completed the years of service required for eligibility for reserve-component retired pay; or

"(B) during the 90-day period beginning on the date he receives notification under section 12731(d) of this title that he has completed the years of service required for eligibility for reserve-component retired pay if he had not made an election under subsection (a)(2)(B) to participate in the Plan.

"(2) DEPENDENT CHILD ANNUITY.—The Secretary concerned shall pay an annuity under this subchapter to the dependent child of a person described in paragraph (1) if there is no surviving spouse or if the person's surviving spouse subsequently dies.

"(3) MANDATORY FORMER SPOUSE ANNUITY.—If a person described in paragraph (1) is required under a court order or spousal agreement to provide an annuity to a former spouse upon becoming eligible to be a participant in the Plan or has made an election under subsection (b) to provide an annuity to a former spouse, the Secretary—

"(A) may not pay an annuity under paragraph (1) or (2); but

"(B) shall pay an annuity to that former spouse as if the person had been a participant in the Plan and had made an election under subsection (b) to provide an annuity to the former spouse, or in accordance with that election, as the case may be, if the Secretary receives a written request from the former spouse concerned that the election be deemed to have been made in the same manner as provided in section 1450(f)(3) of this title.

"(4) COMPUTATION.—The amount of an annuity under this subsection is computed under section 1451(c) of this title.

"(g) ELECTION TO INCREASE COVERAGE UPON REMARRIAGE.—

"(1) ELECTION.—A person—

"(A) who is a participant in the Plan and is providing coverage under subsection (a) for a spouse or a spouse and child, but at less than the maximum level; and

"(B) who remarries,

may elect, within one year of such remarriage, to increase the level of coverage provided under the Plan to a level not in excess of the current retired pay of that person.

"(2) PAYMENT REQUIRED.—Such an election shall be contingent on the person paying to the United States the amount determined under paragraph (3) plus interest on such amount at a rate determined under regulations prescribed by the Secretary of Defense.

"(3) AMOUNT TO BE PAID.—The amount referred to in paragraph (2) is the amount equal to the difference between—

"(A) the amount that would have been withheld from such person's retired pay under section 1452 of this title if the higher level of coverage had been in effect from the time the person became a participant in the Plan; and

"(B) the amount of such person's retired pay actually withheld.

"(4) MANNER OF MAKING ELECTION.—An election under paragraph (1) shall be made in such manner as the Secretary shall prescribe and shall become effective upon receipt of the payment required by paragraph (2).

"(5) DISPOSITION OF PAYMENTS.—A payment received under this subsection by the Secretary of Defense shall be deposited into the Department of Defense Military Retirement Fund. Any other payment received under this subsection shall be deposited in the Treasury as miscellaneous receipts.

"§ 1449. Mental incompetency of member

"(a) ELECTION BY SECRETARY CONCERNED ON BEHALF OF MENTALLY INCOMPETENT MEMBER.—If a person to whom section 1448 of this title applies is determined to be mentally incompetent by medical officers of the armed force concerned or of the Department of Veterans Affairs, or by a court of competent jurisdiction, an election described in subsection (a)(2) or (b) of section 1448 of this title may be made on behalf of that person by the Secretary concerned.

"(b) REVOCATION OF ELECTION BY MEMBER.—

"(1) AUTHORITY UPON SUBSEQUENT DETERMINATION OF MENTAL COMPETENCE.—If a person for whom the Secretary has made an election under subsection (a) is later determined to be mentally competent by an authority named in that subsection, that person may, within 180 days after that determination, revoke that election.

"(2) DEDUCTIONS FROM RETIRED PAY NOT TO BE REFUNDED.—Any deduction made from retired pay by reason of such an election may not be refunded.

"§ 1450. Payment of annuity: beneficiaries

"(a) IN GENERAL.—Effective as of the first day after the death of a person to whom section 1448 of this title applies (or on such other day as that person may provide under subsection (j)), a monthly annuity under section 1451 of this title shall be paid to the person's beneficiaries under the Plan, as follows:

"(1) SURVIVING SPOUSE OR FORMER SPOUSE.—The eligible surviving spouse or the eligible former spouse.

"(2) SURVIVING CHILDREN.—The surviving dependent children in equal shares, if the eligible surviving spouse or the eligible former spouse is dead, dies, or otherwise becomes ineligible under this section.

"(3) DEPENDENT CHILDREN.—The dependent children in equal shares if the person to whom section 1448 of this title applies (with the concurrence of the person's spouse, if required under section 1448(a)(3) of this title) elected to provide an annuity for dependent children but not for the spouse or former spouse.

"(4) NATURAL PERSON DESIGNATED UNDER 'INSURABLE INTEREST' COVERAGE.—The natural person designated under section 1448(b)(1) of this title, unless the election to provide an annuity to the natural person has been changed as provided in subsection (f).

"(b) TERMINATION OF ANNUITY FOR DEATH, REMARRIAGE BEFORE AGE 55, ETC.—

"(1) GENERAL RULE.—An annuity payable to the beneficiary terminates effective as of the first day of the month in which eligibility is lost.

"(2) TERMINATION OF SPOUSE ANNUITY UPON DEATH OR REMARRIAGE BEFORE AGE 55.—An annuity for a surviving spouse or former spouse shall be paid to the surviving spouse or former spouse while the surviving spouse or former spouse is living or, if the surviving spouse or former spouse remarries before reaching age 55, until the surviving spouse or former spouse remarries.

"(3) EFFECT OF TERMINATION OF SUBSEQUENT MARRIAGE BEFORE AGE 55.—If the surviving spouse or former spouse remarries before reaching age 55 and that marriage is terminated by death, annulment, or divorce, payment of the annuity shall be resumed effective as of the first day of the month in which the marriage is so terminated. However, if the surviving spouse or former spouse is also entitled to an annuity under the Plan based upon the marriage so terminated, the surviving spouse or former spouse may not receive both annuities but must elect which to receive.

"(c) OFFSET FOR AMOUNT OF DEPENDENCY AND INDEMNITY COMPENSATION.—

"(1) REQUIRED OFFSET.—If, upon the death of a person to whom section 1448 of this title applies, the surviving spouse or former spouse of that person is also entitled to dependency and indemnity compensation under section 1311(a) of title 38, the surviving spouse or former spouse may be paid an annuity under this section, but only in the amount that the annuity otherwise payable under this section would exceed that compensation.

"(2) EFFECTIVE DATE OF OFFSET.—A reduction in an annuity under this section required by paragraph (1) shall be effective on the date of the commencement of the period of payment of such dependency and indemnity compensation under title 38.

"(d) LIMITATION ON PAYMENT OF ANNUITIES WHEN COVERAGE UNDER CIVIL SERVICE RETIREMENT ELECTED.—If, upon the death of a person to whom section 1448 of this title applies, that person had in effect a waiver of that person's retired pay for the purposes of subchapter III of chapter 83 of title 5, an annuity under this section shall not be payable unless, in accordance with section 8339(j) of title 5, that person notified the Office of Personnel Management that he did not desire any spouse surviving him to receive an annuity under section 8341(b) of that title.

"(e) REFUND OF AMOUNTS DEDUCTED FROM RETIRED PAY WHEN DIC OFFSET IS APPLICABLE.—

"(1) FULL REFUND WHEN DIC GREATER THAN SBP ANNUITY.—If an annuity under this section is not payable because of subsection (c), any amount deducted from the retired pay of the deceased under section 1452 of this title shall be refunded to the surviving spouse or former spouse.

"(2) PARTIAL REFUND WHEN SBP ANNUITY REDUCED BY DIC.—If, because of subsection (c), the annuity payable is less

than the amount established under section 1451 of this title, the annuity payable shall be recalculated under that section. The amount of the reduction in the retired pay required to provide that recalculated annuity shall be computed under section 1452 of this title, and the difference between the amount deducted before the computation of that recalculated annuity and the amount that would have been deducted on the basis of that recalculated annuity shall be refunded to the surviving spouse or former spouse.

"(f) CHANGE IN ELECTION OF INSURABLE INTEREST OR FORMER SPOUSE BENEFICIARY.—

"(1) AUTHORIZED CHANGES.—

"(A) ELECTION IN FAVOR OF SPOUSE OR CHILD.—A person who elects to provide an annuity to a person designated by him under section 1448(b) of this title may, subject to paragraph (2), change that election and provide an annuity to his spouse or dependent child.

"(B) NOTICE.—The Secretary concerned shall notify the former spouse or other natural person previously designated under section 1448(b) of this title of any change of election under subparagraph (A).

"(C) PROCEDURES, EFFECTIVE DATE, ETC.—Any such change of election is subject to the same rules with respect to execution, revocation, and effectiveness as are set forth in section 1448(a)(5) of this title (without regard to the eligibility of the person making the change of election to make such an election under that section).

"(2) LIMITATION ON CHANGE IN BENEFICIARY WHEN FORMER SPOUSE COVERAGE IN EFFECT.—A person who, incident to a proceeding of divorce, dissolution, or annulment, is required by a court order to elect under section 1448(b) of this title to provide an annuity to a former spouse (or to both a former spouse and child), or who enters into a written agreement (whether voluntary or required by a court order) to make such an election, and who makes an election pursuant to such order or agreement, may not change that election under paragraph (1) unless, of the following requirements, whichever are applicable in a particular case are satisfied:

"(A) In a case in which the election is required by a court order, or in which an agreement to make the election has been incorporated in or ratified or approved by a court order, the person—

"(i) furnishes to the Secretary concerned a certified copy of a court order which is regular on its face and which modifies the provisions of all previous court orders relating to such election, or the agreement to make such election, so as to permit the person to change the election; and

"(ii) certifies to the Secretary concerned that the court order is valid and in effect.

"(B) In a case of a written agreement that has not been incorporated in or ratified or approved by a court order, the person—

"(i) furnishes to the Secretary concerned a statement, in such form as the Secretary concerned may prescribe, signed by the former spouse and evidencing the former spouse's agreement to a change in the election under paragraph (1); and

"(ii) certifies to the Secretary concerned that the statement is current and in effect.

"(3) REQUIRED FORMER SPOUSE ELECTION TO BE DEEMED TO HAVE BEEN MADE.—

"(A) DEEMED ELECTION UPON REQUEST BY FORMER SPOUSE.—If a person described in paragraph (2) or (3) of section 1448(b) of this title is required (as described in subparagraph (B)) to elect under section 1448(b) of this title to provide an annuity to a former spouse and such person then fails or refuses to make such an election, such person shall be deemed to have made such an election if the Secretary concerned receives the following:

"(i) REQUEST FROM FORMER SPOUSE.—A written request, in such manner as the Secretary shall prescribe, from the former spouse concerned requesting that such an election be deemed to have been made.

"(ii) COPY OF COURT ORDER OR OTHER OFFICIAL STATEMENT.—Either—

"(I) a copy of the court order, regular on its face, which requires such election or incorporates, ratifies, or approves the written agreement of such person; or

"(II) a statement from the clerk of the court (or other appropriate official) that such agreement has been filed with the court in accordance with applicable State law.

"(B) PERSONS REQUIRED TO MAKE ELECTION.—A person shall be considered for purposes of subparagraph (A) to be required to elect under section 1448(b) of this title to provide an annuity to a former spouse if—

"(i) the person enters, incident to a proceeding of divorce, dissolution, or annulment, into a written agreement to make such an election and the agreement (I) has been incorporated in or ratified or approved by a court order, or (II) has been filed with the court of appropriate jurisdiction in accordance with applicable State law; or

"(ii) the person is required by a court order to make such an election.

"(C) TIME LIMIT FOR REQUEST BY FORMER SPOUSE.—An election may not be deemed to have been made under subparagraph (A) in the case of any person unless the Secretary concerned receives a request from the former spouse of the person within one year of the date of the court order or filing involved.

"(D) EFFECTIVE DATE OF DEEMED ELECTION.—An election deemed to have been made under subparagraph (A) shall become effective on the first day of the first month

which begins after the date of the court order or filing involved.

"(4) FORMER SPOUSE COVERAGE MAY BE REQUIRED BY COURT ORDER.—A court order may require a person to elect (or to enter into an agreement to elect) under section 1448(b) of this title to provide an annuity to a former spouse (or to both a former spouse and child).

"(g) LIMITATION ON CHANGING OR REVOKING ELECTIONS.—

"(1) IN GENERAL.—An election under this section may not be changed or revoked.

"(2) EXCEPTIONS.—Paragraph (1) does not apply to—

"(A) a revocation of an election under section 1449(b) of this title; or

"(B) a change in an election under subsection (f).

"(h) TREATMENT OF ANNUITIES UNDER OTHER LAWS.—Except as provided in section 1451 of this title, an annuity under this section is in addition to any other payment to which a person is entitled under any other provision of law. Such annuity shall be considered as income under laws administered by the Secretary of Veterans Affairs.

"(i) ANNUITIES EXEMPT FROM CERTAIN LEGAL PROCESS.—Except as provided in subsection (l)(3)(B), an annuity under this section is not assignable or subject to execution, levy, attachment, garnishment, or other legal process.

"(j) EFFECTIVE DATE OF RESERVE-COMPONENT ANNUITIES.—

"(1) PERSONS MAKING SECTION 1448(e) DESIGNATION.—An annuity elected by a person providing a reserve-component annuity shall be effective in accordance with the designation made by such person under section 1448(e) of this title.

"(2) PERSONS DYING BEFORE MAKING SECTION 1448(e) DESIGNATION.—An annuity payable under section 1448(f) of this title shall be effective on the day after the date of the death of the person upon whose service the right to the annuity is based.

"(k) ADJUSTMENT OF SPOUSE OR FORMER SPOUSE ANNUITY UPON LOSS OF DEPENDENCY AND INDEMNITY COMPENSATION.—

"(1) READJUSTMENT IF BENEFICIARY 55 YEARS OF AGE OR MORE.—If a surviving spouse or former spouse whose annuity has been adjusted under subsection (c) subsequently loses entitlement to dependency and indemnity compensation under section 1311(a) of title 38 because of the remarriage of the surviving spouse, or former spouse, and if at the time of such remarriage the surviving spouse or former spouse is 55 years of age or more, the amount of the annuity of the surviving spouse or former spouse shall be readjusted, effective on the effective date of such loss of dependency and indemnity compensation, to the amount of the annuity which would be in effect with respect to the surviving spouse or former spouse if the adjustment under subsection (c) had never been made.

"(2) REPAYMENT OF AMOUNTS PREVIOUSLY REFUNDED.—

"(A) GENERAL RULE.—A surviving spouse or former spouse whose annuity is readjusted under paragraph (1) shall repay any amount refunded under subsection (e) by reason of the adjustment under subsection (c).

"(B) INTEREST REQUIRED IF REPAYMENT NOT A LUMP SUM.—If the repayment is not made in a lump sum, the surviving spouse or former spouse shall pay interest on the amount to be repaid. Such interest shall commence on the date on which the first such payment is due and shall be applied over the period during which any part of the repayment remains to be paid.

"(C) MANNER OF REPAYMENT; RATE OF INTEREST.—The manner in which such repayment shall be made, and the rate of any such interest, shall be prescribed in regulations under section 1455 of this title.

"(D) DEPOSIT OF AMOUNTS REPAID.—An amount repaid under this paragraph (including any such interest) received by the Secretary of Defense shall be deposited into the Department of Defense Military Retirement Fund. Any other amount repaid under this paragraph shall be deposited into the Treasury as miscellaneous receipts.

"(l) PARTICIPANTS IN THE PLAN WHO ARE MISSING.—

"(1) AUTHORITY TO PRESUME DEATH OF MISSING PARTICIPANT.—

"(A) IN GENERAL.—Upon application of the beneficiary of a participant in the Plan who is missing, the Secretary concerned may determine for purposes of this subchapter that the participant is presumed dead.

"(B) PARTICIPANT WHO IS MISSING.—A participant in the Plan is considered to be missing for purposes of this subsection if—

"(i) the retired pay of the participant has been suspended on the basis that the participant is missing; or

"(ii) in the case of a participant in the Plan who would be eligible for reserve-component retired pay but for the fact that he is under 60 years of age, his retired pay, if he were entitled to retired pay, would be suspended on the basis that he is missing.

"(C) REQUIREMENTS APPLICABLE TO PRESUMPTION OF DEATH.—Any such determination shall be made in accordance with regulations prescribed under section 1455 of this title. The Secretary concerned may not make a determination for purposes of this subchapter that a participant who is missing is presumed dead unless the Secretary finds that—

"(i) the participant has been missing for at least 30 days; and

"(ii) the circumstances under which the participant is missing would lead a reasonably prudent person to conclude that the participant is dead.

"(2) COMMENCEMENT OF ANNUITY.—Upon a determination under paragraph (1) with respect to a participant in the Plan, an annuity otherwise payable under this subchapter shall be paid as if the participant died on the date as of which the retired pay of the participant was suspended.

"(3) EFFECT OF PERSON NOT BEING DEAD.—

"(A) TERMINATION OF ANNUITY.—If, after a determination under paragraph (1), the Secretary concerned determines that the participant is alive—

"(i) any annuity being paid under this subchapter by reason of this subsection shall be terminated; and

"(ii) the total amount of any annuity payments made by reason of this subsection shall constitute a debt to the United States.

"(B) COLLECTION FROM PARTICIPANT OF ANNUITY AMOUNTS ERRONEOUSLY PAID.—A debt under subparagraph (A)(ii) may be collected or offset—

"(i) from any retired pay otherwise payable to the participant;

"(ii) if the participant is entitled to compensation under chapter 11 of title 38, from that compensation; or

"(iii) if the participant is entitled to any other payment from the United States, from that payment.

"(C) COLLECTION FROM BENEFICIARY.—If the participant dies before the full recovery of the amount of annuity payments described in subparagraph (A)(ii) has been made by the United States, the remaining amount of such annuity payments may be collected from the participant's beneficiary under the Plan if that beneficiary was the recipient of the annuity payments made by reason of this subsection.

"§ 1451. Amount of annuity

"(a) COMPUTATION OF ANNUITY FOR A SPOUSE, FORMER SPOUSE, OR CHILD.—

"(1) STANDARD ANNUITY.—In the case of a standard annuity provided to a beneficiary under section 1450(a) of this title (other than under section 1450(a)(4)), the monthly annuity payable to the beneficiary shall be determined as follows:

"(A) BENEFICIARY UNDER 62 YEARS OF AGE.—If the beneficiary is under 62 years of age or is a dependent child when becoming entitled to the annuity, the monthly annuity shall be the amount equal to 55 percent of the base amount.

"(B) BENEFICIARY 62 YEARS OF AGE OR OLDER.—

"(i) GENERAL RULE.—If the beneficiary (other than a dependent child) is 62 years of age or older when becoming entitled to the annuity, the monthly annuity shall be the amount equal to 35 percent of the base amount.

"(ii) RULE IF BENEFICIARY ELIGIBLE FOR SOCIAL SECURITY OFFSET COMPUTATION.—If the beneficiary is eligible to have the annuity computed under subsection (e) and if, at the time the beneficiary becomes entitled to the annuity, computation of the annuity under that subsection is more favorable to the beneficiary than computation under clause (i), the annuity shall be computed under that subsection rather than under clause (i).

"(2) RESERVE-COMPONENT ANNUITY—In the case of a reserve-component annuity provided to a beneficiary under section

1450(a) of this title (other than under section 1450(a)(4)), the monthly annuity payable to the beneficiary shall be determined as follows:

"(A) BENEFICIARY UNDER 62 YEARS OF AGE.—If the beneficiary is under 62 years of age or is a dependent child when becoming entitled to the annuity, the monthly annuity shall be the amount equal to a percentage of the base amount that—

"(i) is less than 55 percent; and

"(ii) is determined under subsection (f).

"(B) BENEFICIARY 62 YEARS OF AGE OR OLDER.—

"(i) GENERAL RULE.—If the beneficiary (other than a dependent child) is 62 years of age or older when becoming entitled to the annuity, the monthly annuity shall be the amount equal to a percentage of the base amount that—

"(I) is less than 35 percent; and

"(II) is determined under subsection (f).

"(ii) RULE IF BENEFICIARY ELIGIBLE FOR SOCIAL SECURITY OFFSET COMPUTATION.—If the beneficiary is eligible to have the annuity computed under subsection (e) and if, at the time the beneficiary becomes entitled to the annuity, computation of the annuity under that subsection is more favorable to the beneficiary than computation under clause (i), the annuity shall be computed under that subsection rather than under clause (i).

"(b) INSURABLE INTEREST BENEFICIARY.—

"(1) STANDARD ANNUITY.—In the case of a standard annuity provided to a beneficiary under section 1450(a)(4) of this title, the monthly annuity payable to the beneficiary shall be the amount equal to 55 percent of the retired pay of the person who elected to provide the annuity after the reduction in that pay in accordance with section 1452(c) of this title.

"(2) RESERVE-COMPONENT ANNUITY.—In the case of a reserve-component annuity provided to a beneficiary under section 1450(a)(4) of this title, the monthly annuity payable to the beneficiary shall be the amount equal to a percentage of the retired pay of the person who elected to provide the annuity after the reduction in such pay in accordance with section 1452(c) of this title that—

"(A) is less than 55 percent; and

"(B) is determined under subsection (f).

"(3) COMPUTATION OF RESERVE-COMPONENT ANNUITY WHEN PARTICIPANT DIES BEFORE AGE 60.—For the purposes of paragraph (2), a person—

"(A) who provides an annuity that is determined in accordance with that paragraph;

"(B) who dies before becoming 60 years of age; and

"(C) who at the time of death is otherwise entitled to retired pay,

shall be considered to have been entitled to retired pay at the time of death. The retired pay of such person for the purposes of such paragraph shall be computed on the basis of the rates

of basic pay in effect on the date on which the annuity provided by such person is to become effective in accordance with the designation of such person under section 1448(e) of this title.

"(c) ANNUITIES FOR SURVIVORS OF CERTAIN PERSONS DYING DURING A PERIOD OF SPECIAL ELIGIBILITY FOR SBP.—

"(1) IN GENERAL.—In the case of an annuity provided under section 1448(d) or 1448(f) of this title, the amount of the annuity shall be determined as follows:

"(A) BENEFICIARY UNDER 62 YEARS OF AGE.—If the person receiving the annuity is under 62 years of age or is a dependent child when the member or former member dies, the monthly annuity shall be the amount equal to 55 percent of the retired pay to which the member or former member would have been entitled if the member or former member had been entitled to that pay based upon his years of active service when he died.

"(B) BENEFICIARY 62 YEARS OF AGE OR OLDER.—

"(i) GENERAL RULE.—If the person receiving the annuity (other than a dependent child) is 62 years of age or older when the member or former member dies, the monthly annuity shall be the amount equal to 35 percent of the retired pay to which the member or former member would have been entitled if the member or former member had been entitled to that pay based upon his years of active service when he died.

"(ii) RULE IF BENEFICIARY ELIGIBLE FOR SOCIAL SECURITY OFFSET COMPUTATION.—If the beneficiary is eligible to have the annuity computed under subsection (e) and if, at the time the beneficiary becomes entitled to the annuity, computation of the annuity under that subsection is more favorable to the beneficiary than computation under clause (i), the annuity shall be computed under that subsection rather than under clause (i).

"(2) DIC OFFSET.—An annuity computed under paragraph (1) that is paid to a surviving spouse shall be reduced by the amount of dependency and indemnity compensation to which the surviving spouse is entitled under section 1311(a) of title 38. Any such reduction shall be effective on the date of the commencement of the period of payment of such compensation under title 38.

"(3) SERVICEMEMBERS NOT YET GRANTED RETIRED PAY.—In the case of an annuity provided by reason of the service of a member described in section 1448(d)(1)(B) or 1448(d)(1)(C) of this title who first became a member of a uniformed service before September 8, 1980, the retired pay to which the member would have been entitled when he died shall be determined for purposes of paragraph (1) based upon the rate of basic pay in effect at the time of death for the grade in which the member was serving at the time of death, unless (as determined by the Secretary concerned) the member would have been entitled to be retired in a higher grade.

"(4) RATE OF PAY TO BE USED IN COMPUTING ANNUITY.—In the case of an annuity paid under section 1448(f) of this title

by reason of the service of a person who first became a member of a uniformed service before September 8, 1980, the retired pay of the person providing the annuity shall for the purposes of paragraph (1) be computed on the basis of the rates of basic pay in effect on the effective date of the annuity.

"(d) REDUCTION OF ANNUITIES AT AGE 62.—

"(1) REDUCTION REQUIRED.—The annuity of a person whose annuity is computed under subparagraph (A) of subsection (a)(1), (a)(2), or (c)(1) shall be reduced on the first day of the month after the month in which the person becomes 62 years of age.

"(2) AMOUNT OF ANNUITY AS REDUCED.—

"(A) 35 PERCENT ANNUITY.—Except as provided in subparagraph (B), the reduced amount of the annuity shall be the amount of the annuity that the person would be receiving on that date if the annuity had initially been computed under subparagraph (B) of that subsection.

"(B) SAVINGS PROVISION FOR BENEFICIARIES ELIGIBLE FOR SOCIAL SECURITY OFFSET COMPUTATION.—In the case of a person eligible to have an annuity computed under subsection (e) and for whom, at the time the person becomes 62 years of age, the annuity computed with a reduction under subsection (e)(3) is more favorable than the annuity with a reduction described in subparagraph (A), the reduction in the annuity shall be computed in the same manner as a reduction under subsection (e)(3).

"(e) SAVINGS PROVISION FOR CERTAIN BENEFICIARIES.—

"(1) PERSONS COVERED.—The following beneficiaries under the Plan are eligible to have an annuity under the Plan computed under this subsection:

"(A) A beneficiary receiving an annuity under the Plan on October 1, 1985, as the surviving spouse or former spouse of the person providing the annuity.

"(B) A spouse or former spouse beneficiary of a person who on October 1, 1985—

"(i) was a participant in the Plan;

"(ii) was entitled to retired pay or was qualified for that pay except that he had not applied for and been granted that pay; or

"(iii) would have been eligible for reserve-component retired pay but for the fact that he was under 60 years of age.

"(2) AMOUNT OF ANNUITY.—Subject to paragraph (3), an annuity computed under this subsection is determined as follows:

"(A) STANDARD ANNUITY.—In the case of the beneficiary of a standard annuity, the annuity shall be the amount equal to 55 percent of the base amount.

"(B) RESERVE COMPONENT ANNUITY.—In the case of the beneficiary of a reserve-component annuity, the annuity shall be the percentage of the base amount that—

"(i) is less than 55 percent; and

"(ii) is determined under subsection (f).

"(C) BENEFICIARIES OF PERSONS DYING DURING A PERIOD OF SPECIAL ELIGIBILITY FOR SBP.—In the case of the beneficiary of an annuity under section 1448(d) or 1448(f) of this title, the annuity shall be the amount equal to 55 percent of the retired pay of the person providing the annuity (as that pay is determined under subsection (c)).

"(3) SOCIAL SECURITY OFFSET.—An annuity computed under this subsection shall be reduced by the lesser of the following:

"(A) SOCIAL SECURITY COMPUTATION.—The amount of the survivor benefit, if any, to which the surviving spouse (or the former spouse, in the case of a former spouse beneficiary who became a former spouse under a divorce that became final after November 29, 1989) would be entitled under title II of the Social Security Act (42 U.S.C. 401 et seq.) based solely upon service by the person concerned as described in section 210(l)(1) of such Act (42 U.S.C. 410(l)(1)) and calculated assuming that the person concerned lives to age 65.

"(B) MAXIMUM AMOUNT OF REDUCTION.—40 percent of the amount of the monthly annuity as determined under paragraph (2).

"(4) SPECIAL RULES FOR SOCIAL SECURITY OFFSET COMPUTATION.—

"(A) TREATMENT OF DEDUCTIONS MADE ON ACCOUNT OF WORK.—For the purpose of paragraph (3), a surviving spouse (or a former spouse, in the case of a person who becomes a former spouse under a divorce that becomes final after November 29, 1989) shall not be considered as entitled to a benefit under title II of the Social Security Act (42 U.S.C. 401 et seq.) to the extent that such benefit has been offset by deductions under section 203 of such Act (42 U.S.C. 403) on account of work.

"(B) TREATMENT OF CERTAIN PERIODS FOR WHICH SOCIAL SECURITY REFUNDS ARE MADE.—In the computation of any reduction made under paragraph (3), there shall be excluded any period of service described in section 210(l)(1) of the Social Security Act (42 U.S.C. 410(l)(1))—

"(i) which was performed after December 1, 1980; and

"(ii) which involved periods of service of less than 30 continuous days for which the person concerned is entitled to receive a refund under section 6413(c) of the Internal Revenue Code of 1986 of the social security tax which the person had paid.

"(f) DETERMINATION OF PERCENTAGES APPLICABLE TO COMPUTATION OF RESERVE-COMPONENT ANNUITIES.—The percentage to be applied in determining the amount of an annuity computed under subsection (a)(2), (b)(2), or (e)(2)(B) shall be determined under regulations prescribed by the Secretary of Defense. Such regulations shall be prescribed taking into consideration the following:

"(1) The age of the person electing to provide the annuity at the time of such election.

"(2) The difference in age between such person and the beneficiary of the annuity.

"(3) Whether such person provided for the annuity to become effective (in the event he died before becoming 60 years of age) on the day after his death or on the 60th anniversary of his birth.

"(4) Appropriate group annuity tables.

"(5) Such other factors as the Secretary considers relevant.

"(g) ADJUSTMENTS TO ANNUITIES.—

"(1) PERIODIC ADJUSTMENTS FOR COST-OF-LIVING.—

"(A) INCREASES IN ANNUITIES WHEN RETIRED PAY INCREASED.—Whenever retired pay is increased under section 1401a of this title (or any other provision of law), each annuity that is payable under the Plan shall be increased at the same time.

"(B) PERCENTAGE OF INCREASE.—The increase shall, in the case of any annuity, be by the same percent as the percent by which the retired pay of the person providing the annuity would have been increased at such time if the person were alive (and otherwise entitled to such pay).

"(C) CERTAIN REDUCTIONS TO BE DISREGARDED.—The amount of the increase shall be based on the monthly annuity payable before any reduction under section 1450(c) of this title or under subsection (c)(2).

"(2) ROUNDING DOWN.—The monthly amount of an annuity payable under this subchapter, if not a multiple of $1, shall be rounded to the next lower multiple of $1.

"(h) ADJUSTMENTS TO BASE AMOUNT.—

"(1) PERIODIC ADJUSTMENTS FOR COST-OF-LIVING.—

"(A) INCREASES IN BASE AMOUNT WHEN RETIRED PAY INCREASED.—Whenever retired pay is increased under section 1401a of this title (or any other provision of law), the base amount applicable to each participant in the Plan shall be increased at the same time.

"(B) PERCENTAGE OF INCREASE.—The increase shall be by the same percent as the percent by which the retired pay of the participant is so increased.

"(2) RECOMPUTATION AT AGE 62.—When the retired pay of a person who first became a member of a uniformed service on or after August 1, 1986, and who is a participant in the Plan is recomputed under section 1410 of this title upon the person's becoming 62 years of age, the base amount applicable to that person shall be recomputed (effective on the effective date of the recomputation of such retired pay under section 1410 of this title) so as to be the amount equal to the amount of the base amount that would be in effect on that date if increases in such base amount under paragraph (1) had been computed as provided in paragraph (2) of section 1401a(b) of this title (rather than under paragraph (3) of that section).

"(3) DISREGARDING OF RETIRED PAY REDUCTIONS FOR RETIREMENT BEFORE 30 YEARS OF SERVICE.—Computation of a member's retired pay for purposes of this section shall be made without regard to any reduction under section 1409(b)(2) of this title.

"(i) RECOMPUTATION OF ANNUITY FOR CERTAIN BENEFICIARIES.—In the case of an annuity under the Plan which is computed on the basis of the retired pay of a person who would have been entitled to have that retired pay recomputed under section 1410 of this title upon attaining 62 years of age, but who dies before attaining that age, the annuity shall be recomputed, effective on the first day of the first month beginning after the date on which the member or former member would have attained 62 years of age, so as to be the amount equal to the amount of the annuity that would be in effect on that date if increases under subsection (h)(1) in the base amount applicable to that annuity to the time of the death of the member or former member, and increases in such annuity under subsection (g)(1), had been computed as provided in paragraph (2) of section 1401a(b) of this title (rather than under paragraph (3) of that section).

"§ 1452. Reduction in retired pay

"(a) SPOUSE AND FORMER SPOUSE ANNUITIES.—

"(1) REQUIRED REDUCTION IN RETIRED PAY.—Except as provided in subsection (b), the retired pay of a participant in the Plan who is providing spouse coverage (as described in paragraph (5)) shall be reduced as follows:

"(A) STANDARD ANNUITY.—If the annuity coverage being providing is a standard annuity, the reduction shall be as follows:

"(i) DISABILITY AND NONREGULAR SERVICE RETIREES.—In the case of a person who is entitled to retired pay under chapter 61 or chapter 1223 of this title, the reduction shall be in whichever of the alternative reduction amounts is more favorable to that person.

"(ii) MEMBERS AS OF ENACTMENT OF FLAT-RATE REDUCTION.—In the case of a person who first became a member of a uniformed service before March 1, 1990, the reduction shall be in whichever of the alternative reduction amounts is more favorable to that person.

"(iii) NEW ENTRANTS AFTER ENACTMENT OF FLAT-RATE REDUCTION.—In the case of a person who first becomes a member of a uniformed service on or after March 1, 1990, and who is entitled to retired pay under a provision of law other than chapter 61 or chapter 1223 of this title, the reduction shall be in an amount equal to 6½ percent of the base amount.

"(iv) ALTERNATIVE REDUCTION AMOUNTS.—For purposes of clauses (i) and (ii), the alternative reduction amounts are the following:

"(I) FLAT-RATE REDUCTION.—An amount equal to 6½ percent of the base amount.

"(II) AMOUNT UNDER PRE-FLAT-RATE REDUCTION.—An amount equal to 2½ percent of the first $337 (as adjusted after November 1, 1989, under paragraph (4)) of the base amount plus 10 percent of the remainder of the base amount.

"(B) RESERVE-COMPONENT ANNUITY.—If the annuity coverage being provided is a reserve-component annuity, the

reduction shall be in whichever of the following amounts is more favorable to that person:

"(i) FLAT-RATE REDUCTION.—An amount equal to 6½ percent of the base amount plus an amount determined in accordance with regulations prescribed by the Secretary of Defense as a premium for the additional coverage provided through reserve-component annuity coverage under the Plan.

"(ii) AMOUNT UNDER PRE-FLAT-RATE REDUCTION.—An amount equal to 2½ percent of the first $337 (as adjusted after November 1, 1989, under paragraph (4)) of the base amount plus 10 percent of the remainder of the base amount plus an amount determined in accordance with regulations prescribed by the Secretary of Defense as a premium for the additional coverage provided through reserve-component annuity coverage under the Plan.

"(2) ADDITIONAL REDUCTION FOR CHILD COVERAGE.—If there is a dependent child as well as a spouse or former spouse, the amount prescribed under paragraph (1) shall be increased by an amount prescribed under regulations of the Secretary of Defense.

"(3) NO REDUCTION WHEN NO BENEFICIARY.—The reduction in retired pay prescribed by paragraph (1) shall not be applicable during any month in which there is no eligible spouse or former spouse beneficiary.

"(4) PERIODIC ADJUSTMENTS.—

"(A) ADJUSTMENTS FOR INCREASES IN RATES OF BASIC PAY.—Whenever there is an increase in the rates of basic pay of members of the uniformed services effective on or after October 1, 1985, the amounts under paragraph (1) with respect to which the percentage factor of 2½ is applied shall be increased by the overall percentage of such increase in the rates of basic pay. The increase under the preceding sentence shall apply only with respect to persons whose retired pay is computed based on the rates of basic pay in effect on or after the date of such increase in rates of basic pay.

"(B) ADJUSTMENTS FOR RETIRED PAY COLAS.—In addition to the increase under subparagraph (A), the amounts under paragraph (1) with respect to which the percentage factor of 2½ is applied shall be further increased at the same time and by the same percentage as an increase in retired pay under section 1401a of this title effective on or after October 1, 1985. Such increase under the preceding sentence shall apply only with respect to a person who initially participates in the Plan on a date which is after both the effective date of such increase under section 1401a and the effective date of the rates of basic pay upon which that person's retired pay is computed.

"(5) SPOUSE COVERAGE DESCRIBED.—For the purposes of paragraph (1), a participant in the Plan who is providing spouse coverage is a participant who—

"(A) has (i) a spouse or former spouse, or (ii) a spouse or former spouse and a dependent child; and

"(B) has not elected to provide an annuity to a person designated by him under section 1448(b)(1) of this title or, having made such an election, has changed his election in favor of his spouse under section 1450(f) of this title.

"(b) CHILD-ONLY ANNUITIES.—

"(1) REQUIRED REDUCTION IN RETIRED PAY.—The retired pay of a participant in the Plan who is providing child-only coverage (as described in paragraph (4)) shall be reduced by an amount prescribed under regulations by the Secretary of Defense.

"(2) NO REDUCTION WHEN NO CHILD.—There shall be no reduction in retired pay under paragraph (1) for any month during which the participant has no eligible dependent child.

"(3) SPECIAL RULE FOR CERTAIN RCSBP PARTICIPANTS.—In the case of a participant in the Plan who is participating in the Plan under an election under section 1448(a)(2)(B) of this title and who provided child-only coverage during a period before the participant becomes entitled to receive retired pay, the retired pay of the participant shall be reduced by an amount prescribed under regulations by the Secretary of Defense to reflect the coverage provided under the Plan during the period before the participant became entitled to receive retired pay. A reduction under this paragraph is in addition to any reduction under paragraph (1) and is made without regard to whether there is an eligible dependent child during a month for which the reduction is made.

"(4) CHILD-ONLY COVERAGE DEFINED.—For the purposes of this subsection, a participant in the Plan who is providing child-only coverage is a participant who has a dependent child and who—

"(A) does not have an eligible spouse or former spouse; or

"(B) has a spouse or former spouse but has elected to provide an annuity for dependent children only.

"(c) REDUCTION FOR INSURABLE INTEREST COVERAGE.—

"(1) REQUIRED REDUCTION IN RETIRED PAY.—The retired pay of a person who has elected to provide an annuity to a person designated by him under section 1450(a)(4) of this title shall be reduced as follows:

"(A) STANDARD ANNUITY.—In the case of a person providing a standard annuity, the reduction shall be by 10 percent plus 5 percent for each full five years the individual designated is younger than that person.

"(B) RESERVE COMPONENT ANNUITY.—In the case of a person providing a reserve-component annuity, the reduction shall be by an amount prescribed under regulations of the Secretary of Defense.

"(2) LIMITATION ON TOTAL REDUCTION.—The total reduction under paragraph (1) may not exceed 40 percent.

"(3) DURATION OF REDUCTION.—The reduction in retired pay prescribed by this subsection shall continue during the lifetime of the person designated under section 1450(a)(4) of this

title or until the person receiving retired pay changes his election under section 1450(f) of this title.

"(4) RULE FOR COMPUTATION.—Computation of a member's retired pay for purposes of this subsection shall be made without regard to any reduction under section 1409(b)(2) of this title.

"(d) DEPOSITS TO COVER PERIODS WHEN RETIRED PAY NOT PAID.—

"(1) REQUIRED DEPOSITS.—If a person who has elected to participate in the Plan has been awarded retired pay and is not entitled to that pay for any period, that person must deposit in the Treasury the amount that would otherwise have been deducted from his pay for that period.

"(2) DEPOSITS NOT REQUIRED WHEN PARTICIPANT ON ACTIVE DUTY.—Paragraph (1) does not apply to a person with respect to any period when that person is on active duty under a call or order to active duty for a period of more than 30 days.

"(e) DEPOSITS NOT REQUIRED FOR CERTAIN PARTICIPANTS IN CSRS.—When a person who has elected to participate in the Plan waives that person's retired pay for the purposes of subchapter III of chapter 83 of title 5, that person shall not be required to make the deposit otherwise required by subsection (d) as long as that waiver is in effect unless, in accordance with section 8339(i) of title 5, that person has notified the Office of Personnel Management that he does not desire a spouse surviving him to receive an annuity under section 8331(b) of title 5.

"(f) REFUNDS OF DEDUCTIONS NOT ALLOWED.—

"(1) GENERAL RULE.—A person is not entitled to refund of any amount deducted from retired pay under this section.

"(2) EXCEPTIONS.—Paragraph (1) does not apply—

"(A) in the case of a refund authorized by section 1450(e) of this title; or

"(B) in case of a deduction made through administrative error.

"(g) DISCONTINUATION OF PARTICIPATION BY PARTICIPANTS WHOSE SURVIVING SPOUSES WILL BE ENTITLED TO DIC.—

"(1) DISCONTINUATION.—

"(A) CONDITIONS.—Notwithstanding any other provision of this subchapter but subject to paragraphs (2) and (3), a person who has elected to participate in the Plan and who is suffering from a service-connected disability rated by the Secretary of Veterans Affairs as totally disabling and has suffered from such disability while so rated for a continuous period of 10 or more years (or, if so rated for a lesser period, has suffered from such disability while so rated for a continuous period of not less than 5 years from the date of such person's last discharge or release from active duty) may discontinue participation in the Plan by submitting to the Secretary concerned a request to discontinue participation in the Plan.

"(B) EFFECTIVE DATE.—Participation in the Plan of a person who submits a request under subparagraph (A) shall be discontinued effective on the first day of the first month following the month in which the request under sub-

paragraph (A) is received by the Secretary concerned. Effective on such date, the Secretary concerned shall discontinue the reduction being made in such person's retired pay on account of participation in the Plan or, in the case of a person who has been required to make deposits in the Treasury on account of participation in the Plan, such person may discontinue making such deposits effective on such date.

"(C) FORM FOR REQUEST FOR DISCONTINUATION.—Any request under this paragraph to discontinue participation in the Plan shall be in such form and shall contain such information as the Secretary concerned may require by regulation.

"(2) CONSENT OF BENEFICIARIES REQUIRED.—A person described in paragraph (1) may not discontinue participation in the Plan under such paragraph without the written consent of the beneficiary or beneficiaries of such person under the Plan.

"(3) INFORMATION ON PLAN TO BE PROVIDED BY SECRETARY CONCERNED.—

"(A) INFORMATION TO BE PROVIDED PROMPTLY TO PARTICIPANT.—The Secretary concerned shall furnish promptly to each person who files a request under paragraph (1) to discontinue participation in the Plan a written statement of the advantages of participating in the Plan and the possible disadvantages of discontinuing participation.

"(B) RIGHT TO WITHDRAW DISCONTINUATION REQUEST.—A person may withdraw a request made under paragraph (1) if it is withdrawn within 30 days after having been submitted to the Secretary concerned.

"(4) REFUND OF DEDUCTIONS FROM RETIRED PAY.—Upon the death of a person described in paragraph (1) who discontinued participation in the Plan in accordance with this subsection, any amount deducted from the retired pay of that person under this section shall be refunded to the person's surviving spouse.

"(5) RESUMPTION OF PARTICIPATION IN PLAN.—

"(A) CONDITIONS FOR RESUMPTION.—A person described in paragraph (1) who discontinued participation in the Plan may elect to participate again in the Plan if—

"(i) after having discontinued participation in the Plan the Secretary of Veterans Affairs reduces that person's service-connected disability rating to a rating of less than total; and

"(ii) that person applies to the Secretary concerned, within such period of time after the reduction in such person's service-connected disability rating has been made as the Secretary concerned may prescribe, to again participate in the Plan and includes in such application such information as the Secretary concerned may require.

"(B) EFFECTIVE DATE OF RESUMED COVERAGE.—Such person's participation in the Plan under this paragraph is effective beginning on the first day of the month after the month in which the Secretary concerned receives the application for resumption of participation in the Plan.

"(C) RESUMPTION OF CONTRIBUTIONS.—When a person elects to participate in the Plan under this paragraph, the Secretary concerned shall begin making reductions in that person's retired pay, or require such person to make deposits in the Treasury under subsection (d), as appropriate, effective on the effective date of such participation under subparagraph (B).

"(h) INCREASES IN REDUCTION WITH INCREASES IN RETIRED PAY.—

"(1) GENERAL RULE.—Whenever retired pay is increased under section 1401a of this title (or any other provision of law), the amount of the reduction to be made under subsection (a) or (b) in the retired pay of any person shall be increased at the same time and by the same percentage as such retired pay is so increased.

"(i) RECOMPUTATION OF REDUCTION UPON RECOMPUTATION OF RETIRED PAY.—When the retired pay of a person who first became a member of a uniformed service on or after August 1, 1986, and who is a participant in the Plan is recomputed under section 1410 of this title upon the person's becoming 62 years of age, the amount of the reduction in such retired pay under this section shall be recomputed (effective on the effective date of the recomputation of such retired pay under section 1410 of this title) so as to be the amount equal to the amount of such reduction that would be in effect on that date if increases in such retired pay under section 1401a(b) of this title, and increases in reductions in such retired pay under subsection (h), had been computed as provided in paragraph (2) of section 1401a(b) of this title (rather than under paragraph (3) of that section).

"§ 1453. Recovery of amounts erroneously paid

"(a) RECOVERY.—In addition to any other method of recovery provided by law, the Secretary concerned may authorize the recovery of any amount erroneously paid to a person under this subchapter by deduction from later payments to that person.

"(b) AUTHORITY TO WAIVE RECOVERY.—Recovery of an amount erroneously paid to a person under this subchapter is not required if, in the judgment of the Secretary concerned and the Comptroller General—

"(1) there has been no fault by the person to whom the amount was erroneously paid; and

"(2) recovery of such amount would be contrary to the purposes of this subchapter or against equity and good conscience.

"§ 1454. Correction of administrative errors

"(a) AUTHORITY.—The Secretary concerned may, under regulations prescribed under section 1455 of this title, correct or revoke any election under this subchapter when the Secretary considers it necessary to correct an administrative error.

"(b) FINALITY.—Except when procured by fraud, a correction or revocation under this section is final and conclusive on all officers of the United States.

"§ 1455. Regulations

"(a) IN GENERAL.—The President shall prescribe regulations to carry out this subchapter. Those regulations shall, so far as practicable, be uniform for the uniformed services.

"(b) NOTICE OF ELECTIONS.—Regulations prescribed under this section shall provide that before the date on which a member becomes entitled to retired pay—

"(1) if the member is married, the member and the member's spouse shall be informed of the elections available under section 1448(a) of this title and the effects of such elections; and

"(2) if the notification referred to in section 1448(a)(3)(E) of this title is required, any former spouse of the member shall be informed of the elections available and the effects of such elections.

"(c) PROCEDURE FOR DEPOSITING CERTAIN RECEIPTS.—Regulations prescribed under this section shall establish procedures for depositing the amounts referred to in sections 1448(g), 1450(k)(2), and 1452(d) of this title.

"(d) PAYMENTS TO GUARDIANS AND FIDUCIARIES.—

"(1) IN GENERAL.—Regulations prescribed under this section shall provide procedures for the payment of an annuity under this subchapter in the case of—

"(A) a person for whom a guardian or other fiduciary has been appointed; and

"(B) a minor, mentally incompetent, or otherwise legally disabled person for whom a guardian or other fiduciary has not been appointed.

"(2) AUTHORIZED PROCEDURES.—The regulations under paragraph (1) may include provisions for the following:

"(A) In the case of an annuitant referred to in paragraph (1)(A), payment of the annuity to the appointed guardian or other fiduciary.

"(B) In the case of an annuitant referred to in paragraph (1)(B), payment of the annuity to any person who, in the judgment of the Secretary concerned, is responsible for the care of the annuitant.

"(C) Subject to subparagraphs (D) and (E), a requirement for the payee of an annuity to spend or invest the amounts paid on behalf of the annuitant solely for benefit of the annuitant.

"(D) Authority for the Secretary concerned to permit the payee to withhold from the annuity payment such amount, not in excess of 4 percent of the annuity, as the Secretary concerned considers a reasonable fee for the fiduciary services of the payee when a court appointment order provides for payment of such a fee to the payee for such services or the Secretary concerned determines that payment of a fee to such payee is necessary in order to obtain the fiduciary services of the payee.

"(E) Authority for the Secretary concerned to require the payee to provide a surety bond in an amount sufficient to protect the interests of the annuitant and to pay for such bond out of the annuity.

"(F) A requirement for the payee of an annuity to maintain and, upon request, to provide to the Secretary concerned an accounting of expenditures and investments of amounts paid to the payee.

"(G) In the case of an annuitant referred to in paragraph (1)(B)—

"(i) procedures for determining incompetency and for selecting a payee to represent the annuitant for the purposes of this section, including provisions for notifying the annuitant of the actions being taken to make such a determination and to select a representative payee, an opportunity for the annuitant to review the evidence being considered, and an opportunity for the annuitant to submit additional evidence before the determination is made; and

"(ii) standards for determining incompetency, including standards for determining the sufficiency of medical evidence and other evidence.

"(H) Provisions for any other matter that the President considers appropriate in connection with the payment of an annuity in the case of a person referred to in paragraph (1).

"(3) LEGAL EFFECT OF PAYMENT TO GUARDIAN OR FIDUCIARY.—An annuity paid to a person on behalf of an annuitant in accordance with the regulations prescribed pursuant to paragraph (1) discharges the obligation of the United States for payment to the annuitant of the amount of the annuity so paid.".

SEC. 635. INCREASES IN SURVIVOR BENEFIT PLAN CONTRIBUTIONS TO BE EFFECTIVE CONCURRENTLY WITH PAYMENT OF RETIRED PAY COST-OF-LIVING INCREASES.

(a) SURVIVOR BENEFIT PLAN.—Section 1452(h) of title 10, United States Code, as amended by section 634, is amended by adding at the end the following new paragraph:

"(2) COORDINATION WHEN PAYMENT OF INCREASE IN RETIRED PAY IS DELAYED BY LAW.—

"(A) IN GENERAL.—Notwithstanding paragraph (1), when the initial payment of an increase in retired pay under section 1401a of this title (or any other provision of law) to a person is for a month that begins later than the effective date of that increase by reason of the application of subsection (b)(2)(B) of such section (or section 631(b) of Public Law 104–106 (110 Stat. 364)), then the amount of the reduction in the person's retired pay shall be effective on the date of that initial payment of the increase in retired pay rather than the effective date of the increase in retired pay.

"(B) DELAY NOT TO AFFECT COMPUTATION OF ANNUITY.—Subparagraph (A) may not be construed as delaying, for purposes of determining the amount of a monthly annuity under section 1451 of this title, the effective date of an increase in a base amount under subsection (h) of such section from the effective date of an increase in retired pay under section 1401a of this title to the date on which the initial payment of that increase in retired pay is made in accordance with subsection (b)(2)(B) of such section.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to retired pay payable for months beginning on or after the date of the enactment of this Act.

SEC. 636. AMENDMENTS TO THE UNIFORMED SERVICES FORMER SPOUSES' PROTECTION ACT.

(a) MANNER OF SERVICE OF PROCESS.—Subsection (b)(1)(A) of section 1408 of title 10, United States Code, is amended by striking out "certified or registered mail, return receipt requested" and inserting in lieu thereof "facsimile or electronic transmission or by mail".

(b) SUBSEQUENT COURT ORDER FROM ANOTHER STATE.—Subsection (d) of such section is amended by adding at the end the following new paragraph:

"(6)(A) The Secretary concerned may not accept service of a court order that is an out-of State modification, or comply with the provisions of such a court order, unless the court issuing that order has jurisdiction in the manner specified in subsection (c)(4) over both the member and the spouse or former spouse involved.

"(B) A court order shall be considered to be an out-of-State modification for purposes of this paragraph if the order—

"(i) modifies a previous court order under this section upon which payments under this subsection are based; and

"(ii) is issued by a court of a State other than the State of the court that issued the previous court order.".

SEC. 637. PREVENTION OF CIRCUMVENTION OF COURT ORDER BY WAIVER OF RETIRED PAY TO ENHANCE CIVIL SERVICE RETIREMENT ANNUITY.

(a) CIVIL SERVICE RETIREMENT AND DISABILITY SYSTEM.—(1) Subsection (c) of section 8332 of title 5, United States Code, is amended by adding at the end the following new paragraph:

"(4) If, after January 1, 1997, an employee or Member waives retired pay that is subject to a court order for which there has been effective service on the Secretary concerned for purposes of section 1408 of title 10, the military service on which the retired pay is based may be credited as service for purposes of this subchapter only if the employee or Member authorizes the Director to deduct and withhold from the annuity payable to the employee or Member under this subchapter an amount equal to the amount that, if the annuity payment was instead a payment of the employee's or Member's retired pay, would have been deducted and withheld and paid to the former spouse covered by the court order under such section 1408. The amount deducted and withheld under this paragraph shall be paid to that former spouse. The period of civil service employment by the employee or Member shall not be taken into consideration in determining the amount of the deductions and withholding or the amount of the payment to the former spouse. The Director of the Office of Personnel Management shall prescribe regulations to carry out this paragraph.".

(2) Paragraph (1) of such subsection is amended by striking out "Except as provided in paragraph (2)" and inserting in lieu thereof "Except as provided in paragraphs (2) and (4)".

(b) FEDERAL EMPLOYEES' RETIREMENT SYSTEM.—(1) Subsection (c) of section 8411 of title 5, United States Code, is amended by adding at the end the following new paragraph:

"(5) If, after January 1, 1997, an employee or Member waives retired pay that is subject to a court order for which there has been effective service on the Secretary concerned for purposes of section 1408 of title 10, the military service on which the retired pay is based may be credited as service for purposes of this chapter only if the employee or Member authorizes the Director to deduct and withhold from the annuity payable to the employee or Member under this subchapter an amount equal to the amount that, if the annuity payment was instead a payment of the employee's or Member's retired pay, would have been deducted and withheld and paid to the former spouse covered by the court order under such section 1408. The amount deducted and withheld under this paragraph shall be paid to that former spouse. The period of civil service employment by the employee or Member shall not be taken into consideration in determining the amount of the deductions and withholding or the amount of the payment to the former spouse. The Director of the Office of Personnel Management shall prescribe regulations to carry out this paragraph.".

(2) Paragraph (1) of such subsection is amended by striking "Except as provided in paragraph (2) or (3)" and inserting "Except as provided in paragraphs (2), (3), and (5)".

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall take effect on January 1, 1997.

SEC. 638. ADMINISTRATION OF BENEFITS FOR SO-CALLED MINIMUM INCOME WIDOWS.

(a) ADJUSTED ANNUAL INCOME LIMITATION APPLIABLE TO ELIGIBILITY FOR INCOME SUPPLEMENT.—(1) Section 4 of Public Law 92–425 (10 U.S.C. 1448 note) is amended—

(A) in subsection (a)(3), by striking out "$2,340" and inserting in lieu thereof "the maximum annual rate of pension in effect under section 1541(b) of title 38, United States Code"; and

(B) in in the first sentence of subsection (b), by striking out "$2,340 a year" and inserting in lieu thereof "the maximum annual rate of pension in effect under section 1541(b) of title 38, United States Code".

(2) Subsection (c) of such section is repealed.

(b) PAYMENTS TO BE MADE BY SECRETARY OF VETERANS AFFAIRS.—Such section is further amended by adding at the end the following new subsection:

"(e)(1) Payment of annuities under this section shall be made by the Secretary of Veterans Affairs. If appropriate for administrative convenience (or otherwise determined appropriate by the Secretary of Veterans Affairs), that Secretary may combine a payment to any person for any month under this section with any other payment for that month under laws administered by the Secretary so as to provide that person with a single payment for that month.

"(2) The Secretary concerned shall annually transfer to the Secretary of Veterans Affairs such amounts as may be necessary for payments by the Secretary of Veterans Affairs under this section and for costs of the Secretary of Veterans Affairs in administering this section. Such transfers shall be made from amounts that would otherwise be used for payment of annuities by the Secretary concerned under this section. The authority to make such a transfer is in addition to any other authority of the Secretary concerned to

transfer funds for a purpose other than the purpose for which the funds were originally made available. In the case of a transfer by the Secretary of a military department, the provisions of section 2215 of title 10, United States Code, do not apply.

"(3) The Secretary concerned shall promptly notify the Secretary of Veterans Affairs of any change in beneficiaries under this section.".

(c) CLARIFICATION OF CONTINUING ELIGIBILITY FOR DEPARTMENT OF VETERANS AFFAIRS PENSION.—Such section, as amended by subsection (a)(2), is further amended by inserting after subsection (b) the following new subsection (c):

"(c) The amount of an annuity payable under this section, although counted as income in determining the amount of any pension described in subsection (a)(2) of this section, shall not be considered to affect the eligibility of the recipient of such annuity for such pension, even though, as a result of including the amount of the annuity as income, no amount of such pension is due.".

(d) EFFECTIVE DATE.—The amendments made by this section take effect on July 1, 1997, and apply with respect to payments of benefits for any month after June 1997.

Subtitle E—Other Matters

SEC. 651. DISCRETIONARY ALLOTMENT OF PAY, INCLUDING RETIRED OR RETAINER PAY.

(a) ALLOTMENTS AUTHORIZED.—Section 701 of title 37, United States Code, is amended by striking out subsection (d) and inserting in lieu thereof the following new subsections:

"(d) Under regulations prescribed by the Secretary of Defense, a member of the Army, Navy, Air Force, or Marine Corps and a contract surgeon of the Army, Navy, or Air Force may make allotments from the pay of the member or surgeon for the purpose of supporting relatives or for any other purpose that the Secretary considers proper. Such allotments may include a maximum of six allotments considered to be discretionary under such regulations. For a member or former member entitled to retired or retainer pay, a maximum of six discretionary allotments authorized during active military service may be continued into retired status, and new discretionary allotments may be authorized so long as the total number of discretionary allotments does not exceed six.

"(e) If an allotment made under subsection (d) is paid to the allottee before the disbursing officer receives a notice of discontinuance from the officer required by regulation to furnish the notice, the amount of the allotment shall be credited to the disbursing officer. If an allotment is erroneously paid because the officer required by regulation to so report failed to report the death of the allotter or any other fact that makes the allotment not payable, the amount of the payment not recovered from the allottee shall, if practicable, be collected by the Secretary concerned from the officer who failed to make the report.".

(b) ISSUANCE OF REGULATIONS.—The Secretaries of the military departments shall prescribe regulations under subsection (d) of section 701 of title 37, United States Code, as added by subsection (a), not later than October 1, 1997.

SEC. 652. REIMBURSEMENT FOR ADOPTION EXPENSES INCURRED IN ADOPTIONS THROUGH PRIVATE PLACEMENTS.

(a) DEPARTMENT OF DEFENSE.—Section 1052(g) of title 10, United States Code, is amended—

(1) in paragraph (1), by striking out "State or local government" and all that follows through the period at the end of the first sentence and inserting in lieu thereof "qualified adoption agency."; and

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

"(3) The term 'qualified adoption agency' means any of the following:

"(A) A State or local government agency which has responsibility under State or local law for child placement through adoption.

"(B) A nonprofit, voluntary adoption agency which is authorized by State or local law to place children for adoption.

"(C) Any other source authorized by a State to provide adoption placement if the adoption is supervised by a court under State or local law.".

(b) COAST GUARD.—Section 514(g) of title 14, United States Code, is amended—

(1) in paragraph (1), by striking out "State or local government" and all that follows through the period at the end of the first sentence and inserting in lieu thereof "qualified adoption agency."; and

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

"(3) The term 'qualified adoption agency' means any of the following:

"(A) A State or local government agency which has responsibility under State or local law for child placement through adoption.

"(B) A nonprofit, voluntary adoption agency which is authorized by State or local law to place children for adoption.

"(C) Any other source authorized by a State to provide adoption placement if the adoption is supervised by a court under State or local law.".

SEC. 653. WAIVER OF RECOUPMENT OF AMOUNTS WITHHELD FOR TAX PURPOSES FROM CERTAIN SEPARATION PAY.

(a) IN GENERAL.—Section 1174(h)(2) of title 10, United States Code, is amended by inserting before the period at the end of the first sentence the following: ", less the amount of Federal income tax withheld from such pay (such withholding being at the flat withholding rate for Federal income tax withholding, as in effect pursuant to regulations prescribed under chapter 24 of the Internal Revenue Code of 1986)".

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1996, and shall apply to payments of separation pay, severance pay, or readjustment pay that are made after September 30, 1996.

SEC. 654. TECHNICAL CORRECTION CLARIFYING LIMITATION ON FURNISHING CLOTHING OR ALLOWANCES FOR ENLISTED NATIONAL GUARD TECHNICIANS.

Section 418(c) of title 37, United States Code, is amended by striking out "for which a uniform allowance is paid under section 415 or 416 of this title" and inserting in lieu thereof "for which clothing is furnished or a uniform allowance is paid under this section".

SEC. 655. TECHNICAL CORRECTION TO PRIOR AUTHORITY FOR PAYMENT OF BACK PAY TO CERTAIN PERSONS.

Section 634 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 366) is amended—

(1) in subsection (b)(1), by striking out "Island of Bataan" and inserting in lieu thereof "peninsula of Bataan or island of Corregidor"; and

(2) in subsection (c), by inserting after the first sentence the following: "For the purposes of this subsection, the Secretary of War shall be deemed to have determined that conditions in the Philippines during the specified period justified payment under applicable regulations of quarters and subsistence allowances at the maximum special rate for duty where emergency conditions existed.".

SEC. 656. COMPENSATION FOR PERSONS AWARDED PRISONER OF WAR MEDAL WHO DID NOT PREVIOUSLY RECEIVE COMPENSATION AS A PRISONER OF WAR.

(a) AUTHORITY TO MAKE PAYMENTS.—The Secretary of the military department concerned shall make payments in the manner provided in section 6 of the War Claims Act of 1948 (50 U.S.C. App. 2005) to (or on behalf of) any person described in subsection (b) who submits an application for such payment in accordance with subsection (d).

(b) ELIGIBLE PERSONS.—This section applies with respect to a member or former member of the Armed Forces who—

(1) has received the prisoner of war medal under section 1128 of title 10, United States Code; and

(2) has not previously received a payment under section 6 of the War Claims Act of 1948 (50 U.S.C. App. 2005) with respect to the period of internment for which the person received the prisoner of war medal.

(c) AMOUNT OF PAYMENT.—The amount of the payment to any person under this section shall be determined based upon the provisions of section 6 of the War Claims Act of 1948 that are applicable with respect to the period of time during which the internment occurred for which the person received the prisoner of war medal.

(d) ONE-YEAR PERIOD FOR SUBMISSION OF APPLICATIONS.—A payment may be made by reason of this section only in the case of a person who submits an application to the Secretary concerned for such payment during the one-year period beginning on the date of the enactment of this Act. Any such application shall be submitted in such form and manner as the Secretary may require.

SEC. 657. PAYMENTS TO CERTAIN PERSONS CAPTURED AND INTERNED BY NORTH VIETNAM.

(a) PAYMENT AUTHORIZED TO ELIGIBLE PERSONS.—(1) Using amounts made available under subsection (g), the Secretary of De-

fense shall make a payment under this section to a person who demonstrates to the satisfaction of the Secretary of Defense that the person was captured and incarcerated by the Democratic Republic of Vietnam as a result of the participation by the person in operations conducted under OPLAN 34A or its predecessor.

(2) Using amounts made available under subsection (g), the Secretary of Defense shall also make a payment under this section to a person who demonstrates to the satisfaction of the Secretary of Defense that the person—

(A) served as a Vietnamese operative pursuant to OPLAN 35;

(B) was captured and incarcerated by North Vietnamese forces as a result of the participation by the person in operations in Laos or along the Lao-Vietnamese border pursuant to OPLAN 35;

(C) remained in captivity after 1973 (or died in captivity); and

(D) has not previously received payment from the United States for the period spent in captivity.

(3) A payment may not be made under this section to, or with respect to, a person who the Secretary of Defense determines, based on the available evidence, served in the Peoples Army of Vietnam or provided active assistance to the Government of the Democratic Republic of Vietnam during the period from 1958 through 1975.

(b) EFFECT OF DEATH OF ELIGIBLE PERSON.—In the case of a decedent who would have been eligible for a payment under this section if alive, the documentation required under subsection (a) may be provided by survivors of the decedent, and the payment under this section shall be made to survivors of the decedent in the following order:

(1) To the surviving spouse.

(2) If there is no surviving spouse, to the surviving children (including natural children and adopted children) of the decedent, in equal shares.

(c) AMOUNT PAYABLE.—The amount payable to, or with respect to, a person under this section is $40,000. If a person can demonstrate to the Secretary of Defense that confinement or incarceration exceeded 20 years, the Secretary may pay an additional $2,000 for each full year in excess of 20 (and a proportionate amount for a partial year), but the total amount paid to, or with respect to, a person under this section may not exceed $50,000.

(d) TIME LIMITATIONS.—(1) To be eligible for a payment under this section, a claimant must file a claim for such payment with the Secretary of Defense within 18 months of the effective date of the regulations implementing this section.

(2) Not later than 18 months after receiving a claim for payment under this section, the Secretary shall determine the eligibility of the claimant for payment of the claim. Subject to subsection (f), if the Secretary determines that the claimant is eligible for the payment, the Secretary shall promptly pay the claim.

(e) REGULATIONS.—(1) The Secretary of Defense shall prescribe regulations to carry out this section. Such regulations shall include procedures by which persons may submit claims for payment under

this section. Such regulations shall be prescribed not later than six months after the date of the enactment of this Act.

(2) The Secretary of Defense may establish guidelines regarding what constitutes adequate documentation for determining whether a person satisfies the requirements specified in subsection (a) regarding eligibility for a payment under this section. Such guidelines shall be established in consultation with the heads of other agencies of the Government involved with OPLAN 34A or its predecessor or OPLAN 35.

(f) LIMITATION ON DISBURSEMENT.—(1) The actual disbursement of a payment under this section may be made only to the person who is eligible for the payment under subsection (a) or (b) and only—

(A) upon the appearance of that person, in person, at any designated disbursement office in the United States or its territories; or

(B) at such other location or in such other manner as that person may request in writing.

(2) In the case of a claim approved for payment but not disbursed as a result of operation of paragraph (1), the Secretary of Defense shall hold the funds in trust for the person in an interest bearing account until such time as the person makes an election under such paragraph.

(g) FUNDING.—To the extent provided in advance for this section in appropriations Acts, of amounts authorized to be appropriated under section 301(24) for this purpose, $20,000,000 shall be available until expended for payments under this section.

(h) PAYMENT IN FULL SATISFACTION OF CLAIMS AGAINST THE UNITED STATES.—The acceptance of payment by, or with respect to, a person under this section shall be in full satisfaction of all claims by or on behalf of that individual against the United States arising from operations under OPLAN 34A or its predecessor or OPLAN 35.

(i) ATTORNEY FEES.—Notwithstanding any contract, the representative of a person may not receive, for services rendered in connection with the claim of, or with respect to, a person under this section, more than 10 percent of a payment made under this section on that claim.

(j) NO RIGHT TO JUDICIAL REVIEW.—All determinations by the Secretary of Defense pursuant to this section are final and conclusive, notwithstanding any other provision of law. Claimants under this section have no right to judicial review, and such review is specifically precluded.

(k) REPORTS TO CONGRESS.—(1) Not later than 24 months after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report on the payment of claims under this section.

(2) After the submission of the report under paragraph (1), the Secretary shall periodically submit to Congress a report on the status of payment of claims under this section.

TITLE VII—HEALTH CARE PROVISIONS

Subtitle A—Health Care Services

Sec. 701. Preventive health care screening for colon and prostate cancer.
Sec. 702. Implementation of requirement for Selected Reserve dental insurance plan.
Sec. 703. Dental insurance plan for military retirees and unremarried surviving spouses and certain other dependents of military retirees.
Sec. 704. Plan for health care coverage for children with medical conditions caused by parental exposure to chemical munitions while serving as members of the Armed Forces.

Subtitle B—TRICARE Program

Sec. 711. CHAMPUS payment limits for TRICARE prime enrollees.
Sec. 712. Improved information exchange between military treatment facilities and TRICARE program contractors.
Sec. 713. Plans for medicare subvention demonstration programs.

Subtitle C—Uniformed Services Treatment Facilities

Sec. 721. Definitions.
Sec. 722. Inclusion of designated providers in uniformed services health care delivery system.
Sec. 723. Provision of uniform benefit by designated providers.
Sec. 724. Enrollment of covered beneficiaries.
Sec. 725. Application of CHAMPUS payment rules.
Sec. 726. Payments for services.
Sec. 727. Repeal of superseded authorities.

Subtitle D—Other Changes to Existing Laws Regarding Health Care Management

Sec. 731. Authority to waive CHAMPUS exclusion regarding nonmedically necessary treatment in connection with certain clinical trials.
Sec. 732. Exception to maximum allowable payments to individual health-care providers under CHAMPUS.
Sec. 733. Codification of annual authority to credit CHAMPUS refunds to current year appropriation.
Sec. 734. Exceptions to requirements regarding obtaining nonavailability-of-health-care statements.
Sec. 735. Enhancement of third-party collection and secondary payer authorities under CHAMPUS.

Subtitle E—Other Matters

Sec. 741. Alternatives to active duty service obligation under Armed Forces Health Professions Scholarship and Financial Assistance program and Uniformed Services University of the Health Sciences.
Sec. 742. External peer review for defense health program extramural medical research involving human subjects.
Sec. 743. Independent research regarding Gulf War syndrome.
Sec. 744. Comptroller General review of health care activities of Department of Defense relating to Gulf War illnesses.
Sec. 745. Report regarding specialized treatment facility program.
Sec. 746. Study of means of ensuring uniformity in provision of medical and dental care for members of reserve components.
Sec. 747. Sense of Congress regarding tax treatment of Armed Forces Health Professions Scholarship and Financial Assistance program.

Subtitle A—Health Care Services

SEC. 701. PREVENTIVE HEALTH CARE SCREENING FOR COLON AND PROSTATE CANCER.

(a) MEMBERS AND FORMER MEMBERS.—(1) Section 1074d of title 10, United States Code, is amended—

(A) in subsection (a)—

(i) by inserting "(1)" before "Female"; and

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

"(2) Male members and former members of the uniformed services entitled to medical care under section 1074 or 1074a of this title shall also be entitled to preventive health care screening for colon or prostate cancer at such intervals and using such screening methods as the administering Secretaries consider appropriate."; and

(B) in subsection (b), by adding at the end the following new paragraph:

"(8) Colon cancer screening, at the intervals and using the screening methods prescribed under subsection (a)(2).".

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

"§ 1074d. Certain primary and preventive health care services"; and

(B) The item relating to such section in the table of sections at the beginning of chapter 55 of such title is amended to read as follows:

"1074d. Certain primary and preventive health care services.".

(b) DEPENDENTS.—(1) Section 1077(a) of such title is amended by adding at the end the following new paragraph:

"(14) Preventive health care screening for colon or prostate cancer, at the intervals and using the screening methods prescribed under section 1074d(a)(2) of this title.".

(2) Section 1079(a)(2) of such title is amended—

(A) in the matter preceding subparagraph (A), by inserting "the schedule and method of colon and prostate cancer screenings," after "pap smears and mammograms,"; and

(B) in subparagraph (B), by inserting "or colon and prostate cancer screenings" after "pap smears and mammograms".

SEC. 702. IMPLEMENTATION OF REQUIREMENT FOR SELECTED RESERVE DENTAL INSURANCE PLAN.

(a) IMPLEMENTATION BY CONTRACT.—Subsection (a) of section 1076b of title 10, United States Code, is amended—

(1) by inserting "(1)" after "(a) AUTHORITY TO ESTABLISH PLAN.—";

(2) by designating the third sentence as paragraph (3); and

(3) by inserting after paragraph (1), as designated by paragraph (1) of this subsection, the following new paragraph:

"(2) The Secretary shall provide benefits under the plan through one or more contracts awarded after full and open competition.".

(b) COLLECTION OF PREMIUMS OF MEMBERS NOT RECEIVING BASIC PAY.—Subsection (b)(3) of such section is amended by adding at the end the following: "In the case of a member who does not receive basic pay, the Secretary of Defense shall establish procedures for the collection of the member's share of the premium for coverage.".

(c) SCHEDULE FOR IMPLEMENTATION.—Section 705(b) of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 373; 10 U.S.C. 1076b note) is amended—

(1) in the first sentence, by striking out "October 1, 1996" and inserting in lieu thereof "October 1, 1997"; and

(2) by striking out "fiscal year 1996" both places it appears and inserting in lieu thereof "fiscal years 1996 and 1997".

SEC. 703. DENTAL INSURANCE PLAN FOR MILITARY RETIREES AND UNREMARRIED SURVIVING SPOUSES AND CERTAIN OTHER DEPENDENTS OF MILITARY RETIREES.

(a) ESTABLISHMENT OF DENTAL PLAN.—(1) Chapter 55 of title 10, United States Code, is amended by inserting after section 1076b the following new section:

"§ 1076c. Dental insurance plan: certain retirees and their surviving spouses and other dependents

"(a) REQUIREMENT FOR PLAN.—The Secretary of Defense shall establish a dental insurance plan for military retirees, certain unremarried surviving spouses, and dependents in accordance with this section.

"(b) PERSONS ELIGIBLE FOR PLAN.—The following persons are eligible to enroll in the dental insurance plan established under subsection (a):

"(1) Members of the armed forces who are entitled to retired pay.

"(2) Members of the Retired Reserve who would be entitled to retired pay under chapter 1223 of this title but for being under 60 years of age.

"(3) Eligible dependents of a member described in paragraph (1) or (2) who are covered by the enrollment of the member in the plan.

"(4) The unremarried surviving spouse and eligible child dependents of a deceased member—

"(A) who dies while in a status described in paragraph (1) or (2); or

"(B) who is described in section 1448(d)(1) of this title.

"(c) PREMIUMS.—(1) A member enrolled in the dental insurance plan established under subsection (a) shall pay the premiums charged for the insurance coverage.

"(2) The amount of the premiums payable by a member entitled to retired pay shall be deducted and withheld from the retired pay and shall be disbursed to pay the premiums. The regulations prescribed under subsection (h) shall specify the procedures for payment of the premiums by other enrolled members and by enrolled surviving spouses.

"(d) BENEFITS AVAILABLE UNDER THE PLAN.—The dental insurance plan established under subsection (a) shall provide benefits for basic dental care and treatment, including diagnostic services, preventative services, basic restorative services (including endodontics), surgical services, and emergency services.

"(e) COVERAGE.—(1) The Secretary shall prescribe a minimum required period for enrollment by a member or surviving spouse in the dental insurance plan established under subsection (a).

"(2) The dental insurance plan shall provide for voluntary enrollment of participants and shall authorize a member or eligible unremarried surviving spouse to enroll for self only or for self and eligible dependents.

"(f) TERMINATION OF ENROLLMENT.—The Secretary shall terminate the enrollment of any enrollee, and any eligible dependents of

the enrollee covered by the enrollment, in the dental insurance plan established under subsection (a) upon the occurrence of the following:

"(1) In the case of an enrollment under subsection (b)(1), termination of the member's entitlement to retired pay.

"(2) In the case of an enrollment under subsection (b)(2), termination of the member's status as a member of the Retired Reserve.

"(3) In the case of an enrollment under subsection (b)(4), remarriage of the surviving spouse.

"(g) CONTINUATION OF DEPENDENTS' ENROLLMENT UPON DEATH OF ENROLLEE.—Coverage of a dependent in the dental insurance plan established under subsection (a) under an enrollment of a member or a surviving spouse who dies during the period of enrollment shall continue until the end of that period and may be renewed by (or for) the dependent, so long as the premium paid is sufficient to cover continuation of the dependent's enrollment. The Secretary may terminate coverage of the dependent when the premiums paid are no longer sufficient to cover continuation of the enrollment. The Secretary shall prescribe in regulations under subsection (h) the parties responsible for paying the remaining premiums due on the enrollment and the manner for collection of the premiums.

"(h) REGULATIONS.—The dental insurance plan established under subsection (a) shall be administered under regulations prescribed by the Secretary of Defense, in consultation with the Secretary of Transportation.

"(i) DEFINITIONS.—In this section:

"(1) The term 'eligible dependent' means a dependent described in subparagraph (A), (D), or (I) of section 1072(2) of this title.

"(2) The term 'eligible child dependent' means a dependent described in subparagraph (D) or (I) of section 1072(2) of this title.

"(3) The term 'retired pay' includes retainer pay.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1076b the following new item:

"1076c. Dental insurance plan: certain retirees and their surviving spouses and other dependents.".

(b) IMPLEMENTATION.—Beginning not later than October 1, 1997, the Secretary of Defense shall—

(1) offer members of the Armed Forces and other persons described in subsection (b) of section 1076c of title 10, United States Code (as added by subsection (a)(1) of this section), the opportunity to enroll in the dental insurance plan required under that section; and

(2) begin to provide benefits under the plan.

SEC. 704. PLAN FOR HEALTH CARE COVERAGE FOR CHILDREN WITH MEDICAL CONDITIONS CAUSED BY PARENTAL EXPOSURE TO CHEMICAL MUNITIONS WHILE SERVING AS MEMBERS OF THE ARMED FORCES.

(a) PLAN REQUIRED.—The Secretary of Defense, in coordination with the Secretary of Veterans Affairs, shall develop a plan for ensuring the provision of medical care to any natural child of a mem-

ber of the Armed Forces (including former members and members discharged or otherwise separated from active duty) who has a congenital defect or catastrophic illness, proven to a reasonable degree of scientific certainty on the basis of scientific research to have resulted from exposure of the member to a chemical warfare agent or other hazardous material to which the member was exposed during active military service.

(b) SUBMISSION TO CONGRESS.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall submit the plan developed under subsection (a) to Congress.

(c) DEFINITIONS OF CONGENITAL DEFECT AND CATASTROPHIC ILLNESS.—The Secretary of Defense shall prescribe in regulations a definition of the terms "congenital defect" and "catastrophic illness" for the purposes of this section.

Subtitle B—TRICARE Program

SEC. 711. CHAMPUS PAYMENT LIMITS FOR TRICARE PRIME ENROLLEES.

Section 1079(h)(4) of title 10, United States Code, is amended in the second sentence by striking out "emergency".

SEC. 712. IMPROVED INFORMATION EXCHANGE BETWEEN MILITARY TREATMENT FACILITIES AND TRICARE PROGRAM CONTRACTORS.

(a) UNIFORM INTERFACES.—The Secretary of Defense shall ensure that the automated medical information system being developed by the Department of Defense (known as the Composite Health Care System) provides for uniform interfaces between information systems of military treatment facilities and private contractors under managed care programs of the TRICARE program. The uniform interface shall provide for a full electronic two-way exchange of health care information between the military treatment facilities and contractor information systems, including enrollment information, information regarding eligibility determinations, provider network information, appointment information, and information regarding the existence of third-party payers.

(b) AMENDMENT OF EXISTING CONTRACTS.—To assure a single consistent source of information throughout the health care delivery system of the uniformed services, the Secretary of Defense shall amend each TRICARE program contract, with the consent of the TRICARE program contractor and notwithstanding any requirement for competition, to require the contractor—

(1) to use software furnished under the Composite Health Care System to record military treatment facility provider appointments; and

(2) to record TRICARE program enrollment through direct use of the Composite Health Care System software or through the uniform two-way interface between the contractor and military treatment facilities systems, where applicable.

(c) DEFINITION OF TRICARE PROGRAM.—For purposes of this section, the term "TRICARE program" means the managed health care program that is established by the Secretary of Defense under the authority of chapter 55 of title 10, United States Code, principally section 1097 of such title, and includes the competitive selec-

tion of contractors to financially underwrite the delivery of health care services under the Civilian Health and Medical Program of the Uniformed Services.

SEC. 713. PLANS FOR MEDICARE SUBVENTION DEMONSTRATION PROGRAMS.

(a) PROGRAM FOR ENROLLMENT IN TRICARE MANAGED CARE OPTION.—Not later than September 6, 1996, the Secretary of Defense and the Secretary of Health and Human Services shall jointly submit to Congress and the President a report containing a specific plan (including the recommendations of the Secretaries required under subsection (b)) regarding the establishment of a demonstration program under which—

(1) covered beneficiaries under chapter 55 of title 10, United States Code, who are also entitled to benefits under part A of the medicare program are permitted to enroll in the managed care option of the TRICARE program; and

(2) the Secretary of Health and Human Services reimburses the Secretary of Defense from the medicare program on a capitated basis for the costs of providing health care services to military retirees who enroll.

(b) SPECIFIC ELEMENTS OF REPORT.—The report shall include the following:

(1) The number of covered beneficiaries described in subsection (a) who are projected to participate in the demonstration program and the minimum number of such participants necessary to conduct the demonstration program effectively.

(2) A plan for notifying such covered beneficiaries of their eligibility for enrollment in the demonstration program and for any other matters connected with enrollment.

(3) A recommendation for the duration of the demonstration program.

(4) A recommendation for the geographic regions in which the demonstration program should be conducted.

(5) The appropriate level of capitated reimbursement, and a schedule for such reimbursement, from the medicare program to the Department of Defense for health care services provided enrollees in the demonstration program.

(6) An estimate of the amounts that, in the absence of the demonstration program, would be required to be allocated by the Department of Defense for the provision of health care services to covered beneficiaries described in subsection (a) who reside in the regions in which the demonstration program is proposed to be conducted.

(7) An assessment of revisions to the allocation estimated under paragraph (6) that would result from the conduct of the demonstration program in such regions.

(8) An estimate of the cost to the Department of Defense and to the medicare program of providing health care services to covered beneficiaries described in subsection (a) who enroll in the demonstration program.

(9) An assessment of the likelihood of cost shifting among the Department of Defense and the medicare program under the demonstration program.

(10) A proposal for mechanisms for reconciling and reimbursing any improper payments among the Department of Defense and the medicare program under the demonstration program.

(11) A methodology for evaluating the demonstration program, including cost analyses.

(12) As assessment of the extent to which the TRICARE program is prepared to meet requirements of the medicare program for purposes of the demonstration program and the provisions of law or regulation that would have to be waived in order to facilitate the carrying out of the demonstration program.

(13) An assessment of the impact of the demonstration program on military readiness.

(14) Contingency plans for the provision of health care services under the demonstration program in the event of the mobilization of health care personnel.

(15) A recommendation of the reports that the Department of Defense and the Department of Health and Human Services should submit to Congress describing the conduct of the demonstration program.

(c) PROGRAM FOR ENROLLMENT IN TRICARE FEE-FOR-SERVICE OPTION.—Not later than January 3, 1997, the Secretary of Defense and the Secretary of Health and Human Services shall jointly submit to Congress and the President a report on the feasibility and advisability of expanding the demonstration program referred to in subsection (a) so as to provide the Department of Defense with reimbursement from the medicare program on a fee-for-service basis for health care services provided covered beneficiaries described in subsection (a) who enroll in the demonstration program. The report shall include a proposal for the expansion of the program if the expansion is determined to be advisable.

Subtitle C—Uniformed Services Treatment Facilities

SEC. 721. DEFINITIONS.

In this subtitle:

(1) The term "administering Secretaries" means the Secretary of Defense, the Secretary of Transportation, and the Secretary of Health and Human Services.

(2) The term "agreement" means the agreement required under section 722(b) between the Secretary of Defense and a designated provider.

(3) The term "capitation payment" means an actuarially sound payment for a defined set of health care services that is established on a per enrollee per month basis.

(4) The term "covered beneficiary" means a beneficiary under chapter 55 of title 10, United States Code, other than a beneficiary under section 1074(a) of such title.

(5) The term "designated provider" means a public or nonprofit private entity that was a transferee of a Public Health Service hospital or other station under section 987 of the Omni-

bus Budget Reconciliation Act of 1981 (Public Law 97–35; 42 U.S.C. 248b) and that, before the date of the enactment of this Act, was deemed to be a facility of the uniformed services for the purposes of chapter 55 of title 10, United States Code. The term includes any legal successor in interest of the transferee.

(6) The term "enrollee" means a covered beneficiary who enrolls with a designated provider.

(7) The term "health care services" means the health care services provided under the health plan known as the "TRICARE PRIME" option under the TRICARE program.

(8) The term "Secretary" means the Secretary of Defense.

(9) The term "TRICARE program" means the managed health care program that is established by the Secretary of Defense under the authority of chapter 55 of title 10, United States Code, principally section 1097 of such title, and includes the competitive selection of contractors to financially underwrite the delivery of health care services under the Civilian Health and Medical Program of the Uniformed Services.

SEC. 722. INCLUSION OF DESIGNATED PROVIDERS IN UNIFORMED SERVICES HEALTH CARE DELIVERY SYSTEM.

(a) INCLUSION IN SYSTEM.—The health care delivery system of the uniformed services shall include the designated providers.

(b) AGREEMENTS TO PROVIDE MANAGED HEALTH CARE SERVICES.—(1) After consultation with the other administering Secretaries, the Secretary of Defense shall negotiate and enter into an agreement with each designated provider under which the designated provider will provide health care services in or through managed care plans to covered beneficiaries who enroll with the designated provider.

(2) The agreement shall be entered into on a sole source basis. The Federal Acquisition Regulation, except for those requirements regarding competition, issued pursuant to section 25(c) of the Office of Federal Procurement Policy Act (41 U.S.C. 421(c)) shall apply to the agreements as acquisitions of commercial items.

(3) The implementation of an agreement is subject to availability of funds for such purpose.

(c) EFFECTIVE DATE OF AGREEMENTS.—(1) Unless an earlier effective date is agreed upon by the Secretary and the designated provider, the agreement shall take effect upon the later of the following:

(A) The date on which a managed care support contract under the TRICARE program is implemented in the service area of the designated provider.

(B) October 1, 1997.

(2) Notwithstanding paragraph (1), the designated provider whose service area includes Seattle, Washington, shall implement its agreement as soon as the agreement permits.

(d) TEMPORARY CONTINUATION OF EXISTING PARTICIPATION AGREEMENTS.—The Secretary shall extend the participation agreement of a designated provider in effect immediately before the date of the enactment of this Act under section 718(c) of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510; 42 U.S.C. 248c) until the agreement required by this section takes effect under subsection (c).

(e) SERVICE AREA.—The Secretary may not reduce the size of the service area of a designated provider below the size of the service area in effect as of September 30, 1996.

(f) COMPLIANCE WITH ADMINISTRATIVE REQUIREMENTS.—(1) Unless otherwise agreed upon by the Secretary and a designated provider, the designated provider shall comply with necessary and appropriate administrative requirements established by the Secretary for other providers of health care services and requirements established by the Secretary of Health and Human Services for risk-sharing contractors under section 1876 of the Social Security Act (42 U.S.C. 1395mm). The Secretary and the designated provider shall determine and apply only such administrative requirements as are minimally necessary and appropriate. A designated provider shall not be required to comply with a law or regulation of a State government requiring licensure as a health insurer or health maintenance organization.

(2) A designated provider may not contract out more than five percent of its primary care enrollment without the approval of the Secretary, except in the case of primary care contracts between a designated provider and a primary care contractor in force on the date of the enactment of this Act.

SEC. 723. PROVISION OF UNIFORM BENEFIT BY DESIGNATED PROVIDERS.

(a) UNIFORM BENEFIT REQUIRED.—A designated provider shall offer to enrollees the health benefit option prescribed and implemented by the Secretary under section 731 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160; 10 U.S.C. 1073 note), including accompanying cost-sharing requirements.

(b) TIME FOR IMPLEMENTATION OF BENEFIT.—A designated provider shall offer the health benefit option described in subsection (a) to enrollees upon the later of the following:

(1) The date on which health care services within the health care delivery system of the uniformed services are rendered through the TRICARE program in the region in which the designated provider operates.

(2) October 1, 1997.

(c) ADJUSTMENTS.—The Secretary may establish a later date under subsection (b)(2) or prescribe reduced cost-sharing requirements for enrollees.

SEC. 724. ENROLLMENT OF COVERED BENEFICIARIES.

(a) FISCAL YEAR 1997 LIMITATION.—(1) During fiscal year 1997, the number of covered beneficiaries who are enrolled in managed care plans offered by designated providers may not exceed the number of such enrollees as of October 1, 1995.

(2) The Secretary may waive the limitation under paragraph (1) if the Secretary determines that additional enrollment authority for a designated provider is required to accommodate covered beneficiaries who are dependents of members of the uniformed services entitled to health care under section 1074(a) of title 10, United States Code.

(b) PERMANENT LIMITATION.—For each fiscal year beginning after September 30, 1997, the number of enrollees in managed care

plans offered by designated providers may not exceed 110 percent of the number of such enrollees as of the first day of the immediately preceding fiscal year. The Secretary may waive this limitation as provided in subsection (a)(2).

(c) RETENTION OF CURRENT ENROLLEES.—An enrollee in the managed care plan of a designated provider as of September 30, 1997, or such earlier date as the designated provider and the Secretary may agree upon, shall continue receiving services from the designated provider pursuant to the agreement entered into under section 722 unless the enrollee disenrolls from the designated provider. Except as provided in subsection (e), the administering Secretaries may not disenroll such an enrollee unless the disenrollment is agreed to by the Secretary and the designated provider.

(d) ADDITIONAL ENROLLMENT AUTHORITY.—Other covered beneficiaries may also receive health care services from a designated provider, except that the designated provider may market such services to, and enroll, only those covered beneficiaries who—

(1) do not have other primary health insurance coverage (other than medicare coverage) covering basic primary care and inpatient and outpatient services; or

(2) are enrolled in the direct care system under the TRICARE program, regardless of whether the covered beneficiaries were users of the health care delivery system of the uniformed services in prior years.

(e) SPECIAL RULE FOR MEDICARE-ELIGIBLE BENEFICIARIES.—If a covered beneficiary who desires to enroll in the managed care program of a designated provider is also entitled to hospital insurance benefits under part A of title XVIII of the Social Security Act (42 U.S.C. 1395c et seq.), the covered beneficiary shall elect whether to receive health care services as an enrollee or under part A of title XVIII of the Social Security Act. The Secretary may disenroll an enrollee who subsequently violates the election made under this subsection and receives benefits under part A of title XVIII of the Social Security Act.

(f) INFORMATION REGARDING ELIGIBLE COVERED BENEFICIARIES.—The Secretary shall provide, in a timely manner, a designated provider with an accurate list of covered beneficiaries within the marketing area of the designated provider to whom the designated provider may offer enrollment.

SEC. 725. APPLICATION OF CHAMPUS PAYMENT RULES.

(a) APPLICATION OF PAYMENT RULES.—Subject to subsection (b), the Secretary shall require a private facility or health care provider that is a health care provider under the Civilian Health and Medical Program of the Uniformed Services to apply the payment rules described in section 1074(c) of title 10, United States Code, in imposing charges for health care that the private facility or provider provides to enrollees of a designated provider.

(b) AUTHORIZED ADJUSTMENTS.—The payment rules imposed under subsection (a) shall be subject to such modifications as the Secretary considers appropriate. The Secretary may authorize a lower rate than the maximum rate that would otherwise apply under subsection (a) if the lower rate is agreed to by the designated provider and the private facility or health care provider.

(c) REGULATIONS.—The Secretary shall prescribe regulations to implement this section after consultation with the other administering Secretaries.

(d) CONFORMING AMENDMENT.—Section 1074 of title 10, United States Code, is amended by striking out subsection (d).

SEC. 726. PAYMENTS FOR SERVICES.

(a) FORM OF PAYMENT.—Unless otherwise agreed to by the Secretary and a designated provider, the form of payment for health care services provided by a designated provider shall be on a full risk capitation payment basis. The capitation payments shall be negotiated and agreed upon by the Secretary and the designated provider. In addition to such other factors as the parties may agree to apply, the capitation payments shall be based on the utilization experience of enrollees and competitive market rates for equivalent health care services for a comparable population to such enrollees in the area in which the designated provider is located.

(b) LIMITATION ON TOTAL PAYMENTS.—Total capitation payments for health care services to a designated provider shall not exceed an amount equal to the cost that would have been incurred by the Government if the enrollees had received such health care services through a military treatment facility, the TRICARE program, or the medicare program, as the case may be.

(c) ESTABLISHMENT OF PAYMENT RATES ON ANNUAL BASIS.—The Secretary and a designated provider shall establish capitation payments on an annual basis, subject to periodic review for actuarial soundness and to adjustment for any adverse or favorable selection reasonably anticipated to result from the design of the program under this subtitle.

(d) ALTERNATIVE BASIS FOR CALCULATING PAYMENTS.—After September 30, 1999, the Secretary and a designated provider may mutually agree upon a new basis for calculating capitation payments.

SEC. 727. REPEAL OF SUPERSEDED AUTHORITIES.

(a) REPEALS.—The following provisions of law are repealed:

(1) Section 911 of the Military Construction Authorization Act, 1982 (42 U.S.C. 248c).

(2) Section 1252 of the Department of Defense Authorization Act, 1984 (42 U.S.C. 248d).

(3) Section 718(c) of the National Defense Authorization Act for Fiscal year 1991 (Public Law 101–510; 42 U.S.C. 248c note).

(4) Section 726 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 42 U.S.C. 248c note).

(b) EFFECTIVE DATE.—The amendments made by paragraphs (1), (2), and (3) of subsection (a) shall take effect on October 1, 1997.

Subtitle D—Other Changes to Existing Laws Regarding Health Care Management

SEC. 731. AUTHORITY TO WAIVE CHAMPUS EXCLUSION REGARDING NONMEDICALLY NECESSARY TREATMENT IN CONNECTION WITH CERTAIN CLINICAL TRIALS.

(a) WAIVER AUTHORITY.—Paragraph (13) of section 1079(a) of title 10, United States Code, is amended—

(1) by striking out "any service" and inserting in lieu thereof "Any service";

(2) by striking out the semicolon at the end and inserting in lieu thereof a period; and

(3) by adding at the end the following: "Pursuant to an agreement with the Secretary of Health and Human Services and under such regulations as the Secretary of Defense may prescribe, the Secretary of Defense may waive the operation of this paragraph in connection with clinical trials sponsored or approved by the National Institutes of Health if the Secretary of Defense determines that such a waiver will promote access by covered beneficiaries to promising new treatments and contribute to the development of such treatments.".

(b) CLERICAL AMENDMENTS.—Such section is further amended—

(1) in the matter preceding paragraph (1), by striking out "except that—" and inserting in lieu thereof "except as follows:";

(2) by capitalizing the first letter of the first word of each of paragraphs (1) through (17);

(3) by striking out the semicolon at the end of each of paragraphs (1) through (12) and paragraphs (14) and (15) and inserting in lieu thereof a period; and

(4) in paragraph (16), by striking out "; and" and inserting in lieu thereof a period.

SEC. 732. EXCEPTION TO MAXIMUM ALLOWABLE PAYMENTS TO INDIVIDUAL HEALTH-CARE PROVIDERS UNDER CHAMPUS.

Section 1079(h) of title 10, United States Code, is amended—

(1) by redesignating paragraph (5) as paragraph (6); and

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

"(5) In addition to the authority provided under paragraph (4), the Secretary may authorize the commander of a facility of the uniformed services, the lead agent (if other than the commander), and the health care contractor to modify the payment limitations under paragraph (1) for certain health care providers when necessary to ensure both the availability of certain services for covered beneficiaries and lower costs than would otherwise be incurred to provide the services.".

SEC. 733. CODIFICATION OF ANNUAL AUTHORITY TO CREDIT CHAMPUS REFUNDS TO CURRENT YEAR APPROPRIATION.

(a) CREDITS TO CHAMPUS ACCOUNTS.—(1) Chapter 55 of title 10, United States Code, is amended by inserting after section 1079 the following new section:

"§ 1079a. CHAMPUS: treatment of refunds and other amounts collected

"All refunds and other amounts collected in the administration of the Civilian Health and Medical Program of the Uniformed Services shall be credited to the appropriation available for that program for the fiscal year in which the refund or amount is collected.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1079 the following new item:

"1079a. CHAMPUS: treatment of refunds and other amounts collected.".

(b) CONFORMING REPEAL.—Section 8094 of the Department of Defense Appropriations Act, 1996 (Public Law 104–61; 109 Stat. 671), is repealed.

SEC. 734. EXCEPTIONS TO REQUIREMENTS REGARDING OBTAINING NONAVAILABILITY-OF-HEALTH-CARE STATEMENTS.

(a) REFERENCE TO INPATIENT MEDICAL CARE.—(1) Section 1080(a) of title 10, United States Code, is amended by inserting "inpatient" before "medical care" in the first sentence.

(2) Section 1086(e) of such title is amended in the first sentence by striking out "benefits" and inserting in lieu thereof "inpatient medical care".

(b) WAIVERS AND EXCEPTIONS TO REQUIREMENTS.—(1) Section 1080 of such title is amended by adding at the end the following new subsection:

"(c) WAIVERS AND EXCEPTIONS TO REQUIREMENTS.—(1) A covered beneficiary enrolled in a managed care plan offered pursuant to any contract or agreement under this chapter for the provision of health care services shall not be required to obtain a nonavailability-of-health-care statement as a condition for the receipt of health care.

"(2) The Secretary of Defense may waive the requirement to obtain nonavailability-of-health-care statements following an evaluation of the effectiveness of such statements in optimizing the use of facilities of the uniformed services.".

(2) Section 1086(e) of such title is amended in the last sentence by striking out "section 1080(b)" and inserting in lieu thereof "subsections (b) and (c) of section 1080".

(c) CONFORMING AMENDMENTS.—Section 1080(b) of such title is amended—

(1) by striking out "NONAVAILABILITY OF HEALTH CARE STATEMENTS" and inserting in lieu thereof "NONAVAILABILITY-OF-HEALTH-CARE STATEMENTS; and

(2) by striking out "nonavailability of health care statement" and inserting in lieu thereof "nonavailability-of-health-care statement".

SEC. 735. ENHANCEMENT OF THIRD-PARTY COLLECTION AND SECONDARY PAYER AUTHORITIES UNDER CHAMPUS.

(a) RETENTION AND USE BY TREATMENT FACILITIES OF AMOUNTS COLLECTED.—Subsection (g)(1) of section 1095 of title 10, United States Code, is amended by inserting "or through" after "provided at".

(b) EXPANSION OF DEFINITION OF THIRD-PARTY PAYER.—Subsection (h) of such section is amended—

(1) in the first sentence of paragraph (1), by inserting "and a workers' compensation program or plan" before the period; and

(2) in paragraph (2)—

(A) by striking out "organization and" and inserting in lieu thereof a "organization,"; and

(B) by inserting before the period at the end the following: ", and a personal injury protection plan or medical payments benefit plan for personal injuries resulting from the operation of a motor vehicle".

(c) APPLICABILITY OF SECONDARY PAYER REQUIREMENT.—Section 1079(j)(1) of such title is amended by inserting after "or health plan" the following: ", including any plan offered by a third-party payer (as defined in section 1095(h)(1) of this title),".

Subtitle E—Other Matters

SEC. 741. ALTERNATIVES TO ACTIVE DUTY SERVICE OBLIGATION UNDER ARMED FORCES HEALTH PROFESSIONS SCHOLARSHIP AND FINANCIAL ASSISTANCE PROGRAM AND UNIFORMED SERVICES UNIVERSITY OF THE HEALTH SCIENCES.

(a) ARMED FORCES HEALTH PROFESSIONS SCHOLARSHIP AND FINANCIAL ASSISTANCE PROGRAM.—Subsection (e) of section 2123 of title 10, United States Code, is amended to read as follows:

"(e)(1) A member of the program who is relieved of the member's active duty obligation under this subchapter before the completion of that active duty obligation may be given, with or without the consent of the member, any of the following alternative obligations, as determined by the Secretary of the military department concerned:

"(A) A service obligation in another armed force for a period of time not less than the member's remaining active duty service obligation.

"(B) A service obligation in a component of the Selected Reserve for a period not less than twice as long as the member's remaining active duty service obligation.

"(C) Repayment to the Secretary of Defense of a percentage of the total cost incurred by the Secretary under this subchapter on behalf of the member equal to the percentage of the member's total active duty service obligation being relieved, plus interest.

"(2) In addition to the alternative obligations specified in paragraph (1), if the member is relieved of an active duty obligation by reason of the separation of the member because of a physical disability, the Secretary of the military department concerned may give the member a service obligation as a civilian employee employed as a health care professional in a facility of the uniformed services for a period of time equal to the member's remaining active duty service obligation.

"(3) The Secretary of Defense shall prescribe regulations describing the manner in which an alternative obligation may be given under this subsection.".

(b) UNIFORMED SERVICES UNIVERSITY OF THE HEALTH SCIENCES.—Section 2114 of title 10, United States Code is amended by adding at the end the following new subsection:

"(h) A graduate of the University who is relieved of the graduate's active-duty service obligation under subsection (b) before the completion of that active-duty service obligation may be given, with or without the consent of the graduate, an alternative obligation in the same manner as provided in subparagraphs (A) and (B) of paragraph (1) of section 2123(e)(1) of this title or paragraph (2) of such section for members of the Armed Forces Health Professions Scholarship and Financial Assistance program.".

(c) APPLICATION OF AMENDMENTS.—The amendments made by this section shall apply with respect to individuals who first become members of the Armed Forces Health Professions Scholarship and Financial Assistance program or students of the Uniformed Services University of the Health Sciences on or after October 1, 1996.

(d) TRANSITION PROVISION.—(1) In the case of any member of the Armed Forces Health Professions Scholarship and Financial Assistance program who, as of October 1, 1996, is serving an active duty obligation under the program or is incurring an active duty obligation as a participant in the program, and who is subsequently relieved of the active duty obligation before the completion of the obligation, the alternative obligations authorized by the amendment made by subsection (a) may be used by the Secretary of the military department concerned with the agreement of the member.

(2) In the case of any person who, as of October 1, 1996, is serving an active-duty service obligation as a graduate of the Uniformed Services University of the Health Sciences or is incurring an active-duty service obligation as a student of the University, and who is subsequently relieved of the active-duty service obligation before the completion of the obligation, the alternative obligations authorized by the amendment made by subsection (b) may be implemented by the Secretary of Defense with the agreement of the person.

(e) REPORT ON UTILIZATION OF GRADUATES OF UNIVERSITY.—Not later than 120 days after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report on the utilization by the Department of Defense of graduates of the Uniformed Services University of the Health Sciences. The report shall include a discussion of means of ensuring that graduates of the University have received training in medical specialties for which the Department has particular need.

SEC. 742. EXTERNAL PEER REVIEW FOR DEFENSE HEALTH PROGRAM EXTRAMURAL MEDICAL RESEARCH INVOLVING HUMAN SUBJECTS.

(a) ESTABLISHMENT OF EXTERNAL PEER REVIEW PROCESS.—The Secretary of Defense shall establish a peer review process that will use persons who are not officers or employees of the Government to review the research protocols of medical research projects.

(b) PEER REVIEW REQUIREMENTS.—Funds of the Department of Defense may not be obligated or expended for any medical research project unless the research protocol for the project has been approved by the external peer review process established under subsection (a).

(c) MEDICAL RESEARCH PROJECT DEFINED.—For purposes of this section, the term "medical research project" means a research project that—

(1) involves the participation of human subjects;

(2) is conducted solely by a non-Federal entity; and

(3) is funded through the Defense Health Program account.

(d) EFFECTIVE DATE.—The peer review requirements of subsection (b) shall take effect on October 1, 1996, and, except as provided in subsection (e), shall apply to all medical research projects proposed funded on or after that date, including medical research projects funded pursuant to any requirement of law enacted before, on, or after that date.

(e) EXCEPTIONS.—Only the following medical research projects shall be exempt from the peer review requirements of subsection (b):

(1) A medical research project that the Secretary determines has been substantially completed by October 1, 1996.

(2) A medical research project funded pursuant to any provision of law enacted on or after that date if the provision of law specifically refers to this section and specifically states that the peer review requirements do not apply.

SEC. 743. INDEPENDENT RESEARCH REGARDING GULF WAR SYNDROME.

(a) DEFINITIONS.—For purposes of this section:

(1) The term "Gulf War service" means service on active duty as a member of the Armed Forces in the Southwest Asia theater of operations during the Persian Gulf War.

(2) The term "Gulf War syndrome" means the complex of illnesses and symptoms commonly known as Gulf War syndrome.

(3) The term "Persian Gulf War" has the meaning given that term in section 101(33) of title 38, United States Code.

(b) RESEARCH.—The Secretary of Defense shall provide, by contract, grant, or other transaction, for scientific research to be carried out by entities independent of the Federal Government on possible causal relationships between Gulf War syndrome and—

(1) the possible exposures of members of the Armed Forces to chemical warfare agents or other hazardous materials during Gulf War service; and

(2) the use by the Department of Defense during the Persian Gulf War of combinations of various inoculations and investigational new drugs.

(c) PROCEDURES FOR AWARDING GRANTS.—The Secretary shall prescribe the procedures to be used to make research awards under subsection (b). The procedures shall—

(1) include a comprehensive, independent peer-review process for the evaluation of proposals for scientific research that are submitted to the Department of Defense; and

(2) provide for the final selection of proposals for award to be based on the scientific merit and program relevance of the proposed research.

(d) AVAILABILITY OF FUNDS.—Of the amount authorized to be appropriated under section 301(21) for defense medical programs, $10,000,000 is available for research under subsection (b).

SEC. 744. COMPTROLLER GENERAL REVIEW OF HEALTH CARE ACTIVITIES OF DEPARTMENT OF DEFENSE RELATING TO GULF WAR ILLNESSES.

(a) MEDICAL RESEARCH AND CLINICAL CARE PROGRAMS.—The Comptroller General shall analyze the effectiveness of the medical research programs and clinical care programs of the Department of Defense that relate to illnesses that might have been contracted by members of the Armed Forces as a result of service in the Southwest Asia theater of operations during the Persian Gulf War.

(b) POLICIES REGARDING INVESTIGATIONAL NEW DRUGS.—The Comptroller General shall analyze the scope and effectiveness of the policies of the Department of Defense with respect to—

(1) the use of investigational new drugs during the Persian Gulf War to treat members of the Armed Forces who served in the Southwest Asia theater of operations; and

(2) the current use of investigational new drugs to treat illnesses referred to in subsection (a).

(c) ADMINISTRATION OF MEDICAL RECORDS.—The Comptroller General shall analyze the administration of medical records by the military departments in order to assess the extent to which such records accurately reflect the pre-deployment medical assessments, immunization records, informed consent releases, complaints during routine sick call, emergency room visits, visits with unit medics during deployment, and other relevant medical information relating to the members and former members referred to in subsection (a) with respect to the illnesses referred to in that subsection.

(d) REPORTS.—Not later than March 1, 1997, the Comptroller General shall submit to Congress a separate report on each of the analyses required under subsections (a), (b), and (c).

SEC. 745. REPORT REGARDING SPECIALIZED TREATMENT FACILITY PROGRAM.

Not later than April 1, 1997, the Secretary of Defense shall submit to Congress a report evaluating the impact on the military health care system of limiting the service area of a facility designated as part of the specialized treatment facility program under section 1105 of title 10, United States Code, to not more than 100 miles from the facility.

SEC. 746. STUDY OF MEANS OF ENSURING UNIFORMITY IN PROVISION OF MEDICAL AND DENTAL CARE FOR MEMBERS OF RESERVE COMPONENTS.

(a) STUDY.—(1) In consultation with the Secretary of Transportation, the Secretary of Defense shall conduct a study of means of improving the provision of medical and dental care to members of the reserve components referred to in paragraph (2) in order to ensure uniformity and consistency in the provision of such care to such members.

(2) The members of the reserve components referred to in paragraph (1) are the following:

(A) Members on active duty, including active duty for training and annual training duty.

(B) Members on full-time National Guard duty.

(C) Members on inactive-duty training, regardless of whether such members are in a pay or nonpay status.

(b) REPORT.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report on the study conducted under subsection (a). The report shall include such recommendations (including recommendations for legislation) as the Secretary considers appropriate.

SEC. 747. SENSE OF CONGRESS REGARDING TAX TREATMENT OF ARMED FORCES HEALTH PROFESSIONS SCHOLARSHIP AND FINANCIAL ASSISTANCE PROGRAM.

It is the sense of Congress that the Secretary of Defense should work with the Secretary of the Treasury to interpret section 117 of the Internal Revenue Code of 1986 so that the limitation on the amount of a qualified scholarship or qualified tuition reduction excluded from gross income does not apply to any portion of a scholarship or financial assistance provided by the Secretary of Defense to a person enrolled in the Armed Forces Health Professions Scholarship and Financial Assistance program under subchapter I of chapter 105 of title 10, United States Code.

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

Subtitle A—Acquisition Management

Sec. 801. Procurement technical assistance programs.
Sec. 802. Extension of pilot mentor-protege program.
Sec. 803. Authority to waive certain requirements for defense acquisition pilot programs.
Sec. 804. Modification of authority to carry out certain prototype projects.
Sec. 805. Increase in threshold amounts for major systems.
Sec. 806. Revisions in information required to be included in selected acquisition reports.
Sec. 807. Increase in simplified acquisition threshold for humanitarian or peacekeeping operations.
Sec. 808. Expansion of audit reciprocity among Federal agencies to include post-award audits.
Sec. 809. Excessive compensation of certain contractor personnel.
Sec. 810. Exception to prohibition on procurement of foreign goods.

Subtitle B—Other Matters

Sec. 821. Prohibition on release of contractor proposals under Freedom of Information Act.
Sec. 822. Amendments relating to reports on procurement regulatory activity.
Sec. 823. Amendment of multiyear limitation on contracts for inspection, maintenance, and repair.
Sec. 824. Streamlined notice requirements to contractors and employees regarding termination or substantial reduction in contracts under major defense programs.
Sec. 825. Repeal of notice requirements for substantially or seriously affected parties in downsizing efforts.
Sec. 826. Study of effectiveness of defense mergers.
Sec. 827. Annual report relating to Buy American Act.
Sec. 828. Foreign environmental technology.
Sec. 829. Assessment of national defense technology and industrial base and dependency of base on supplies available only from foreign countries.
Sec. 830. Expansion of report on implementation of automated information systems to include additional matters regarding information resources management.
Sec. 831. Year 2000 software conversion.

Sec. 832. Procurement from firms in industrial base for production of small arms.
Sec. 833. Cable television franchise agreements.

Subtitle A—Acquisition Management

SEC. 801. PROCUREMENT TECHNICAL ASSISTANCE PROGRAMS.

(a) FUNDING.—Of the amount authorized to be appropriated under section 301(5), $12,000,000 shall be available for carrying out the provisions of chapter 142 of title 10, United States Code.

(b) SPECIFIC PROGRAMS.—Of the amounts made available pursuant to subsection (a), $600,000 shall be available for fiscal year 1997 for the purpose of carrying out programs sponsored by eligible entities referred to in subparagraph (D) of section 2411(1) of title 10, United States Code, that provide procurement technical assistance in distressed areas referred to in subparagraph (B) of section 2411(2) of such title. If there is an insufficient number of satisfactory proposals for cooperative agreements in such distressed areas to allow effective use of the funds made available in accordance with this subsection in such areas, the funds shall be allocated among the Defense Contract Administration Services regions in accordance with section 2415 of such title.

SEC. 802. EXTENSION OF PILOT MENTOR-PROTEGE PROGRAM.

Section 831(j) of the National Defense Authorization Act for Fiscal Year 1991 (10 U.S.C. 2302 note) is amended—

(1) in paragraph (1), by striking out "1995" and inserting in lieu thereof "1998"; and

(2) in paragraph (2), by striking out "1996" and inserting in lieu thereof "1999".

SEC. 803. AUTHORITY TO WAIVE CERTAIN REQUIREMENTS FOR DEFENSE ACQUISITION PILOT PROGRAMS.

(a) AUTHORITY.—The Secretary of Defense may waive sections 2399, 2403, 2432, and 2433 of title 10, United States Code, in accordance with this section for any defense acquisition program designated by the Secretary of Defense for participation in the defense acquisition pilot program authorized by section 809 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510; 10 U.S.C. 2430 note).

(b) OPERATIONAL TEST AND EVALUATION.—The Secretary of Defense may waive the requirements for operational test and evaluation for such a defense acquisition program as set forth in section 2399 of title 10, United States Code, if the Secretary—

(1) determines (without delegation) that such test would be unreasonably expensive or impractical;

(2) develops a suitable alternate operational test program for the system concerned;

(3) describes in the test and evaluation master plan, as approved by the Director of Operational Test and Evaluation, the method of evaluation that will be used to evaluate whether the system will be effective and suitable for combat; and

(4) submits to the congressional defense committees a report containing the determination that was made under paragraph (1), a justification for that determination, and a copy of the plan required by paragraph (3).

(c) CONTRACTOR GUARANTEES FOR MAJOR WEAPONS SYSTEMS.—The Secretary of Defense may waive the requirements of section 2403 of title 10, United States Code, for such a defense acquisition program if an alternative guarantee is used that ensures high quality weapons systems.

(d) SELECTED ACQUISITION REPORTS.—The Secretary of Defense may waive the requirements of sections 2432 and 2433 of title 10, United States Code, for such a defense acquisition program if the Secretary provides a single annual report to Congress at the end of each fiscal year that describes the status of the program in relation to the baseline description for the program established under section 2435 of such title.

SEC. 804. MODIFICATION OF AUTHORITY TO CARRY OUT CERTAIN PROTOTYPE PROJECTS.

(a) AUTHORIZED OFFICIALS.—(1) Subsection (a) of section 845 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160; 107 Stat. 1721; 10 U.S.C. 2371 note) is amended by inserting ", the Secretary of a military department, or any other official designated by the Secretary of Defense" after "Agency".

(2) Subsection (b)(2) of such section is amended to read as follows:

"(2) To the maximum extent practicable, competitive procedures shall be used when entering into agreements to carry out projects under subsection (a).".

(b) EXTENSION OF AUTHORITY.—Subsection (c) of such section is amended by striking out "terminate" and all that follows and inserting in lieu thereof "terminate at the end of September 30, 1999.".

(c) CONFORMING AND TECHNICAL AMENDMENTS.—Section 845 of such Act is further amended—

(1) in subsection (b)—

(A) in paragraph (1), by striking out "(c)(2) and (c)(3) of such section 2371, as redesignated by section 827(b)(1)(B)," and inserting in lieu thereof "(e)(2) and (e)(3) of such section 2371"; and

(B) in paragraph (2), by inserting after "Director" the following: ", Secretary, or other official"; and

(2) in subsection (c), by striking out "of the Director".

SEC. 805. INCREASE IN THRESHOLD AMOUNTS FOR MAJOR SYSTEMS.

(a) INCREASE AND ADJUSTMENT.—Chapter 137 of title 10, United States Code, is amended—

(1) in section 2302(5), by striking out the third sentence and inserting in lieu thereof the following: "A system shall be considered a major system if (A) the conditions of section 2302d of this title are satisfied, or (B) the system is designated a 'major system' by the head of the agency responsible for the system."; and

(2) by inserting after section 2302c the following:

"§ 2302d. Major system: definitional threshold amounts

"(a) DEPARTMENT OF DEFENSE SYSTEMS.—For purposes of section 2302(5) of this title, a system for which the Department of Defense is responsible shall be considered a major system if—

"(1) the total expenditures for research, development, test, and evaluation for the system are estimated to be more than $115,000,000 (based on fiscal year 1990 constant dollars); or

"(2) the eventual total expenditure for procurement of more than $540,000,000 (based on fiscal year 1990 constant dollars).

"(b) CIVILIAN AGENCY SYSTEMS.—For purposes of section 2302(5) of this title, a system for which a civilian agency is responsible shall be considered a major system if total expenditures for the system are estimated to exceed the greater of—

"(1) $750,000 (based on fiscal year 1980 constant dollars); or

"(2) the dollar threshold for a 'major system' established by the agency pursuant to Office of Management and Budget (OMB) Circular A–109, entitled 'Major Systems Acquisitions'.

"(c) ADJUSTMENT AUTHORITY.—(1) The Secretary of Defense may adjust the amounts and the base fiscal year provided in subsection (a) on the basis of Department of Defense escalation rates.

"(2) An amount, as adjusted under paragraph (1), that is not evenly divisible by $5,000,000 shall be rounded to the nearest multiple of $5,000,000. In the case of an amount that is evenly divisible by $2,500,000 but not evenly divisible by $5,000,000, the amount shall be rounded to the next higher multiple of $5,000,000.

"(3) An adjustment under this subsection shall be effective after the Secretary transmits to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a written notification of the adjustment.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2302c the following:

"2302d. Major system: definitional threshold amounts.".

SEC. 806. REVISIONS IN INFORMATION REQUIRED TO BE INCLUDED IN SELECTED ACQUISITION REPORTS.

Section 2432 of title 10, United States Code, is amended—

(1) in subsection (c)(1)—

(A) by striking out "and" at the end of subparagraph (B);

(B) by redesignating subparagraph (C) as subparagraph (D); and

(C) by inserting after subparagraph (B) the following new subparagraph (C):

"(C) the current procurement unit cost for each major defense acquisition program included in the report and the history of that cost from the date the program was first included in a Selected Acquisition Report to the end of the quarter for which the current report is submitted; and"; and

(2) in subsection (e), by striking out paragraph (8) and redesignating paragraph (9) as paragraph (8).

SEC. 807. INCREASE IN SIMPLIFIED ACQUISITION THRESHOLD FOR HUMANITARIAN OR PEACEKEEPING OPERATIONS.

(a) ARMED SERVICES ACQUISITIONS.—Section 2302(7) of title 10, United States Code, is amended—

(1) by inserting "(A)" after "(7)";

(2) by inserting after "contingency operation" the following: "or a humanitarian or peacekeeping operation"; and

(3) by adding at the end the following:

"(B) In subparagraph (A), the term 'humanitarian or peacekeeping operation' means a military operation in support of the provision of humanitarian or foreign disaster assistance or in support of a peacekeeping operation under chapter VI or VII of the Charter of the United Nations. The term does not include routine training, force rotation, or stationing.".

(b) CIVILIAN AGENCY ACQUISITIONS.—Section 309(d) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 259(d)) is amended—

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

(2) by inserting after "contingency operation" the following: "or a humanitarian or peacekeeping operation"; and

(3) by adding at the end the following:

"(2) In paragraph (1):

"(A) The term 'contingency operation' has the meaning given such term in section 101(a) of title 10, United States Code.

"(B) The term 'humanitarian or peacekeeping operation' means a military operation in support of the provision of humanitarian or foreign disaster assistance or in support of a peacekeeping operation under chapter VI or VII of the Charter of the United Nations. The term does not include routine training, force rotation, or stationing.".

SEC. 808. EXPANSION OF AUDIT RECIPROCITY AMONG FEDERAL AGENCIES TO INCLUDE POST-AWARD AUDITS.

(a) ARMED SERVICES ACQUISITIONS.—Subsection (d) of section 2313 of title 10, United States Code, is amended to read as follows:

"(d) LIMITATION ON AUDITS RELATING TO INDIRECT COSTS.—The head of an agency may not perform an audit of indirect costs under a contract, subcontract, or modification before or after entering into the contract, subcontract, or modification in any case in which the contracting officer determines that the objectives of the audit can reasonably be met by accepting the results of an audit that was conducted by any other department or agency of the Federal Government within one year preceding the date of the contracting officer's determination.".

(b) CIVILIAN AGENCY ACQUISITIONS.—Subsection (d) of section 304C of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 254d) is amended to read as follows:

"(d) LIMITATION ON AUDITS RELATING TO INDIRECT COSTS.—An executive agency may not perform an audit of indirect costs under a contract, subcontract, or modification before or after entering into the contract, subcontract, or modification in any case in which the contracting officer determines that the objectives of the audit can reasonably be met by accepting the results of an audit that was conducted by any other department or agency of the Federal Government within one year preceding the date of the contracting officer's determination.".

(c) GUIDELINES FOR ACCEPTANCE OF AUDITS BY STATE AND LOCAL GOVERNMENTS RECEIVING FEDERAL ASSISTANCE.—The Director of the Office and Management and Budget shall issue guide-

lines to ensure that an audit of indirect costs performed by the Federal Government is accepted by State and local governments that receive Federal funds under contracts, grants, or other Federal assistance programs.

SEC. 809. COMPENSATION OF CERTAIN CONTRACTOR PERSONNEL.

(a) ARMED SERVICES PROCUREMENTS.—(1) During fiscal year 1997, the head of an agency shall treat the costs described in paragraph (2) as not allowable under a covered contract, in the same manner as costs listed in section 2324(e)(1) of title 10, United States Code.

(2) The costs covered by paragraph (1) are costs of compensation paid with respect to services of any one officer to the extent that the total amount of the compensation paid in a fiscal year exceeds $250,000.

(b) CIVILIAN AGENCY PROCUREMENTS.—(1) During fiscal year 1997, an executive agency shall treat the costs described in paragraph (2) as not allowable under a covered contract, in the same manner as costs listed in section 306(e)(1) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 256(e)(1)).

(2) The costs covered by paragraph (1) are costs of compensation paid with respect to services of any one officer to the extent that the total amount of the compensation paid in a fiscal year exceeds $250,000.

(c) DEFINITIONS.—In this section:

(1) The term "head of an agency" has the meaning provided in section 2302 of title 10, United States Code.

(2) The term "executive agency" has the meaning provided in section 3 of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 472).

(3) The term "covered contract"—

(A) with respect to procurements subject to chapter 137 of title 10, United States Code, has the meaning provided by section 2324(l) of such title; and

(B) with respect to procurements subject to title III of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 251 et seq.), has the meaning provided by section 306(l) of such Act (41 U.S.C. 256(l)).

(4) The term "compensation" means—

(A) the total amount of wages as defined in section 3401(a) of the Internal Revenue Code of 1986 for the year concerned; and

(B) the total amount of elective deferrals (within the meaning of section 402(g)(3) of such Code) for the year concerned.

(5) The term "officer" means a person who is determined to be in a senior management position as established by regulation.

(d) REVIEW.—The Administrator for Federal Procurement Policy, in consultation with the Secretary of Defense, shall conduct a comprehensive review of the levels of compensation received by senior executives of corporations performing a significant amount of business with the Federal Government in order to determine the appropriate cost allowability policy in this area. Such a review should include the following:

(1) In consultation with the Secretary of the Treasury, an examination of the appropriate definition and treatment of compensation, including deferred compensation.

(2) An examination of the appropriate definition of senior executive positions and any other positions that should be covered under the cost allowability policy.

(3) An examination of how to apply the cost allowability policy to individual contracts and aggregations of contracts within a corporation.

(4) Any other matter related to the cost allowability of executive compensation that the Administrator considers appropriate.

(e) LEGISLATIVE PROPOSAL.—Not later than March 1, 1997, the President shall submit to Congress a legislative proposal incorporating the conclusions reached by the review conducted under subsection (d) and establishing a statutory Government standard on the cost allowability of executive compensation.

SEC. 810. EXCEPTION TO PROHIBITION ON PROCUREMENT OF FOREIGN GOODS.

Section 2534(d)(3) of title 10, United States Code, is amended by inserting "or would impede the reciprocal procurement of defense items under a memorandum of understanding providing for reciprocal procurement of defense items that is entered into under section 2531 of this title," after "a foreign country,".

Subtitle B—Other Matters

SEC. 821. PROHIBITION ON RELEASE OF CONTRACTOR PROPOSALS UNDER FREEDOM OF INFORMATION ACT.

(a) ARMED SERVICES ACQUISITIONS.—Section 2305 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(g) PROHIBITION ON RELEASE OF CONTRACTOR PROPOSALS.—(1) Except as provided in paragraph (2), a proposal in the possession or control of the Department of Defense may not be made available to any person under section 552 of title 5.

"(2) Paragraph (1) does not apply to any proposal that is set forth or incorporated by reference in a contract entered into between the Department and the contractor that submitted the proposal.

"(3) In this subsection, the term 'proposal' means any proposal, including a technical, management, or cost proposal, submitted by a contractor in response to the requirements of a solicitation for a competitive proposal.".

(b) CIVILIAN AGENCY ACQUISITIONS.—Section 303B of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 253b) is amended by adding at the end the following new subsection:

"(m) PROHIBITION ON RELEASE OF CONTRACTOR PROPOSALS.—(1) Except as provided in paragraph (2), a proposal in the possession or control of an executive agency may not be made available to any person under section 552 of title 5, United States Code.

"(2) Paragraph (1) does not apply to any proposal that is set forth or incorporated by reference in a contract entered into between the agency and the contractor that submitted the proposal.

"(3) In this subsection, the term 'proposal' means any proposal, including a technical, management, or cost proposal, submitted by a contractor in response to the requirements of a solicitation for a competitive proposal.".

SEC. 822. AMENDMENTS RELATING TO REPORTS ON PROCUREMENT REGULATORY ACTIVITY.

Subsection (g) of section 25 of the Office of Federal Procurement Policy Act (41 U.S.C. 421) is amended—

(1) in paragraph (1)—

(A) by striking out "within 6 months after the date of enactment of this section and every 6 months thereafter" and inserting in lieu thereof "every 12 months"; and

(B) by inserting "and" after the semicolon at the end;

(2) in paragraph (2)(H), by striking out "; and" and inserting in lieu thereof a period; and

(3) by striking out paragraph (3).

SEC. 823. AMENDMENT OF MULTIYEAR LIMITATION ON CONTRACTS FOR INSPECTION, MAINTENANCE, AND REPAIR.

Paragraph (14) of section 210(a) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 490(a)) is amended by striking out "for periods not exceeding three years" and inserting in lieu thereof "for periods not exceeding five years".

SEC. 824. STREAMLINED NOTICE REQUIREMENTS TO CONTRACTORS AND EMPLOYEES REGARDING TERMINATION OR SUBSTANTIAL REDUCTION IN CONTRACTS UNDER MAJOR DEFENSE PROGRAMS.

(a) ELIMINATION OF UNNECESSARY REQUIREMENTS.—Section 4471 of the Defense Conversion, Reinvestment, and Transition Assistance Act of 1992 (division D of Public Law 102–484; 10 U.S.C. 2501 note) is amended—

(1) by striking out subsection (a);

(2) by striking out subsection (f), except paragraph (4);

(3) by redesignating subsections (b), (c), (d), (e), and (g) as subsections (a), (b), (c), (d), and (f), respectively; and

(4) by redesignating such paragraph (4) as subsection (e).

(b) NOTICE TO CONTRACTORS.—Subsection (a) of such section, as redesignated by subsection (a)(3), is amended by striking out paragraphs (1) and (2) and inserting in lieu thereof the following:

"(1) shall identify each contract (if any) under major defense programs of the Department of Defense that will be terminated or substantially reduced as a result of the funding levels provided in that Act; and

"(2) shall ensure that notice of the termination of, or substantial reduction in, the funding of the contract is provided—

"(A) directly to the prime contractor under the contract; and

"(B) directly to the Secretary of Labor.".

(c) NOTICE TO SUBCONTRACTORS.—Subsection (b) of such section, as redesignated by subsection (a)(3), is amended—

(1) by striking out "As soon as" and all that follows through "prime contractor shall—" in the matter preceding

paragraph (1) and inserting in lieu thereof "Not later than 60 days after the date on which the prime contractor for a contract under a major defense program receives notice under subsection (a), the prime contractor shall—";

(2) in paragraph (1)—

(A) by striking out "for that program under a contract" and inserting in lieu thereof "under that prime contract for subcontracts"; and

(B) by striking out "for the program"; and

(3) in paragraph (2)(A), by striking out "for the program under a contract" and inserting in lieu thereof "for subcontracts".

(d) NOTICE TO EMPLOYEES AND STATE DISLOCATED WORKER UNIT.—Subsection (c) of such section, as redesignated by subsection (a)(3), is amended by striking out "under subsection (a)(1)" and all that follows through "a defense program," in the matter preceding paragraph (1) and inserting in lieu thereof "under subsection (a),".

(e) CROSS REFERENCES AND CONFORMING AMENDMENTS.—(1) Subsection (d) of such section, as redesignated by subsection (a)(3), is amended—

(A) by striking out "a major defense program provided under subsection (d)(1)" and inserting in lieu thereof "a defense contract provided under subsection (c)(1)"; and

(B) by striking out "the program" and inserting in lieu thereof "the contract".

(2) Subsection (e) of such section, as redesignated by subsection (a)(4), is amended—

(A) by striking out "ELIGIBILITY" and inserting in lieu thereof "ELIGIBILITY"; and

(B) by striking out "under paragraph (3)" and inserting in lieu thereof "or cancellation of the termination of, or substantial reduction in, contract funding".

(3) Subsection (f) of such section, as redesignated by subsection (a)(3), is amended in paragraph (2)—

(A) by inserting "a defense contract under" before "a major defense program"; and

(B) by striking out "contracts under the program" and inserting in lieu thereof "the funds obligated by the contract".

SEC. 825. REPEAL OF NOTICE REQUIREMENTS FOR SUBSTANTIALLY OR SERIOUSLY AFFECTED PARTIES IN DOWNSIZING EFFORTS.

Sections 4101 and 4201 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510; 104 Stat. 1850, 1851; 10 U.S.C. 2391 note) are repealed.

SEC. 826. STUDY OF EFFECTIVENESS OF DEFENSE MERGERS.

(a) STUDY.—The Secretary of Defense shall conduct a study on mergers and acquisitions in the defense sector. The study shall address the following:

(1) The effectiveness of defense mergers and acquisitions in eliminating excess capacity within the defense industry.

(2) The degree of change in the dependence by defense contractors on defense-related Federal contracts within their overall business after mergers.

(3) The effect on defense industry employment resulting from defense mergers and acquisitions occurring during the three years preceding the date of the enactment of this Act.

(4) The effect on competition for defense contracts.

(b) REPORT.—Not later than six months after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report on the results of the study conducted under subsection (a).

SEC. 827. ANNUAL REPORT RELATING TO BUY AMERICAN ACT.

The Secretary of Defense shall submit to Congress, not later than 120 days after the end of each fiscal year, a report on the amount of purchases by the Department of Defense from foreign entities in that fiscal year. Such report shall separately indicate the dollar value of items for which the Buy American Act (41 U.S.C. 10a et seq.) was waived pursuant to any of the following:

(1) Any reciprocal defense procurement memorandum of understanding described in section 849(c)(2) of Public Law 103–160 (41 U.S.C. 10b–2 note).

(2) The Trade Agreements Act of 1979 (19 U.S.C. 2501 et seq.)

(3) Any international agreement to which the United States is a party.

SEC. 828. FOREIGN ENVIRONMENTAL TECHNOLOGY.

Subsection (b) of section 2536 of title 10, United States Code, is amended to read as follows:

"(b) WAIVER AUTHORITY.—(1) The Secretary concerned may waive the application of subsection (a) to a contract award if—

"(A) the Secretary concerned determines that the waiver is essential to the national security interests of the United States; or

"(B) in the case of a contract awarded for environmental restoration, remediation, or waste management at a Department of Defense or Department of Energy facility—

"(i) the Secretary concerned determines that the waiver will advance the environmental restoration, remediation, or waste management objectives of the department concerned and will not harm the national security interests of the United States; and

"(ii) the entity to which the contract is awarded is controlled by a foreign government with which the Secretary concerned is authorized to exchange Restricted Data under section 144 c. of the Atomic Energy Act of 1954 (42 U.S.C. 2164(c)).

"(2) The Secretary concerned shall notify Congress of any decision to grant a waiver under paragraph (1)(B) with respect to a contract. The contract may be awarded only after the end of the 45-day period beginning on the date the notification is received by the committees.".

SEC. 829. ASSESSMENT OF NATIONAL DEFENSE TECHNOLOGY AND INDUSTRIAL BASE AND DEPENDENCY OF BASE ON SUPPLIES AVAILABLE ONLY FROM FOREIGN COUNTRIES.

(a) NATIONAL SECURITY OBJECTIVES FOR NATIONAL TECHNOLOGY AND INDUSTRIAL BASE.—Section 2501(a) of title 10, United States Code, is amended by adding at the end the following:

"(5) Providing for the development, manufacture, and supply of items and technologies critical to the production and sustainment of advanced military weapon systems within the national technology and industrial base.".

(b) NATIONAL DEFENSE PROGRAM FOR ANALYSIS OF THE TECHNOLOGY AND INDUSTRIAL BASE.—Section 2503 of title 10, United States Code, is amended—

(1) in subsection (a)—

(A) by striking out "(1) The Secretary of Defense, in consultation with the National Defense Technology and Industrial Base Council," in paragraph (1) and inserting in lieu thereof "The Secretary of Defense"; and

(B) by striking out paragraphs (2), (3), and (4); and

(2) in subsection (c)(3)(A)—

(A) by striking out "the National Defense Technology and Industrial Base Council in" and inserting in lieu thereof "the Secretary of Defense for"; and

(B) by striking out "and the periodic plans required by section 2506 of this title".

(c) PERIODIC DEFENSE CAPABILITY ASSESSMENTS, INCLUDING FOREIGN DEPENDENCY.—(1) Section 2505 of title 10, United States Code, is amended to read as follows:

"§ 2505. National technology and industrial base: periodic defense capability assessments

"(a) PERIODIC ASSESSMENT.—Each fiscal year, the Secretary of Defense shall prepare selected assessments of the capability of the national technology and industrial base to attain the national security objectives set forth in section 2501(a) of this title. The Secretary of Defense shall prepare such assessments in consultation with the Secretary of Commerce and the Secretary of Energy.

"(b) ASSESSMENT PROCESS.—The Secretary of Defense shall ensure that technology and industrial capability assessments—

"(1) describe sectors or capabilities, their underlying infrastructure and processes;

"(2) analyze present and projected financial performance of industries supporting the sectors or capabilities in the assessment; and

"(3) identify technological and industrial capabilities and processes for which there is potential for the national industrial and technology base not to be able to support the achievement of national security objectives.

"(c) ASSESSMENT OF EXTENT OF DEPENDENCY ON FOREIGN SOURCE ITEMS.—Each assessment under subsection (a) shall include a separate discussion and presentation regarding the extent to which the national technology and industrial base is dependent on items for which the source of supply, manufacture, or technology is outside of the United States and Canada and for which there is no

immediately available source in the United States or Canada. The discussion and presentation regarding foreign dependency shall—

"(1) identify cases that pose an unacceptable risk of foreign dependency, as determined by the Secretary; and

"(2) present actions being taken or proposed to be taken to remedy the risk posed by the cases identified under paragraph (1), including efforts to develop a domestic source for the item in question.

"(d) INTEGRATED PROCESS.—The Secretary of Defense shall ensure that consideration of the technology and industrial base assessments is integrated into the overall budget, acquisition, and logistics support decision processes of the Department of Defense.".

(2) Section 2502(b) of title 10, United States Code, is amended—

(A) by striking out "the following responsibilities:" and all that follows through "effective cooperation" and inserting in lieu thereof "the responsibility to ensure effective cooperation"; and

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

(3) by redesignating subparagraphs (A), (B), and (C) as paragraphs (1), (2), and (3), respectively, and adjusting the margin of such paragraphs two ems to the left.

(d) REPEAL OF REQUIREMENT FOR PERIODIC DEFENSE CAPABILITY PLAN; DEVELOPMENT OF POLICY GUIDANCE.—Section 2506 of title 10, United States Code, is amended to read as follows:

"§ 2506. Department of Defense technology and industrial base policy guidance

"(a) DEPARTMENTAL GUIDANCE.—The Secretary of Defense shall prescribe departmental guidance for the attainment of each of the national security objectives set forth in section 2501(a) of this title. Such guidance shall provide for technological and industrial capability considerations to be integrated into the budget allocation, weapons acquisition, and logistics support decision processes.

"(b) REPORT TO CONGRESS.—The Secretary of Defense shall report on the implementation of the departmental guidance in the annual report to Congress submitted pursuant to section 2504 of this title.".

(e) ANNUAL REPORT TO CONGRESS.—Subchapter II of chapter 148 of title 10, United States Code, is amended by inserting after section 2503 the following new section:

"§ 2504. Annual report to Congress

"The Secretary of Defense shall transmit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives by March 1 of each year a report which shall include the following information:

"(1) A description of the departmental guidance prepared pursuant to section 2506 of this title.

"(2) A description of the methods and analyses being undertaken by the Department of Defense alone or in cooperation with other Federal agencies, to identify and address concerns regarding technological and industrial capabilities of the national technology and industrial base.

"(3) A description of the assessments prepared pursuant to section 2505 of this title and other analyses used in developing the budget submission of the Department of Defense for the next fiscal year.

"(4) Identification of each program designed to sustain specific essential technological and industrial capabilities and processes of the national technology and industrial base.".

(f) REPEAL OF REQUIREMENT TO COORDINATE THE ENCOURAGEMENT OF TECHNOLOGY TRANSFER WITH THE COUNCIL.—Subsection 2514(c) of title 10, United States Code, is amended by striking out paragraph (5).

(g) CLERICAL AMENDMENTS.—(1) The table of sections at the beginning of subchapter II of chapter 148 of title 10, United States Code, is amended by inserting after the item relating to section 2503 the following new item:

"2504. Annual report to Congress.".

(2) Such table of sections is further amended by striking out the item relating to section 2506 and inserting in lieu thereof the following new item:

"2506. Department of Defense technology and industrial base policy guidance.".

(h) REPEAL OF SUPERSEDED AND EXECUTED LAW.—Sections 4218, 4219, and 4220 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102–484; 10 U.S.C. 2505 note and 2506 note) are repealed.

SEC. 830. EXPANSION OF REPORT ON IMPLEMENTATION OF AUTOMATED INFORMATION SYSTEMS TO INCLUDE ADDITIONAL MATTERS REGARDING INFORMATION RESOURCES MANAGEMENT.

(a) EXPANDED REPORT.—The Secretary of Defense shall include in the report submitted in 1997 under section 381(f) of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 10 U.S.C. 113 note) a discussion of the following matters relating to information resources management:

(1) The progress made in implementing the Information Technology Management Reform Act of 1996 (division E of Public Law 104–106; 110 Stat. 679; 40 U.S.C. 1401 et seq.) and the amendments made by that Act.

(2) The progress made in implementing the strategy for the development or modernization of automated information systems for the Department of Defense, as required by section 366 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 275; 10 U.S.C. 113 note).

(3) Plans of the Department of Defense for establishing an integrated framework for management of information resources within the department.

(b) SPECIFIC ELEMENTS OF REPORT.—The presentation of matters under subsection (a) shall specifically include a discussion of the following:

(1) The status of the implementation of performance measures.

(2) The specific actions being taken to link the proposed performance measures to the planning, programming, and

budgeting system of the Department of Defense and to the life-cycle management processes of the department.

(3) The results of pilot program testing of proposed performance measures.

(4) The additional training necessary for the implementation of performance-based information management.

(5) The department-wide actions that are necessary to comply with the requirements of the following provisions of law:

(A) The amendments made by the Government Performance and Results Act of 1993 (Public Law 103–62; 107 Stat. 285).

(B) The Information Technology Management Reform Act of 1996 (division E of Public Law 104–106; 110 Stat. 679; 40 U.S.C. 1401 et seq.) and the amendments made by that Act.

(C) Title V of the Federal Acquisition Streamlining Act of 1994 (Public Law 103–355; 108 Stat. 3349) and the amendments made by that title.

(D) The Chief Financial Officers Act of 1990 (Public Law 101–576; 104 Stat. 2838) and the amendments made by that Act.

SEC. 831. YEAR 2000 SOFTWARE CONVERSION.

(a) YEAR 2000 SOFTWARE CONVERSION.—The Secretary of Defense shall ensure that, as soon as practicable, all information technology acquired by the Department of Defense pursuant to contracts entered into after September 30, 1996, has the capabilities to process date and date-related data in 2000.

(b) ASSESSMENT.—The Secretary, acting through the chief information officers within the department (as designated pursuant to section 3506 of title 44, United States Code), shall assess all information technology within the Department of Defense to determine the extent to which such technology has the capabilities to operate effectively.

(c) PLAN.—Not later than January 1, 1997, the Secretary shall submit to Congress a detailed plan for eliminating any deficiencies identified pursuant to subsection (b). The plan shall include—

(1) a list of affected major systems;

(2) a description of how the deficiencies could affect the national security of the United States; and

(3) an estimate and prioritization of the resources that are necessary to eliminate the deficiencies.

SEC. 832. PROCUREMENT FROM FIRMS IN INDUSTRIAL BASE FOR PRODUCTION OF SMALL ARMS.

(a) REQUIREMENT.—Chapter 146 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2473. Procurements from the small arms production industrial base

"(a) AUTHORITY TO LIMIT PROCUREMENTS TO CERTAIN SOURCES.—To the extent that the Secretary of Defense determines necessary to preserve the small arms production industrial base, the Secretary may require that any procurement of property or services

described in subsection (b) for the Department of Defense be made only from a firm in the small arms production industrial base.

"(b) COVERED PROPERTY AND SERVICES.—Subsection (a) applies to the following:

"(1) Repair parts for small arms.

"(2) Modifications of parts to improve small arms used by the armed forces.

"(c) SMALL ARMS PRODUCTION INDUSTRIAL BASE.—In this section, the term 'small arms production industrial base' means the firms comprising the small arms production industrial base, as described in the plan entitled 'Preservation of Critical Elements of the Small Arms Industrial Base', dated January 8, 1994, that was prepared by an independent assessment panel of the Army Science Board.".

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

"2473. Procurements from the small arms production industrial base.".

SEC. 833. CABLE TELEVISION FRANCHISE AGREEMENTS.

Based on the advisory opinion from the United States Court of Federal Claims, In the Matter of the Department of Defense Cable Television Franchise Agreements, National Defense Authorization Act for Fiscal Year 1996, Section 823, No. 96–133X (July 11, 1996)—

(1) cable television franchise agreements for the construction, installation, or capital improvement of cable systems at military installations shall be considered contracts for purposes of the Federal Acquisition Regulation;

(2) cable television operators are entitled to recovery of their investments at such installations to the extent authorized in part 49 of the Federal Acquisition Regulation; and

(3) the appropriate official of the Department of Defense shall promptly issue a written notice of the termination for the convenience of the Government of the contracts described in such advisory opinion and commence settlement negotiations pursuant to the requirements of part 49 of the Federal Acquisition Regulation.

TITLE IX—DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT

Subtitle A—General Matters

Sec. 901. Repeal of previously enacted reduction in number of statutory positions in Office of the Secretary of Defense.
Sec. 902. Additional required reduction in defense acquisition workforce.
Sec. 903. Reduction of personnel assigned to Office of the Secretary of Defense.
Sec. 904. Report on military department headquarters staffs.
Sec. 905. Matters to be considered in next assessment of current missions, responsibilities, and force structure of the unified combatant commands.
Sec. 906. Transfer of authority to control transportation systems in time of war.
Sec. 907. Codification of requirements relating to continued operation of the Uniformed Services University of the Health Sciences.
Sec. 908. Joint Requirements Oversight Council.
Sec. 909. Membership of the Ammunition Storage Board.

Sec. 910. Removal of Secretary of the Army from membership on the Foreign Trade Zone Board.
Sec. 911. Composition of aircraft accident investigation boards.
Sec. 912. Mission of the White House Communications Agency.

Subtitle B—Force Structure Review

Sec. 921. Short title.
Sec. 922. Findings.
Sec. 923. Quadrennial Defense Review.
Sec. 924. National Defense Panel.
Sec. 925. Postponement of deadlines.
Sec. 926. Definitions.

Subtitle A—General Matters

SEC. 901. REPEAL OF PREVIOUSLY ENACTED REDUCTION IN NUMBER OF STATUTORY POSITIONS IN OFFICE OF THE SECRETARY OF DEFENSE.

Section 903 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 401) is repealed.

SEC. 902. ADDITIONAL REQUIRED REDUCTION IN DEFENSE ACQUISITION WORKFORCE.

(a) ADDITIONAL REDUCTIONS FOR FISCAL YEAR 1997.—Section 906(d) of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 405) is amended in paragraph (1) by striking out "positions during fiscal year 1996" and all that follows and inserting in lieu thereof "so that—

"(A) the total number of defense acquisition personnel as of October 1, 1996, is less than the baseline number by at least 15,000; and

"(B) the total number of defense acquisition personnel as of October 1, 1997, is less than the baseline number by at least 30,000.".

(b) BASELINE NUMBER.—Such section is further amended by adding at the end the following new paragraph:

"(3) For purposes of this subsection, the term 'baseline number' means the total number of defense acquisition personnel as of October 1, 1995.".

SEC. 903. REDUCTION OF PERSONNEL ASSIGNED TO OFFICE OF THE SECRETARY OF DEFENSE.

(a) PERMANENT LIMITATION ON OSD PERSONNEL.—Effective October 1, 1999, the number of OSD personnel may not exceed 75 percent of the baseline number.

(b) PHASED REDUCTION.—The number of OSD personnel—

(1) as of October 1, 1997, may not exceed 85 percent of the baseline number; and

(2) as of October 1, 1998, may not exceed 80 percent of the baseline number.

(c) BASELINE NUMBER.—For purposes of this section, the term "baseline number" means the number of OSD personnel as of October 1, 1994.

(d) OSD PERSONNEL DEFINED.—For purposes of this section, the term "OSD personnel" means military and civilian personnel of the Department of Defense who are assigned to, or employed in, functions in the Office of the Secretary of Defense (including Direct

Support Activities of that Office and the Washington Headquarters Services of the Department of Defense).

(e) LIMITATION ON REASSIGNMENT OF FUNCTIONS.—In carrying out reductions in the number of personnel assigned to, or employed in, the Office of the Secretary of Defense in order to comply with this section, the Secretary of Defense may not reassign functions solely in order to evade the requirements contained in this section.

(f) FLEXIBILITY.—If the Secretary of Defense determines, and certifies to Congress, that the limitation in subsection (b) with respect to any fiscal year would adversely affect United States national security, the Secretary may waive the limitation under that subsection with respect to that fiscal year. If the Secretary of Defense determines, and certifies to Congress, that the limitation in subsection (a) during fiscal year 1999 would adversely affect United States national security, the Secretary may waive the limitation under that subsection with respect to that fiscal year. The authority under this subsection may be used only once, with respect to a single fiscal year.

(g) REPEAL OF PRIOR REQUIREMENT.—Section 901(d) of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 401) is repealed.

SEC. 904. REPORT ON MILITARY DEPARTMENT HEADQUARTERS STAFFS.

(a) REVIEW BY SECRETARY OF DEFENSE.—The Secretary of Defense shall conduct a review of the size, mission, organization, and functions of the military department headquarters staffs. This review shall include the following:

(1) An assessment on the adequacy of the present organization structure to efficiently and effectively support the mission of the military departments.

(2) An assessment of options to reduce the number of personnel assigned to the military department headquarters staffs.

(3) An assessment of the extent of unnecessary duplication of functions between the Office of the Secretary of Defense and the military department headquarters staffs.

(4) An assessment of the possible benefits that could be derived from further functional consolidation between the civilian secretariat of the military departments and the staffs of the military service chiefs.

(5) An assessment of the possible benefits that could be derived from reducing the number of civilian officers in the military departments who are appointed by and with the advice and consent of the Senate.

(b) REPORT.—Not later than March 1, 1997, the Secretary of Defense shall submit to the congressional defense committees a report containing—

(1) the findings and conclusions of the Secretary resulting from the review under subsection (a); and

(2) a plan for implementing resulting recommendations, including proposals for legislation (with supporting rationale) that would be required as a result of the review.

(c) REDUCTION IN TOTAL NUMBER OF PERSONNEL ASSIGNED.—In developing the plan under subsection (b)(2), the Secretary shall make every effort to provide for significant reductions in the overall

number of military and civilian personnel assigned to or serving in the military department headquarters staffs.

(d) MILITARY DEPARTMENT HEADQUARTERS STAFFS DEFINED.—For the purposes of this section, the term "military department headquarters staffs" means the offices, organizations, and other elements of the Department of Defense comprising the following:

(1) The Office of the Secretary of the Army.

(2) The Army Staff.

(3) The Office of the Secretary of the Air Force.

(4) The Air Staff.

(5) The Office of the Secretary of the Navy.

(6) The Office of the Chief of Naval Operations.

(7) Headquarters, Marine Corps.

SEC. 905. MATTERS TO BE CONSIDERED IN NEXT ASSESSMENT OF CURRENT MISSIONS, RESPONSIBILITIES, AND FORCE STRUCTURE OF THE UNIFIED COMBATANT COMMANDS.

The Chairman of the Joint Chiefs of Staff shall consider, as part of the next periodic review by the Chairman of the missions, responsibilities, and force structure of the unified combatant commands pursuant to section 161(b) of title 10, United States Code, the following matters:

(1) Whether there exists an adequate distribution of threats, mission requirements, and responsibilities for geographic areas among the regional unified combatant commands.

(2) Whether reductions in the overall force structure of the Armed Forces permit the United States to better execute its warfighting plans through fewer or differently configured unified combatant commands, including—

(A) a total of five or fewer commands, all of which are regional;

(B) a total of three commands consisting of an eastward-oriented command, a westward-oriented command, and a central command;

(C) a purely functional command structure, involving (for example) a first theater command, a second theater command, a logistics command, a special contingencies command, and a strategic command; or

(D) any other command structure or configuration the Chairman finds appropriate.

(3) Whether any missions, staff, facilities, equipment, training programs, or other assets or activities of the unified combatant commands are redundant.

(4) Whether warfighting requirements are adequate to justify the current functional commands.

(5) Whether the exclusion of certain nations from the Areas of Responsibility of the unified combatant commands presents difficulties with respect to the achievement of United States national security objectives in those areas.

(6) Whether the current geographic boundary between the United States Central Command and the United States European Command through the Middle East could create command conflicts in the context of a major regional conflict in the Middle East region.

SEC. 906. TRANSFER OF AUTHORITY TO CONTROL TRANSPORTATION SYSTEMS IN TIME OF WAR.

(a) AUTHORITY OF SECRETARY OF DEFENSE.—Section 4742 of title 10, United States Code, is amended by striking out "Secretary of the Army" and inserting in lieu thereof "Secretary of Defense".

(b) TRANSFER OF SECTION.—Such section, as amended by subsection (a), is transferred to the end of chapter 157 of such title and is redesignated as section 2644.

(c) CONFORMING REPEAL.—Section 9742 of such title is repealed.

(d) CLERICAL AMENDMENTS.—(1) The table of sections at the beginning of chapter 157 of such title is amended by adding at the end the following new item:

"2644. Control of transportation systems in time of war.".

(2) The table of sections at the beginning of chapter 447 of such title is amended by striking out the item relating to section 4742.

(3) The table of sections at the beginning of chapter 947 of such title is amended by striking out the item relating to section 9742.

SEC. 907. CODIFICATION OF REQUIREMENTS RELATING TO CONTINUED OPERATION OF THE UNIFORMED SERVICES UNIVERSITY OF THE HEALTH SCIENCES.

(a) CODIFICATION OF EXISTING LAW.—(1) Chapter 104 of title 10, United States Code, is amended by inserting after section 2112 the following new section:

"§ 2112a. Continued operation of University

"(a) CLOSURE PROHIBITED.—The University may not be closed.

"(b) PERSONNEL STRENGTH.—During the five-year period beginning on October 1, 1996, the personnel staffing levels for the University may not be reduced below the personnel staffing levels for the University as of October 1, 1993.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2112 the following new item:

"2112a. Continued operation of University.".

(b) REPEAL OF SUPERSEDED LAW.—(1) Section 922 of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 108 Stat. 2829; 10 U.S.C. 2112 note) is amended by striking out subsection (a).

(2) Section 1071 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 445; 10 U.S.C. 2112 note) is amended by striking out subsection (b).

SEC. 908. JOINT REQUIREMENTS OVERSIGHT COUNCIL.

Section 181 of title 10, United States Code, as added effective January 31, 1997, is amended by adding at the end the following new subsection:

"(d) AVAILABILITY OF OVERSIGHT INFORMATION TO CONGRESSIONAL DEFENSE COMMITTEES.—(1) The Secretary of Defense shall ensure that, in the case of a recommendation by the Chairman to the Secretary that is approved by the Secretary, oversight information with respect to such recommendation that is produced as a result of the activities of the Joint Requirements Oversight Council is

made available in a timely fashion to the congressional defense committees.

"(2) In this subsection:

"(A) The term 'oversight information' means information and materials comprising analysis and justification that are prepared to support a recommendation that is made to, and approved by, the Secretary of Defense.

"(B) The term 'congressional defense committees' means—

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

"(ii) the Committee on National Security and the Committee on Appropriations of the House of Representatives.".

SEC. 909. MEMBERSHIP OF THE AMMUNITION STORAGE BOARD.

Section 172(a) of title 10, United States Code, is amended by striking out "a joint board of officers selected by them" and inserting in lieu thereof "a joint board selected by them composed of officers, civilian officers and employees of the Department of Defense, or both".

SEC. 910. REMOVAL OF SECRETARY OF THE ARMY FROM MEMBERSHIP ON THE FOREIGN TRADE ZONE BOARD.

The first section of the Act of June 18, 1934 (Public Law Numbered 397, Seventy-third Congress; 48 Stat. 998) (19 U.S.C. 81a), popularly known as the "Foreign Trade Zones Act", is amended—

(1) in subsection (b), by striking out "the Secretary of the Treasury, and the Secretary of War" and inserting in lieu thereof "and the Secretary of the Treasury"; and

(2) in subsection (c), by striking out "Alaska, Hawaii,".

SEC. 911. COMPOSITION OF AIRCRAFT ACCIDENT INVESTIGATION BOARDS.

(a) SELECTION OF BOARD MEMBERS.—(1) Chapter 134 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2255. Aircraft accident investigation boards: composition requirements

"(a) REQUIRED MEMBERSHIP OF BOARDS.—Whenever the Secretary of a military department convenes an aircraft accident investigation board to conduct an accident investigation (as described in section 2254(a)(2) of this title) with respect to a Class A accident involving an aircraft under the jurisdiction of the Secretary, the Secretary shall select the membership of the board so that—

"(1) a majority of the members (or in the case of a board consisting of a single member, the member) is selected from units other than the mishap unit or a unit subordinate to the mishap unit; and

"(2) in the case of a board consisting of more than one member, at least one member of the board is a member of the armed forces or an officer or an employee of the Department of Defense who possesses knowledge and expertise relevant to aircraft accident investigations.

"(b) EXCEPTION.—(1) The Secretary of the military department concerned may waive the requirement of subsection (a)(1) in the case of an aircraft accident if the Secretary determines that—

"(A) it is not practicable to meet the requirement because of—

"(i) the remote location of the aircraft accident;

"(ii) an urgent need to promptly begin the investigation; or

"(iii) a lack of available persons outside of the mishap unit who have adequate knowledge and expertise regarding the type of aircraft involved in the accident; and

"(B) the objectivity and independence of the aircraft accident investigation board will not be compromised.

"(2) The Secretary shall notify Congress of a waiver exercised under this subsection and the reasons therefor.

"(c) CONSULTATION REQUIREMENT.—In the case of an aircraft accident investigation board consisting of a single member, the member shall consult with a member of the armed forces or an officer or an employee of the Department of Defense who possesses knowledge and expertise relevant to aircraft accident investigations.

"(d) DESIGNATION OF CLASS A ACCIDENTS.—Not later than 60 days after an aircraft accident involving an aircraft under the jurisdiction of the Secretary of a military department, the Secretary shall determine whether the aircraft accident should be designated as a Class A accident for purposes of this section.

"(e) DEFINITIONS.—In this section:

"(1) The term 'Class A accident' means an accident involving an aircraft that results in—

"(A) the loss of life or permanent disability;

"(B) damages to the aircraft, other property, or a combination of both, in an amount in excess of the amount specified by the Secretary of Defense for purposes of determining Class A accidents; or

"(C) the destruction of the aircraft.

"(2) The term 'mishap unit', with respect to an aircraft accident investigation, means the unit of the armed forces (at the squadron or battalion level or equivalent) to which was assigned the flight crew of the aircraft that sustained the accident that is the subject of the investigation.".

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

"2255. Aircraft accident investigation boards: composition requirements.".

(b) EFFECTIVE DATE.—Section 2255 of title 10, United States Code, as added by subsection (a), shall apply with respect to any aircraft accident investigation board convened by the Secretary of a military department after the end of the six-month period beginning on the date of the enactment of this Act.

SEC. 912. MISSION OF THE WHITE HOUSE COMMUNICATIONS AGENCY.

(a) TELECOMMUNICATIONS SUPPORT.—The Secretary of Defense shall ensure that the activities of the White House Communications Agency in providing support services on a nonreimbursable basis for the President from funds appropriated for the Department of Defense for any fiscal year are limited to the provision of telecommunications support to the President and Vice President and to related elements (as defined in regulations of that agency and specified by

the President with respect to particular individuals within those related elements).

(b) OTHER SUPPORT.—Support services other than telecommunications support services described in subsection (a) may be provided by the Department of Defense for the President through the White House Communications Agency on a reimbursable basis.

(c) WHITE HOUSE COMMUNICATIONS AGENCY.—For purposes of this section, the term "White House Communications Agency" means the element of the Department of Defense within the Defense Communications Agency that is known on the date of the enactment of this Act as the White House Communications Agency and includes any successor agency.

(d) REPORT ON ISSUES RAISED BY DOD INSPECTOR GENERAL REVIEW OF WHITE HOUSE COMMUNICATIONS AGENCY.—Not later than October 1, 1996, or 30 days after the date of the enactment of this Act, whichever is later, the Secretary of Defense shall submit to Congress a report setting forth the actions taken by the Secretary to address the issues raised by the report of the Department of Defense Inspector General reviewing the mission of the White House Communications Agency.

(e) QUARTERLY REPORTS DURING FISCAL YEAR 1997.—Not later than 30 days after the end of each quarter of fiscal year 1997, the Secretary of Defense shall submit to Congress a report describing the support services other than telecommunications support services described in subsection (a) that were provided during the preceding quarter by the Department of Defense for the President through the White House Communications Agency.

(f) EFFECTIVE DATE.—This section takes effect on October 1, 1997, and applies to funds appropriated for the Department of Defense for any fiscal year after fiscal year 1997.

Subtitle B—Force Structure Review

SEC. 921. SHORT TITLE.

This subtitle may be cited as the "Military Force Structure Review Act of 1996".

SEC. 922. FINDINGS.

Congress makes the following findings:

(1) Since the collapse of the Soviet Union in 1991, the United States has conducted two substantial assessments of the force structure of the Armed Forces necessary to meet United States defense requirements.

(2) The assessment by the Bush Administration (known as the "Base Force" assessment) and the assessment by the Clinton Administration (known as the "Bottom-Up Review") were intended to reassess the force structure of the Armed Forces in light of the changing realities of the post-Cold War world.

(3) Both assessments served an important purpose in focusing attention on the need to reevaluate the military posture of the United States, but the pace of global change necessitates a new, comprehensive assessment of the defense strategy of the United States and the force structure of the Armed Forces re-

quired to meet the threats to the United States in the twenty-first century.

(4) The Bottom-Up Review has been criticized on several points, including—

(A) the assumptions underlying the strategy of planning to fight and win two nearly simultaneous major regional conflicts;

(B) the force levels recommended to carry out that strategy; and

(C) the funding proposed for such recommended force levels.

(5) In response to the recommendations of the Commission on Roles and Missions of the Armed Forces, the Secretary of Defense endorsed the concept of conducting a quadrennial review of the defense program at the beginning of each newly elected Presidential administration, and the Department intends to complete the first such review in 1997.

(6) The review is to involve a comprehensive examination of defense strategy, the force structure of the active, guard, and reserve components, force modernization plans, infrastructure, and other elements of the defense program and policies in order to determine and express the defense strategy of the United States and to establish a revised defense program through the year 2005.

(7) In order to ensure that the force structure of the Armed Forces is adequate to meet the challenges to the national security interests of the United States in the twenty-first century, to assist the Secretary of Defense in conducting the review referred to in paragraph (5), and to assess the appropriate force structure of the Armed Forces through the year 2010 and beyond (if practicable), it is important to provide for the conduct of an independent, nonpartisan review of the force structure that is more comprehensive than prior assessments of the force structure, extends beyond the quadrennial defense review, and explores innovative and forward-thinking ways of meeting such challenges.

SEC. 923. QUADRENNIAL DEFENSE REVIEW.

(a) REQUIREMENT IN 1997.—The Secretary of Defense, in consultation with the Chairman of the Joint Chiefs of Staff, shall complete in 1997 a review of the defense program of the United States intended to satisfy the requirements for a Quadrennial Defense Review as identified in the recommendations of the Commission on Roles and Missions of the Armed Forces. The review shall include a comprehensive examination of the defense strategy, force structure, force modernization plans, infrastructure, budget plan, and other elements of the defense program and policies with a view toward determining and expressing the defense strategy of the United States and establishing a revised defense program through the year 2005.

(b) INVOLVEMENT OF NATIONAL DEFENSE PANEL.—(1) The Secretary shall apprise the National Defense Panel established under section 924, on an ongoing basis, of the work undertaken in the conduct of the review.

(2) Not later than March 14, 1997, the Chairman of the National Defense Panel shall submit to the Secretary the Panel's as-

sessment of work undertaken in the conduct of the review as of that date and shall include in the assessment the recommendations of the Panel for improvements to the review, including recommendations for additional matters to be covered in the review.

(c) ASSESSMENTS OF REVIEW.—Upon completion of the review, the Chairman of the Joint Chiefs of Staff and the Chairman of the National Defense Panel, on behalf of the Panel, shall each prepare and submit to the Secretary such chairman's assessment of the review in time for the inclusion of the assessment in its entirety in the report under subsection (d).

(d) REPORT.—Not later than May 15, 1997, the Secretary shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a comprehensive report on the review. The report shall include the following:

(1) The results of the review, including a comprehensive discussion of the defense strategy of the United States and the force structure best suited to implement that strategy.

(2) The threats examined for purposes of the review and the scenarios developed in the examination of such threats.

(3) The assumptions used in the review, including assumptions relating to the cooperation of allies and mission-sharing, levels of acceptable risk, warning times, and intensity and duration of conflict.

(4) The effect on the force structure of preparations for and participation in peace operations and military operations other than war.

(5) The effect on the force structure of the utilization by the Armed Forces of technologies anticipated to be available by the year 2005, including precision guided munitions, stealth, night vision, digitization, and communications, and the changes in doctrine and operational concepts that would result from the utilization of such technologies.

(6) The manpower and sustainment policies required under the defense strategy to support engagement in conflicts lasting more than 120 days.

(7) The anticipated roles and missions of the reserve components in the defense strategy and the strength, capabilities, and equipment necessary to assure that the reserve components can capably discharge those roles and missions.

(8) The appropriate ratio of combat forces to support forces (commonly referred to as the "tooth-to-tail" ratio) under the defense strategy, including, in particular, the appropriate number and size of headquarter units and Defense Agencies for that purpose.

(9) The air-lift and sea-lift capabilities required to support the defense strategy.

(10) The forward presence, pre-positioning, and other anticipatory deployments necessary under the defense strategy for conflict deterrence and adequate military response to anticipated conflicts.

(11) The extent to which resources must be shifted among two or more theaters under the defense strategy in the event of conflict in such theaters.

(12) The advisability of revisions to the Unified Command Plan as a result of the defense strategy.

(13) Any other matter the Secretary considers appropriate.

SEC. 924. NATIONAL DEFENSE PANEL.

(a) ESTABLISHMENT.—Not later than December 1, 1996, the Secretary of Defense shall establish a nonpartisan, independent panel to be known as the National Defense Panel (in this section referred to as the "Panel"). The Panel shall have the duties set forth in this section.

(b) MEMBERSHIP.—The Panel shall be composed of a chairman and eight other individuals appointed by the Secretary, in consultation with the chairman and ranking member of the Committee on Armed Services of the Senate and the chairman and ranking member of the Committee on National Security of the House of Representatives, from among individuals in the private sector who are recognized experts in matters relating to the national security of the United States.

(c) DUTIES.—The Panel shall—

(1) conduct and submit to the Secretary the assessment of the review under section 923 that is required by subsection (b)(2) of that section;

(2) conduct and submit to the Secretary the comprehensive assessment of the review that is required by subsection (c) of that section upon completion of the review; and

(3) conduct the assessment of alternative force structures for the Armed Forces required under subsection (d).

(d) ALTERNATIVE FORCE STRUCTURE ASSESSMENT.—(1) The Panel shall submit to the Secretary an independent assessment of a variety of possible force structures of the Armed Forces through the year 2010 and beyond, including the force structure identified in the report on the review under section 923(d). The purpose of the assessment is to develop proposals for an "above the line" force structure of the Armed Forces and to provide the Secretary and Congress recommendations regarding the optimal force structure to meet anticipated threats to the national security of the United States through the time covered by the assessment.

(2) In conducting the assessment, the Panel shall examine a variety of potential threats (including near-term threats and long-term threats) to the national security interests of the United States, including the following:

(A) Conventional threats across a spectrum of conflicts.

(B) The proliferation of weapons of mass destruction and the means of delivering such weapons, and the illicit transfer of technology relating to such weapons.

(C) The vulnerability of United States technology to nontraditional threats, including information warfare.

(D) Domestic and international terrorism.

(E) The emergence of a major potential adversary having military capabilities similar to those of the United States.

(F) Any other significant threat, or combination of threats, identified by the Panel.

(3) For purposes of the assessment, the Panel shall develop a variety of scenarios requiring a military response by the United States, including the following:

(A) Scenarios developed in light of the threats examined under paragraph (2).

(B) Scenarios developed in light of a continuum of conflicts ranging from a conflict of lesser magnitude than the conflict described in the Bottom-Up Review to a conflict of greater magnitude than the conflict so described.

(4) As part of the assessment, the Panel shall also—

(A) develop recommendations regarding a variety of force structures for the Armed Forces that permit the forward deployment of sufficient air, land, and sea-based forces to provide an effective deterrent to conflict and to permit a military response by the United States to the scenarios developed under paragraph (3);

(B) to the extent practicable, estimate the funding required by fiscal year, in constant fiscal year 1997 dollars, to organize, equip, and support the forces contemplated under the force structures assessed in the assessment; and

(C) comment on each of the matters also to be included by the Secretary in the report required by section 923(d).

(e) REPORT.—(1) Not later than December 1, 1997, the Panel shall submit to the Secretary a report setting forth the activities and the findings and recommendations of the Panel under subsection (d), including any recommendations for legislation that the Panel considers appropriate.

(2) Not later than December 15, 1997, the Secretary shall, after consultation with the Chairman of the Joint Chiefs of Staff, submit to the committees referred to in subsection (b) a copy of the report under paragraph (1), together with the Secretary's comments on the report.

(f) INFORMATION FROM FEDERAL AGENCIES.—The Panel may secure directly from the Department of Defense and any of its components and from any other Federal department and agency such information as the Panel considers necessary to carry out its duties under this section. The head of the department or agency concerned shall ensure that information requested by the Panel under this subsection is promptly provided.

(g) PERSONNEL MATTERS.—(1) Each member of the Panel shall be compensated at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for level IV of the Executive Schedule under section 5315 of title 5, United States Code, for each day (including travel time) during which such member is engaged in the performance of the duties of the Panel.

(2) The members of the Panel shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Panel.

(3)(A) The chairman of the Panel may, without regard to the civil service laws and regulations, appoint and terminate an executive director, and a staff of not more than four additional individuals, if the Panel determines that an executive director and staff are necessary in order for the Panel to perform its duties effectively. The employment of an executive director shall be subject to confirmation by the Panel.

(B) The chairman may fix the compensation of the executive director without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates, except that the rate of pay for the executive director may not exceed the rate payable for level V of the Executive Schedule under section 5316 of such title.

(4) Any Federal Government employee may be detailed to the Panel without reimbursement, and such detail shall be without interruption or loss of civil service status or privilege. The Secretary shall ensure that sufficient personnel are detailed to the Panel to enable the Panel to carry out its duties effectively.

(5) To the maximum extent practicable, the members and employees of the Panel shall travel on military aircraft, military ships, military vehicles, or other military conveyances when travel is necessary in the performance of a duty of the Panel, except that no such aircraft, ship, vehicle, or other conveyance may be scheduled primarily for the transportation of any such member or employee when the cost of commercial transportation is less expensive.

(h) ADMINISTRATIVE PROVISIONS.—(1) The Panel may use the United States mails and obtain printing and binding services in the same manner and under the same conditions as other departments and agencies of the Federal Government.

(2) The Secretary shall furnish the Panel any administrative and support services requested by the Panel.

(3) The Panel may accept, use, and dispose of gifts or donations of services or property.

(i) PAYMENT OF PANEL EXPENSES.—The compensation, travel expenses, and per diem allowances of members and employees of the Panel shall be paid out of funds available to the Department of Defense for the payment of compensation, travel allowances, and per diem allowances, respectively, of civilian employees of the Department. The other expenses of the Panel shall be paid out of funds available to the Department for the payment of similar expenses incurred by the Department.

(j) TERMINATION.—The Panel shall terminate 30 days after the date on which the Panel submits its report to the Secretary under subsection (e).

SEC. 925. POSTPONEMENT OF DEADLINES.

If the Presidential election in 1996 results in the election of a new President, each deadline set forth in this subtitle shall be postponed by three months.

SEC. 926. DEFINITIONS.

In this subtitle:

(1) The term "'above the line' force structure of the Armed Forces" means the force structure (including numbers, strengths, and composition and major items of equipment) for the Armed Forces at the following unit levels:

(A) In the case of the Army, the division.

(B) In the case of the Navy, the battle group.

(C) In the case of the Air Force, the wing.

(D) In the case of the Marine Corps, the expeditionary force.

(E) In the case of special operations forces of the Army, Navy, or Air Force, the major operating unit.

(F) In the case of the strategic forces, the ballistic missile submarine fleet, the heavy bomber force, and the intercontinental ballistic missile force.

(2) The term "Commission on Roles and Missions of the Armed Forces" means the Commission on Roles and Missions of the Armed Forces established by subtitle E of title IX of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160; 107 Stat. 1738; 10 U.S.C. 111 note).

(3) The term "military operation other than war" means any operation other than war that requires the utilization of the military capabilities of the Armed Forces, including peace operations, humanitarian assistance operations and activities, counter-terrorism operations and activities, disaster relief activities, and counter-drug operations and activities.

(4) The term "peace operations" means military operations in support of diplomatic efforts to reach long-term political settlements of conflicts and includes peacekeeping operations and peace enforcement operations.

TITLE X—GENERAL PROVISIONS

Subtitle A—Financial Matters

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Sec. 1002. Incorporation of classified annex.
Sec. 1003. Authority for obligation of certain unauthorized fiscal year 1996 defense appropriations.
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Sec. 1084. Defense burdensharing.

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 au-

thorizations made available to the Department of Defense in this division for fiscal year 1997 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 of Defense 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 of conference to accompany the conference report on the bill H.R. 3230 of the One Hundred Fourth 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 requirements 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. AUTHORITY FOR OBLIGATION OF CERTAIN UNAUTHORIZED FISCAL YEAR 1996 DEFENSE APPROPRIATIONS.

(a) AUTHORITY.—The amounts described in subsection (b) may be obligated and expended for programs, projects, and activities of the Department of Defense in accordance with fiscal year 1996 defense appropriations.

(b) COVERED AMOUNTS.—The amounts referred to in subsection (a) are the amounts provided for programs, projects, and activities of the Department of Defense in fiscal year 1996 defense appropria-

tions that are in excess of the amounts provided for such programs, projects, and activities in fiscal year 1996 defense authorizations.

(c) DEFINITIONS.—For the purposes of this section:

(1) FISCAL YEAR 1996 DEFENSE APPROPRIATIONS.—The term "fiscal year 1996 defense appropriations" means amounts appropriated or otherwise made available to the Department of Defense for fiscal year 1996 in the Department of Defense Appropriations Act, 1996 (Public Law 104–61).

(2) FISCAL YEAR 1996 DEFENSE AUTHORIZATIONS.—The term "fiscal year 1996 defense authorizations" means amounts authorized to be appropriated for the Department of Defense for fiscal year 1996 in the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106).

SEC. 1004. AUTHORIZATION OF PRIOR EMERGENCY SUPPLEMENTAL APPROPRIATIONS FOR FISCAL YEAR 1996.

Amounts authorized to be appropriated to the Department of Defense for fiscal year 1996 in the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106) are hereby adjusted, with respect to any such authorized amount, by the amount by which appropriations pursuant to such authorization were increased (by a supplemental appropriation) or decreased (by a rescission), or both, in the Omnibus Consolidated Rescissions and Appropriations Act of 1996 (Public Law 104–134).

SEC. 1005. FORMAT FOR BUDGET REQUESTS FOR NAVY/MARINE CORPS AND AIR FORCE AMMUNITION ACCOUNTS.

Section 114 of title 10, United States Code, is amended by adding at the end the following new subsection:

"(f) In each budget submitted by the President to Congress under section 1105 of title 31, amounts requested for procurement of ammunition for the Navy and Marine Corps, and for procurement of ammunition for the Air Force, shall be set forth separately from other amounts requested for procurement.".

SEC. 1006. FORMAT FOR ANNUAL BUDGET REQUESTS FOR DEFENSE AIRBORNE RECONNAISSANCE PROGRAM.

(a) SEPARATE DISPLAY REQUIRED.—The Secretary of Defense shall ensure that in the budget justification documents for any fiscal year there are set forth separately the amount requested for research, development, test, and evaluation, and the amount requested for procurement, for each program area within the Defense Airborne Reconnaissance Program.

(b) PROGRAM AREAS WITHIN DEFENSE AIRBORNE RECONNAISSANCE PROGRAM.—For purposes of subsection (a), the programs of the Defense Airborne Reconnaissance Program shall be categorized as being within one of the following areas:

(1) Tactical unmanned aerial vehicles.

(2) Endurance unmanned aerial vehicles.

(3) Airborne reconnaissance systems.

(4) Manned reconnaissance systems.

(5) Distributed common ground systems.

(6) Any additional program area established by the Secretary of Defense.

(c) BUDGET JUSTIFICATION DOCUMENTS.—For purposes of subsection (a), the term "budget justification documents" means the

supporting budget documentation submitted to the congressional defense committees in support of the budget of the Department of Defense for a fiscal year as included in the budget of the President submitted under section 1105 of title 31, United States Code, for that fiscal year.

SEC. 1007. LIMITATION ON USE OF DEPARTMENT OF DEFENSE FUNDS TRANSFERRED TO THE COAST GUARD.

(a) LIMITATION TO NATIONAL SECURITY FUNCTIONS.—Funds appropriated to the Department of Defense for fiscal year 1997 that are transferred pursuant to law to the Coast Guard may be used only for the performance of national security functions of the Coast Guard in support of the Department of Defense.

(b) CERTIFICATION REQUIRED.—Funds appropriated to the Department of Defense for fiscal year 1997 may not be transferred to the Coast Guard until the Secretary of Defense and the Secretary of Transportation jointly certify to Congress that the funds so transferred will be used only in accordance with the limitation in subsection (a).

(c) PERIODIC GAO AUDITS.—The Comptroller General of the United States shall—

(1) audit, from time to time, the use of funds transferred to the Coast Guard from appropriations for the Department of Defense for fiscal year 1997 in order to verify that those funds are being used in accordance with the limitation in subsection (a); and

(2) notify the congressional defense committees of any use of those funds that, in the judgment of the Comptroller General, is a violation of that limitation.

SEC. 1008. FISHER HOUSE TRUST FUND FOR THE DEPARTMENT OF THE NAVY.

(a) AUTHORITY.—Section 2221 of title 10, United States Code, is amended—

(1) by adding at the end of subsection (a) the following:

"(3) The Fisher House Trust Fund, Department of the Navy.";

(2) in subsection (c)—

(A) by redesignating paragraph (3) as paragraph (4); and

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

"(3) Amounts in the Fisher House Trust Fund, Department of the Navy, that are attributable to earnings or gains realized from investments shall be available for the operation and maintenance of Fisher houses that are located in proximity to medical treatment facilities of the Navy."; and

(3) in subsection (d)(1), by striking out "or the Air Force" and inserting in lieu thereof ", the Air Force, or the Navy".

(b) CORPUS OF TRUST FUNDS.—The Secretary of the Navy shall transfer to the Fisher House Trust Fund, Department of the Navy, established by section 2221(a)(3) of title 10, United States Code (as added by subsection (a)(1)), all amounts in the accounts for Navy installations and other facilities that, as of the date of the enactment of this Act, are available for operation and maintenance of Fisher houses, as defined in section 2221(d) of such title.

(c) CONFORMING AMENDMENTS.—Section 1321 of title 31, United States Code, is amended—

(1) by adding at the end of subsection (a) the following:

"(94) Fisher House Trust Fund, Department of the Navy."; and

(2) by adding at the end of subsection (b)(2) the following:

"(D) Fisher House Trust Fund, Department of the Navy.".

SEC. 1009. DESIGNATION AND LIABILITY OF DISBURSING AND CERTIFYING OFFICIALS FOR THE COAST GUARD.

(a) DISBURSING OFFICIALS.—(1) Section 3321(c) of title 31, United States Code, is amended by adding at the end the following:

"(3) The Department of Transportation (with respect to public money available for expenditure by the Coast Guard when it is not operating as a service in the Navy).".

(2)(A) Chapter 17 of title 14, United States Code, is amended by adding at the end the following new section:

"§ 673. Designation, powers, and accountability of deputy disbursing officials

"(a)(1) Subject to paragraph (3), a disbursing official of the Coast Guard may designate a deputy disbursing official—

"(A) to make payments as the agent of the disbursing official;

"(B) to sign checks drawn on disbursing accounts of the Secretary of the Treasury; and

"(C) to carry out other duties required under law.

"(2) The penalties for misconduct that apply to a disbursing official apply to a deputy disbursing official designated under this subsection.

"(3) A disbursing official may make a designation under paragraph (1) only with the approval of the Secretary of Transportation (when the Coast Guard is not operating as a service in the Navy).

"(b)(1) If a disbursing official of the Coast Guard dies, becomes disabled, or is separated from office, a deputy disbursing official may continue the accounts and payments in the name of the former disbursing official until the last day of the second month after the month in which the death, disability, or separation occurs. The accounts and payments shall be allowed, audited, and settled as provided by law. The Secretary of the Treasury shall honor checks signed in the name of the former disbursing official in the same way as if the former disbursing official had continued in office.

"(2) The deputy disbursing official, and not the former disbursing official or the estate of the former disbursing official, is liable for the actions of the deputy disbursing official under this subsection.

"(c)(1) Except as provided in paragraph (2), this section does not apply to the Coast Guard when section 2773 of title 10 applies to the Coast Guard by reason of the operation of the Coast Guard as a service in the Navy.

"(2) A designation of a deputy disbursing official under subsection (a) that is made while the Coast Guard is not operating as a service in the Navy continues in effect for purposes of section 2773 of title 10 while the Coast Guard operates as a service in the Navy unless and until the designation is terminated by the disbursing of-

ficial who made the designation or an official authorized to approve such a designation under subsection (a)(3) of such section.".

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

"673. Designation, powers, and accountability of deputy disbursing officials.".

(b) DESIGNATION OF MEMBERS OF THE ARMED FORCES TO HAVE AUTHORITY TO CERTIFY VOUCHERS.—Section 3325(b) of title 31, United States Code, is amended by striking out "members of the armed forces under the jurisdiction of the Secretary of Defense may certify vouchers when authorized, in writing, by the Secretary to do so" and inserting in lieu thereof "members of the armed forces may certify vouchers when authorized, in writing, by the Secretary of Defense or, in the case of the Coast Guard when it is not operating as a service in the Navy, by the Secretary of Transportation".

(c) CONFORMING AMENDMENTS.—(1) Section 1007(a) of title 37, United States Code, is amended by inserting after "Secretary of Defense" the following: "(or the Secretary of Transportation, in the case of an officer of the Coast Guard when the Coast Guard is not operating as a service in the Navy)".

(2) Section 3527(b)(1) of title 31, United States Code, is amended—

(A) in subparagraph (A)(i), by inserting after "Department of Defense" the following: "(or the Secretary of Transportation, in the case of a disbursing official of the Coast Guard when the Coast Guard is not operating as a service in the Navy)"; and

(B) in subparagraph (B), by inserting after "or the Secretary of the appropriate military department" the following: "(or the Secretary of Transportation, in the case of a disbursing official of the Coast Guard when the Coast Guard is not operating as a service in the Navy)".

SEC. 1010. AUTHORITY TO SUSPEND OR TERMINATE COLLECTION ACTIONS AGAINST DECEASED MEMBERS OF THE COAST GUARD.

Section 3711(g) of title 31, United States Code, is amended—

(1) in paragraph (1), by striking out "or Marine Corps" and inserting in lieu thereof "Marine Corps, or Coast Guard during a period when the Coast Guard is operating as a service in the Navy";

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

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

"(2) The Secretary of Transportation may suspend or terminate an action by the Secretary under subsection (a) to collect a claim against the estate of a person who died while serving on active duty as a member of the Coast Guard if the Secretary determines that, under the circumstances applicable with respect to the deceased person, it is appropriate to do so.".

SEC. 1011. DEPARTMENT OF DEFENSE DISBURSING OFFICIAL CHECK CASHING AND EXCHANGE TRANSACTIONS.

Section 3342(b) of title 31, United States Code, is amended—

(1) by striking out the period at the end of paragraph (3) and inserting in lieu thereof a semicolon;

(2) by striking out "and" at the end of paragraph (5);

(3) by striking out the period at the end of paragraph (6) and inserting in lieu thereof "; or"; and

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

"(7) a Federal credit union (as defined in section 101(1) of the Federal Credit Union Act (12 U.S.C. 1752(1)) that at the request of the Secretary of Defense is operating on a United States military installation in a foreign country, but only if that country does not permit contractor-operated military banking facilities to operate on such installations.".

Subtitle B—Naval Vessels and Shipyards

SEC. 1021. REPEAL OF REQUIREMENT FOR CONTINUOUS APPLICABILITY OF CONTRACTS FOR PHASED MAINTENANCE OF AE CLASS SHIPS.

Section 1016 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 425) is repealed.

SEC. 1022. FUNDING FOR SECOND AND THIRD MARITIME PREPOSITIONING SHIPS OUT OF NATIONAL DEFENSE SEALIFT FUND.

(a) NATIONAL DEFENSE SEALIFT FUND.—To the extent provided in appropriations Acts, funds in the National Defense Sealift Fund may be obligated and expended for the purchase and conversion, or construction, of a total of three ships for the purpose of enhancing Marine Corps prepositioning ship squadrons.

(b) AUTHORIZATION OF APPROPRIATIONS.—Of the amount authorized to be appropriated under section 302(2), $240,000,000 is authorized to be appropriated for the purpose stated in subsection (a).

SEC. 1023. TRANSFER OF CERTAIN OBSOLETE TUGBOATS OF THE NAVY.

(a) REQUIREMENT TO TRANSFER VESSELS.—The Secretary of the Navy shall transfer the six obsolete tugboats of the Navy specified in subsection (b) to the Northeast Wisconsin Railroad Transportation Commission, an instrumentality of the State of Wisconsin, if the Secretary determines that the tugboats are not needed for transfer, donation, or other disposal under title II of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 481 et seq.).

(b) VESSELS COVERED.—The requirement in subsection (a) applies to the six decommissioned Cherokee class tugboats, listed as of the date of the enactment of this Act as being surplus to the Navy, that are designated as ATF–105, ATF–110, ATF–149, ATF–158, ATF–159, and ATF–160.

(c) CONDITION RELATING TO ENVIRONMENTAL COMPLIANCE.—The Secretary shall require as a condition of the transfer of a vessel under subsection (a) that use of the vessel by the Commission not commence until the terms of any necessary environmental compliance letter or agreement with respect to that vessel have been complied with.

(d) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions (including a requirement that the transfer be at no cost to the Government) in connection with the transfers required by subsection (a) as the Secretary considers appropriate.

SEC. 1024. TRANSFER OF U.S.S. DRUM TO CITY OF VALLEJO, CALIFORNIA.

(a) TRANSFER.—The Secretary of the Navy shall transfer the U.S.S. Drum (SSN–677) to the city of Vallejo, California, in accordance with this section and upon satisfactory completion of a ship donation application. Before making such transfer, the Secretary of the Navy shall remove from the vessel the reactor compartment and other classified and sensitive military equipment.

(b) FUNDING.—As provided in section 7306(c) of title 10, United States Code, the transfer of the vessel authorized by this section shall be made at no cost to the United States (beyond the cost which the United States would otherwise incur for dismantling and recycling of the vessel).

(c) APPLICABLE LAW.—The transfer under this section shall be subject to subsection (b) of section 7306 of title 10, United States Code, but the provisions of subsection (d) of such section shall not be applicable to such transfer.

SEC. 1025. SENSE OF CONGRESS CONCERNING USS LCS 102 (LSSL 102).

It is the sense of Congress that the Secretary of Defense should use existing authorities in law to seek the expeditious return, upon completion of service, of the former USS LCS 102 (LSSL 102) from the Government of Thailand in order for the ship to be transferred to the United States Shipbuilding Museum in Quincy, Massachusetts.

Subtitle C—Counter-Drug Activities

SEC. 1031. AUTHORITY TO PROVIDE ADDITIONAL SUPPORT FOR COUNTER-DRUG ACTIVITIES OF MEXICO.

(a) AUTHORITY TO PROVIDE ADDITIONAL SUPPORT.—Subject to subsection (e), during fiscal year 1997, the Secretary of Defense may provide the Government of Mexico with the support described in subsection (b) for the counter-drug activities of the Government of Mexico. The support provided under the authority of this subsection shall be in addition to support provided to the Government of Mexico under any other provision of law.

(b) TYPES OF SUPPORT.—The authority under subsection (a) is limited to the provision of the following types of support:

(1) The transfer of non-lethal protective and utility personnel equipment.

(2) The transfer of the following nonlethal specialized equipment:

(A) Navigation equipment.

(B) Secure and nonsecure communications equipment.

(C) Photo equipment.

(D) Radar equipment.

(E) Night vision systems.

(F) Repair equipment and parts for equipment referred to in subparagraphs (A), (B), (C), (D), and (E).

(3) The transfer of nonlethal components, accessories, attachments, parts (including ground support equipment), firmware, and software for aircraft or patrol boats, and related repair equipment.

(4) The maintenance and repair of equipment of the Government of Mexico that is used for counter-drug activities.

(c) APPLICABILITY OF OTHER SUPPORT AUTHORITIES.—Except as otherwise provided in this section, the provisions of section 1004 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510; 10 U.S.C. 374 note) shall apply to the provision of support under this section.

(d) FUNDING.—Of the amount authorized to be appropriated under section 301(19) for drug interdiction and counter-drug activities, not more than $8,000,000 shall be available for the provision of support under this section.

(e) LIMITATIONS.—(1) The Secretary may not obligate or expend funds to provide support under this section until 15 days after the date on which the Secretary submits to the committees referred to in paragraph (3) the certification described in paragraph (2).

(2) The certification referred to in paragraph (1) is a written certification of the following:

(A) That the provision of support under this section will not adversely affect the military preparedness of the United States Armed Forces.

(B) That the equipment and materiel provided as support will be used only by officials and employees of the Government of Mexico who have undergone a background check by that government.

(C) That the Government of Mexico has certified to the Secretary that—

(i) the equipment and material provided as support will be used only by the officials and employees referred to in subparagraph (B);

(ii) none of the equipment or materiel will be transferred (by sale, gift, or otherwise) to any person or entity not authorized by the United States to receive the equipment or materiel; and

(iii) the equipment and materiel will be used only for the purposes intended by the United States Government.

(D) That the Government of Mexico has implemented, to the satisfaction of the Secretary, a system that will provide an accounting and inventory of the equipment and materiel provided as support.

(E) That the departments, agencies, and instrumentalities of the Government of Mexico will grant United States Government personnel access to any of the equipment or materiel provided as support, or to any of the records relating to such equipment or materiel, under terms and conditions similar to the terms and conditions imposed with respect to such access under section 505(a)(3) of the Foreign Assistance Act of 1961 (22 U.S.C. 2314(a)(3)).

(F) That the Government of Mexico will provide security with respect to the equipment and materiel provided as support that is substantially the same degree of security that the United States Government would provide with respect to such equipment and materiel.

(G) That the Government of Mexico will permit continuous observation and review by United States Government personnel

of the use of the equipment and materiel provided as support under terms and conditions similar to the terms and conditions imposed with respect to such observation and review under section 505(a)(3) of the Foreign Assistance Act of 1961 (22 U.S.C. 2314(a)(3)).

(3) The committees referred to in this paragraph are the following:

(A) The Committee on Armed Services and the Committee on Foreign Relations of the Senate.

(B) The Committee on National Security and the Committee on International Relations of the House of Representatives.

SEC. 1032. AVAILABILITY OF FUNDS FOR CERTAIN DRUG INTERDICTION AND COUNTER-DRUG ACTIVITIES.

(a) P–3B AIRCRAFT.—Of the funds authorized to be appropriated under section 301(19) for drug interdiction and counter-drug activities, not more than $98,000,000 may be used for the purpose of procuring or modifying two P–3B aircraft for use by departments and agencies of the United States outside the Department of Defense for drug interdiction and counter-drug activities. However, funds may not be obligated for such purpose until the Secretary of Defense submits to the congressional defense committees a certification that the procurement or modification of such aircraft and the use of such aircraft by other departments or agencies of the United States will significantly reduce the level of support that would otherwise be required of E–3 AWACS aircraft as part of the drug interdiction and counter-drug mission of the Department of Defense.

(b) NONINTRUSIVE INSPECTION DEVICES.—Of the funds authorized to be appropriated under section 301(19) for drug interdiction and counter-drug activities, not more than $10,000,000 may be used to procure three nonintrusive inspection devices for use by departments and agencies of the United States outside the Department of Defense for drug interdiction and counter-drug activities.

(c) AUTHORITY TO TRANSFER EQUIPMENT.—The Secretary of Defense may transfer to the head of any department or agency of the United States outside the Department of Defense any equipment procured or modified under this section with funds referred to in this section.

SEC. 1033. TRANSFER OF EXCESS PERSONAL PROPERTY TO SUPPORT LAW ENFORCEMENT ACTIVITIES.

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

"§ 2576a. Excess personal property: sale or donation for law enforcement activities

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

"(A) suitable for use by the agencies in law enforcement activities, including counter-drug and counter-terrorism activities; and

"(B) excess to the needs of the Department of Defense.

"(2) The Secretary shall carry out this section in consultation with the Attorney General and the Director of National Drug Control Policy.

"(b) CONDITIONS FOR TRANSFER.—The Secretary of Defense may transfer personal property under this section only if—

"(1) the property is drawn from existing stocks of the Department of Defense;

"(2) the recipient accepts the property on an as-is, where-is basis;

"(3) the transfer is made without the expenditure of any funds available to the Department of Defense for the procurement of defense equipment; and

"(4) all costs incurred subsequent to the transfer of the property are borne or reimbursed by the recipient.

"(c) CONSIDERATION.—Subject to subsection (b)(4), the Secretary may transfer personal property under this section without charge to the recipient agency.

"(d) PREFERENCE FOR CERTAIN TRANSFERS.—In considering applications for the transfer of personal property under this section, the Secretary shall give a preference to those applications indicating that the transferred property will be used in the counter-drug or counter-terrorism activities of the recipient agency.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2576 the following new item:

"2576a. Excess personal property: sale or donation for law enforcement activities.".

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

(2) Section 1005 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510; 104 Stat. 1630) is amended by striking out "section 1208 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (10 U.S.C. 372 note) and section 372" and inserting in lieu thereof "sections 372 and 2576a".

SEC. 1034. SALE BY FEDERAL DEPARTMENTS OR AGENCIES OF CHEMICALS USED TO MANUFACTURE CONTROLLED SUBSTANCES.

(a) DEA CERTIFICATION.—The Controlled Substances Act is amended by inserting after section 519 (21 U.S.C. 889) the following new section:

"SEC. 520. REVIEW OF FEDERAL SALES OF CHEMICALS USABLE TO MANUFACTURE CONTROLLED SUBSTANCES.

"A Federal department or agency may not sell from the stocks of the department or agency any chemical which, as determined by the Administrator of the Drug Enforcement Administration, could be used in the manufacture of a controlled substance unless the Administrator certifies in writing to the head of the department or agency that there is no reasonable cause to believe that the sale of the chemical would result in the illegal manufacture of a controlled substance.".

(b) CLERICAL AMENDMENT.—The table of contents of the Comprehensive Drug Abuse Prevention and Control Act of 1970 (84 Stat.

1236) is amended by inserting after the item relating to section 519 the following new item:

"Sec. 520. Review of Federal sales of chemicals usable to manufacture controlled substances.".

Subtitle D—Reports and Studies

SEC. 1041. ANNUAL REPORT ON OPERATION PROVIDE COMFORT AND OPERATION ENHANCED SOUTHERN WATCH.

(a) ANNUAL REPORT.—Not later than March 1 of each year, the Secretary of Defense shall submit to Congress a report on Operation Provide Comfort and Operation Enhanced Southern Watch.

(b) MATTERS RELATING TO OPERATION PROVIDE COMFORT.—Each report under subsection (a) shall include, with respect to Operation Provide Comfort, the following:

(1) A detailed presentation of the projected costs to be incurred by the Department of Defense for that operation during the fiscal year in which the report is submitted and projected for the following fiscal year, together with a discussion of missions and functions expected to be performed by the Department as part of that operation during each of those fiscal years.

(2) A detailed presentation of the projected costs to be incurred by other departments and agencies of the Federal Government participating in or providing support to that operation during each of those fiscal years.

(3) A discussion of options being pursued to reduce the involvement of the Department of Defense in those aspects of that operation that are not directly related to the military mission of the Department of Defense.

(4) A discussion of the exit strategy for United States involvement in, and support for, that operation.

(5) A description of alternative approaches to accomplishing the mission of that operation that are designed to limit the scope and cost to the Department of Defense of accomplishing that mission while maintaining mission success.

(6) The contributions (both in-kind and actual) by other nations to the costs of conducting that operation.

(7) A detailed presentation of significant Iraqi military activity (including specific violations of the no-fly zone) determined to jeopardize the security of the Kurdish population in northern Iraq.

(c) MATTERS RELATING TO OPERATION ENHANCED SOUTHERN WATCH.—Each report under subsection (a) shall include, with respect to Operation Enhanced Southern Watch, the following:

(1) The expected duration and annual costs of the various elements of that operation.

(2) The political and military objectives associated with that operation.

(3) The contributions (both in-kind and actual) by other nations to the costs of conducting that operation.

(4) A description of alternative approaches to accomplishing the mission of that operation that are designed to limit the

scope and cost of accomplishing that mission while maintaining mission success.

(5) A comprehensive discussion of the political and military objectives and initiatives that the Department of Defense has pursued, and intends to pursue, in order to reduce United States involvement in that operation.

(6) A detailed presentation of significant Iraqi military activity (including specific violations of the no-fly zone) determined to jeopardize the security of the Shiite population by air attack in southern Iraq or to jeopardize the security of Kuwait.

(d) TERMINATION OF REPORT REQUIREMENT.—The requirement under subsection (a) shall cease to apply with respect to an operation named in that subsection upon the termination of United States involvement in that operation.

(e) DEFINITIONS.—For purposes of this section:

(1) OPERATION ENHANCED SOUTHERN WATCH.—The term "Operation Enhanced Southern Watch" means the operation of the Department of Defense that as of October 30, 1995, is designated as Operation Enhanced Southern Watch.

(2) OPERATION PROVIDE COMFORT.—The term "Operation Provide Comfort" means the operation of the Department of Defense that as of October 30, 1995, is designated as Operation Provide Comfort.

SEC. 1042. ANNUAL REPORT ON EMERGING OPERATIONAL CONCEPTS.

(a) REPORT REQUIRED.—Not later than March 1 of each year through 2000, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report on emerging operational concepts. Each such report shall be prepared by the Secretary in consultation with the Chairman of the Joint Chiefs of Staff.

(b) MATTERS TO BE INCLUDED.—Each such report shall contain a description, for the year preceding the year in which the report is submitted, of the following:

(1) The process undertaken in the Department of Defense, and in each of the Army, Navy, Air Force, and Marine Corps, to define and develop doctrine, operational concepts, organizational concepts, and acquisition strategies to address—

(A) the potential of emerging technologies for significantly improving the operational effectiveness of the Armed Forces;

(B) changes in the international order that may necessitate changes in the operational capabilities of the Armed Forces;

(C) emerging capabilities of potential adversary states; and

(D) changes in defense budget projections.

(2) The manner in which the processes described in paragraph (1) are harmonized to ensure that there is a sufficient consideration of the development of joint doctrine, operational concepts, and acquisition strategies.

(3) The manner in which the processes described in paragraph (1) are coordinated through the Joint Requirements Over-

sight Council and reflected in the planning, programming, and budgeting process of the Department of Defense.

SEC. 1043. REPORT ON DEPARTMENT OF DEFENSE MILITARY CHILD CARE PROGRAMS.

(a) FINDINGS.—Congress makes the following findings:

(1) The Department of Defense should be congratulated on the successful implementation of the Military Child Care Act of 1989 (originally enacted as title XV of Public Law 101–189 and subsequently codified as subchapter II of chapter 88 of title 10, United States Code).

(2) The actions taken by the Department as a result of that Act have dramatically improved the availability, affordability, quality, and consistency of the child-care services provided to members of the Armed Forces.

(3) Child care is important to the readiness of members of the Armed Forces since single parents and couples in military service must have access to affordable child care of good quality if they are to perform their jobs and respond effectively to long work hours or deployments.

(4) Child care is important to the retention of members of the Armed Forces in military service because the dissatisfaction of the families of such members with military life is a primary reason for the departure of such members from military service.

(b) SENSE OF CONGRESS RELATED TO MILITARY-CIVILIAN CHILD-CARE PARTNERSHIP PROGRAMS.—It is the sense of Congress that—

(1) the civilian and military child-care communities, Federal, State, and local agencies, and businesses and communities involved in the provision of child-care services could benefit from the development of partnerships to foster an exchange of ideas, information, and materials relating to their experiences with the provision of such services and to encourage closer relationships between military installations and the communities that support them;

(2) such partnerships would be beneficial to all families by helping providers of child-care services exchange ideas about innovative ways to address barriers to the effective provision of such services; and

(3) there are many ways that such partnerships could be developed, including—

(A) cooperation between the directors and curriculum specialists of military child development centers and civilian child development centers in assisting such centers in the accreditation process;

(B) use of family support staff to conduct parent and family workshops for new parents and parents with young children in family housing on military installations and in communities in the vicinity of such installations;

(C) internships in Department of Defense child-care programs for civilian child-care providers to broaden the base of good-quality child-care services in communities in the vicinity of military installations; and

(D) attendance by civilian child-care providers at Department child-care training classes on a space-available basis.

(c) REPORT.—Not later than June 30, 1997, the Secretary of Defense shall submit to Congress a report on the status of any partnerships and other initiatives undertaken by the Department of Defense as described in subsection (b), including recommendations for additional ways to improve the child-care programs of the Department of Defense and to improve such programs so as to benefit civilian child-care providers in communities in the vicinity of military installations.

SEC. 1044. REPORT ON DEPARTMENT OF DEFENSE MILITARY YOUTH PROGRAMS.

(a) FINDINGS.—Congress makes the following findings:

(1) Programs of the Department of Defense for youth who are dependents of members of the Armed Forces have not received the same level of attention and resources as have child care programs of the Department since the passage of the Military Child Care Act of 1989 (originally enacted as title XV of Public Law 101–189 and subsequently codified as subchapter II of chapter 88 of title 10, United States Code).

(2) Older children deserve as much attention to their developmental needs as do younger children.

(3) The Department has started to direct more attention to programs for youths who are dependents of members of the Armed Forces by providing funds for the implementation of 20 model community programs to address the needs of such youths.

(4) The lessons learned from such programs could apply to civilian youth programs as well.

(b) SENSE OF CONGRESS RELATED TO MILITARY-CIVILIAN YOUTH PARTNERSHIP PROGRAMS.—It is the sense of Congress that—

(1) the Department of Defense, Federal, State, and local agencies, and businesses and communities involved in conducting youth programs could benefit from the development of partnerships to foster an exchange of ideas, information, and materials relating to such programs and to encourage closer relationships between military installations and the communities that support them;

(2) such partnerships could be beneficial to all families by helping the providers of services for youths exchange ideas about innovative ways to address barriers to the effective provision of such services; and

(3) there are many ways that such partnerships could be developed, including—

(A) cooperation between the Department and Federal and State educational agencies in exploring the use of public school facilities for child care programs and youth programs that are mutually beneficial to the Department and civilian communities and complement programs of the Department carried out at its facilities; and

(B) improving youth programs that enable adolescents to relate to new peer groups when families of members of the Armed Forces are relocated.

(c) REPORT.—Not later than June 30, 1997, the Secretary of Defense shall submit to Congress a report on the status of any partnerships and other initiatives undertaken by the Department as described in subsection (b), including recommendations for additional ways to improve the youth programs of the Department of Defense and to improve such programs so as to benefit communities in the vicinity of military installations.

SEC. 1045. QUARTERLY REPORTS REGARDING COPRODUCTION AGREEMENTS.

(a) QUARTERLY REPORTS ON COPRODUCTION AGREEMENTS.—Section 36(a) of the Arms Export Control Act (22 U.S.C. 2776(a)) is amended—

(1) by striking out "and" at the end of paragraph (10);

(2) by striking out the period at the end of paragraph (11) and inserting in lieu thereof "; and"; and

(3) by inserting after paragraph (11) the following new paragraph:

"(12) a report on all concluded government-to-government agreements regarding foreign coproduction of defense articles of United States origin and all other concluded agreements involving coproduction or licensed production outside of the United States of defense articles of United States origin (including coproduction memoranda of understanding or agreement) that have not been previously reported under this subsection, which shall include—

"(A) the identity of the foreign countries, international organizations, or foreign firms involved;

"(B) a description and the estimated value of the articles authorized to be produced, and an estimate of the quantity of the articles authorized to be produced;

"(C) a description of any restrictions on third party transfers of the foreign-manufactured articles; and

"(D) if any such agreement does not provide for United States access to and verification of quantities of articles produced overseas and their disposition in the foreign country, a description of alternative measures and controls incorporated in the coproduction or licensing program to ensure compliance with restrictions in the agreement on production quantities and third party transfers.".

(b) EFFECTIVE DATE.—Paragraph (12) of section 36(a) of the Arms Export Control Act, as added by subsection (a)(3), does not apply with respect to an agreement described in such paragraph entered into before the date of the enactment of this Act.

SEC. 1046. REPORT ON WITNESS INTERVIEW PROCEDURES FOR DEPARTMENT OF DEFENSE CRIMINAL INVESTIGATIONS.

(a) SURVEY OF MILITARY DEPARTMENT POLICIES AND PRACTICES.—The Comptroller General of the United States shall conduct a survey of the policies and practices of the Naval Criminal Investigative Service with respect to the manner in which interviews of suspects and witnesses are conducted in connection with criminal investigations of allegations of contractor fraud. The purpose of the survey shall be to ascertain whether or not investigators and agents of the Naval Criminal Investigative Service conduct investigations

of contractor fraud in accordance with generally accepted Federal law enforcement standards and applicable law.

(b) REPORT.—Not later than 180 days after the date of the enactment of this Act, the Comptroller General shall submit to the Committee on National Security of the House of Representatives and the Committee on Armed Services of the Senate a report concerning the survey under subsection (a). The report shall specifically address the following:

(1) The extent to which investigators of the Naval Criminal Investigative Service investigators and agents of the Naval Criminal Investigative Service conduct investigations of contractor fraud in accordance with generally accepted federal law enforcement standards and applicable law.

(2) The extent to which the interview policies established by Department of Defense directives or Navy regulations are adequate to instruct and guide investigators in the proper conduct of subject and witness interviews.

(3) The desirability and feasibility of providing for video and audio recording of interviews and, if recording is desirable, the circumstances under which recordings should be made.

(4) The desirability and feasibility of making such recordings or written transcriptions of interviews, or both, available on demand to the subject or witness interviewed.

(5) The extent to which existing Department of Defense directives and Navy regulations address the carrying and display of weapons by agents, together with an assessment of whether any change in any such directive or regulation is necessary.

(6) The extent to which existing Department of Defense directives and Navy regulations provide guidance to agents to ensure that the agents' conduct and demeanor is in accordance with generally accepted federal law enforcement standards and applicable law.

(7) Any recommendation for legislation to ensure that investigators and agents of the Naval Criminal Investigative Service use legal and proper tactics during interviews in connection with criminal investigations of allegations of contractor fraud.

SEC. 1047. REPORT ON MILITARY READINESS REQUIREMENTS OF THE ARMED FORCES.

(a) REPORT REQUIRED.—Not later than January 31, 1997, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report on the military readiness requirements of the active and reserve components of the Armed Forces, including specific combat units, combat support units, and combat service support units. Based on the assessment scenario described in subsection (c), the report shall assess such readiness requirements under a tiered readiness and response system that categorizes a given unit of the Armed Forces according to the likelihood that the unit will be required to respond to a military conflict and the time in which the unit will be required to respond.

(b) PREPARATION OF REPORT.—The Chairman of the Joint Chiefs of Staff, together with the other members of the Joint Chiefs of Staff specified in section 151(a) of title 10, United States Code,

shall prepare the report required by subsection (a). The Chairman of the Joint Chiefs of Staff shall consult with the Commander of the Special Operations Command in the preparation of the report.

(c) ASSESSMENT SCENARIO.—The report shall assess readiness requirements in a scenario based on the following assumptions:

(1) The conflict is in a generic theater of operations located anywhere in the world and does not exceed the notional limits for a major regional conflict.

(2) The forces available for deployment include the forces described in the Bottom Up Review force structure, including all planned force enhancements.

(3) Assistance is not available from allies.

(d) ASSESSMENT ELEMENTS.—The report shall identify by unit type and component, and assess the readiness requirements of, all active and reserve component units. Each such unit shall be categorized within one of the following classifications:

(1) Forward-deployed and crisis response forces, or "Tier I" forces, that possess limited internal sustainment capability and do not require immediate access to regional air bases or ports or overflight rights, including the following:

(A) Force units that are routinely deployed forward at sea or on land outside the United States.

(B) Combat-ready crises response forces that are capable of mobilizing and deploying within 10 days after receipt of orders.

(C) Forces that are supported by prepositioning equipment afloat or are capable of being inserted into a theater upon the capture of a port or airfield by forcible entry forces.

(2) Combat-ready follow-on forces, or "Tier II" forces, that can be mobilized and deployed to a theater within approximately 60 days after receipt of orders.

(3) Combat-ready conflict resolution forces, or "Tier III" forces, that can be mobilized and deployed to a theater within approximately 180 days after receipt of orders.

(4) All other active and reserve component force units which are not categorized within a classification described in paragraph (1), (2), or (3).

(e) ADDITIONAL INFORMATION REGARDING CERTAIN UNITS.—With regard to each unit that is not categorized within a classification described in paragraph (1), (2), or (3) of subsection (d), the report shall include—

(1) a description of the mission and mobilization or deployment schedule (or both) of the unit in connection with the requirements of the assessment scenario and the combat readiness requirements of the Armed Forces; or

(2) an identification of the unit as excess to the needs of the national military strategy and the reasons therefor.

(f) FORM OF REPORT.—The report under this section shall be submitted in unclassified form but may contain a classified annex.

SEC. 1048. REPORT ON NATO ENLARGEMENT.

(a) REPORT.—Not later than February 1, 1997, the President shall transmit to the Committee on Armed Services and the Committee on Foreign Relations of the Senate and the Committee on Na-

tional Security and the Committee on International Relations of the House of Representatives a report on the enlargement of the North Atlantic Treaty Organization. The report shall contain a comprehensive discussion of the following:

(1) Geopolitical and financial costs and benefits, including financial savings, associated with—

(A) enlargement of the North Atlantic Treaty Organization;

(B) further delays in the process of enlargement of the North Atlantic Treaty Organization; and

(C) a failure to enlarge the North Atlantic Treaty Organization.

(2) Additional North Atlantic Treaty Organization and United States military expenditures requested by prospective members of the North Atlantic Treaty Organization to facilitate their admission into the North Atlantic Treaty Organization.

(3) Modifications necessary in the military strategy of the North Atlantic Treaty Organization and force structure required by the inclusion of new members and steps necessary to integrate new members, including the role of nuclear and conventional capabilities, reinforcement, force deployments, prepositioning of equipment, mobility, and headquarter locations.

(4) The relationship between enlargement of the North Atlantic Treaty Organization and transatlantic stability and security.

(5) The state of military preparedness and interoperability of Central and Eastern European nations as it relates to the responsibilities of membership of the North Atlantic Treaty Organization and additional security costs or benefits that may accrue to the United States from enlargement of the North Atlantic Treaty Organization.

(6) The state of democracy and free market development as it affects the preparedness of Central and Eastern European nations for the responsibilities of membership of the North Atlantic Treaty Organization, including civilian control of the military, the rule of law, human rights, and parliamentary oversight.

(7) The state of relations between prospective members of the North Atlantic Treaty Organization and their neighbors, steps taken by prospective members to reduce tensions, and mechanisms for the peaceful resolution of border disputes.

(8) The commitment of prospective members of the North Atlantic Treaty Organization to the principles of the North Atlantic Treaty and the security of the North Atlantic area.

(9) The effect of enlargement of the North Atlantic Treaty Organization on the political, economic, and security conditions of European Partnership for Peace nations not among the first new members of the North Atlantic Treaty Organization.

(10) The relationship between enlargement of the North Atlantic Treaty Organization and EU enlargement and the costs and benefits of both.

(11) The relationship between enlargement of the North Atlantic Treaty Organization and treaties relevant to United

States and European security, such as the Conventional Armed Forces in Europe Treaty.

(12) The anticipated impact both of enlargement of the North Atlantic Treaty Organization and further delays of enlargement on Russian foreign and defense policies and the costs and benefits of a security relationship between the North Atlantic Treaty Organization and Russia.

(b) INTERPRETATION.—Nothing in this section shall be interpreted or construed to affect the implementation of the NATO Participation Act of 1994 (title II of Public Law 103–447; 22 U.S.C. 1928 note), or any other program or activity which facilitates or assists prospective members of the North Atlantic Treaty Organization.

Subtitle E—Management of Armed Forces Retirement Home

SEC. 1051. RETIREMENT HOME BOARDS OF DIRECTORS.

(a) ADDITIONAL TERM OF OFFICE.—Subsection (e) of section 1515 of the Armed Forces Retirement Home Act of 1991 (24 U.S.C. 415) is amended by adding at the end the following new paragraph:

"(3) The chairman of the Retirement Home Board may appoint a member of the Retirement Home Board for a second consecutive term. The chairman of a Local Board may appoint a member of that Local Board for a second consecutive term.".

(b) EARLY EXPIRATION OF TERM.—(1) Subsection (f) of such section is amended to read as follows:

"(f) EARLY EXPIRATION OF TERM.—A member of the Armed Forces or Federal civilian employee who is appointed as a member of the Retirement Home Board or a Local Board may serve as a board member only so long as the member of the Armed Forces or Federal civilian employee is assigned to or serving in the duty position that gave rise to the appointment as a board member.".

(2) The amendment made by this subsection shall not affect the staggered terms of members of the Armed Forces Retirement Home Board or a Local Board of the Retirement Home under section 1515(f) of such Act, as such section is in effect before the date of the enactment of this Act.

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

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

SEC. 1052. [S582 HR] ACCEPTANCE OF UNCOMPENSATED SERVICES.

(a) AUTHORITY.—Part A of the Armed Forces Retirement Home Act of 1991 (title XV of Public Law 101–510; 24 U.S.C. 401 et seq.) is amended by adding at the end the following new section:

"SEC. 1522. AUTHORITY TO ACCEPT CERTAIN UNCOMPENSATED SERVICES.

"(a) AUTHORITY TO ACCEPT SERVICES.—Subject to subsection (b) and notwithstanding section 1342 of title 31, United States Code, the Chairman of the Retirement Home Board or the Director of each establishment of the Retirement Home may accept from any person voluntary personal services or gratuitous services unless the acceptance of the voluntary services is disapproved by the Retirement Home Board.

"(b) REQUIREMENTS AND LIMITATIONS.—(1) The Chairman of the Retirement Home Board or the Director of the establishment accepting the services shall notify the person of the scope of the services accepted.

"(2) The Chairman or Director shall—

"(A) supervise the person providing the services to the same extent as that official would supervise a compensated employee providing similar services; and

"(B) ensure that the person is licensed, privileged, has appropriate credentials, or is otherwise qualified under applicable laws or regulations to provide such services.

"(3) A person providing services accepted under subsection (a) may not—

"(A) serve in a policymaking position of the Retirement Home; or

"(B) be compensated for the services by the Retirement Home.

"(c) AUTHORITY TO RECRUIT AND TRAIN PERSONS PROVIDING SERVICES.—The Chairman of the Retirement Home Board or the Director of an establishment of the Retirement Home may recruit and train persons to provide services authorized to be accepted under subsection (a).

"(d) STATUS OF PERSONS PROVIDING SERVICES.—(1) Subject to paragraph (3), while providing services accepted under subsection (a) or receiving training under subsection (c), a person shall be considered to be an employee of the Federal Government only for purposes of the following provisions of law:

"(A) Subchapter I of chapter 81 of title 5, United States Code (relating to compensation for work-related injuries).

"(B) Chapter 171 of title 28, United States Code (relating to claims for damages or loss).

"(2) A person providing services accepted under subsection (a) shall be considered to be an employee of the Federal Government under paragraph (1) only with respect to services that are within the scope of the services accepted.

"(3) For purposes of determining the compensation for work-related injuries payable under chapter 81 of title 5, United States Code (pursuant to this subsection) to a person providing services accepted under subsection (a), the monthly pay of the person for such services shall be deemed to be the amount determined by multiplying—

"(A) the average monthly number of hours that the person provided the services, by

"(B) the minimum wage determined in accordance with section 6(a)(1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)(1)).

"(e) REIMBURSEMENT OF INCIDENTAL EXPENSES.—The Chairman of the Retirement Board or the Director of the establishment accepting services under subsection (a) may provide for reimbursement of a person for incidental expenses incurred by the person in providing the services accepted under subsection (a). The Chairman or Director shall determine which expenses qualify for reimbursement under this subsection.".

(b) FEDERAL STATUS OF RESIDENTS PAID FOR PART-TIME OR INTERMITTENT SERVICES.—Paragraph (2) of section 1521(b) of the Armed Forces Retirement Home Act of 1991 (24 U.S.C. 421(b)) is amended to read as follows:

"(2) being an employee of the United States for any purpose other than—

"(A) subchapter I of chapter 81 of title 5, United States Code (relating to compensation for work-related injuries); and

"(B) chapter 171 of title 28, United States Code (relating to claims for damages or loss).".

SEC. 1053. DISPOSAL OF TRACT OF REAL PROPERTY IN THE DISTRICT OF COLUMBIA.

(a) DISPOSAL AUTHORIZED.—Notwithstanding title II the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 481 et seq.), title VIII of such Act (40 U.S.C. 531 et seq.), section 501 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11411), or any other provision of law relating to the management and disposal of real property by the United States, the Armed Forces Retirement Home Board may convey, by sale or otherwise, all right, title, and interest of the United States in a parcel of real property, including improvements thereon, consisting of approximately 49 acres located in Washington, District of Columbia, east of North Capitol Street, and recorded as District Parcel 121/19.

(b) MANNER, TERMS, AND CONDITIONS OF DISPOSAL.—The Armed Forces Retirement Home Board may determine—

(1) the manner for the disposal of the real property under subsection (a); and

(2) the terms and conditions for the conveyance of that property, including any terms and conditions that the Board considers necessary to protect the interests of the United States.

(c) 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 Armed Forces Retirement Home Board. The cost of the survey shall be borne by the party or parties to which the property is to be conveyed.

(d) CONGRESSIONAL NOTIFICATION.—(1) Before disposing of real property under subsection (a), the Armed Forces Retirement Home Board shall notify the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives of the proposed disposal. The Board may not dispose of the real property until the later of—

(A) the date that is 60 days after the date on which the notification is received by the committees; or

(B) the date of the next day following the expiration of the first period of 30 days of continuous session of Congress that follows the date on which the notification is received by the committees.

(2) For the purposes of paragraph (1)—

(A) continuity of session is broken only by an adjournment of Congress sine die; and

(B) the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of any period of time in which Congress is in continuous session.

Subtitle F—Other Matters

SEC. 1061. POLICY ON PROTECTION OF NATIONAL INFORMATION INFRASTRUCTURE AGAINST STRATEGIC ATTACK.

(a) REPORT REQUIREMENT.—Not later than 180 days after the date of the enactment of this Act, the President shall submit to Congress a report setting forth a national policy on protecting the national information infrastructure against strategic attack.

(b) MATTERS TO BE INCLUDED.—The policy described in the report shall include the following:

(1) Plans to meet essential Government and civilian needs during a national security emergency associated with a strategic attack on elements of the national information infrastructure the functioning of which depend on networked computer systems.

(2) The identification of information infrastructure functions that must be performed during such an emergency.

(3) The assignment of responsibilities to Federal departments and agencies, and a description of the roles of Government and industry, relating to indications and warning of, assessment of, response to, and reconstitution after, potential strategic attacks on the elements of the national information infrastructure described under paragraph (1).

(c) UNRESOLVED ISSUES.—The report shall also identify—

(1) matters relating to the national policy described in the report that, as of the submission of the report, are in need of further study and resolution, such as technology and funding shortfalls; and

(2) legal and regulatory considerations relating to the national policy.

(d) UPDATE OF EARLIER REPORT.—The report shall include an update of the report required to be submitted to Congress pursuant to section 1053 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 440).

SEC. 1062. INFORMATION SYSTEMS SECURITY PROGRAM.

(a) ALLOCATION.—Of the amounts appropriated for the Department of Defense for the Defense Information Infrastructure for each of fiscal years 1999 through 2002, the Secretary of Defense shall allocate to the information systems security program (program element 0303140K) amounts as follows:

(1) For fiscal year 1999, 2.5 percent.

(2) For fiscal year 2000, 3.0 percent.

(3) For fiscal year 2001, 3.5 percent.

(4) For fiscal year 2002, 4.0 percent.

(b) RELATIONSHIP TO OTHER AMOUNTS.—Amounts allocated under subsection (a) are in addition to amounts appropriated to the National Security Agency and the Defense Advanced Research Projects Agency for development of information security systems, acquisition of information security systems, and operation of information security systems.

(c) REPORT.—Not later than November 15, 1997, the Secretary of Defense shall submit to the congressional defense committees and the congressional intelligence committees a report on information security activities of the Department of Defense. The report shall describe—

(1) the objectives of the Secretary with respect to information security and the strategy of the Secretary (including the strategy with respect to funding) during fiscal years 1999 through 2002 to achieve those objectives;

(2) how the Secretary intends to manage and allocate the funds required by subsection (a) to be allocated to the information systems security program; and

(3) if the Secretary determines that a funding plan for the information systems security program for fiscal years 1999 through 2002 other than that specified in subsection (a) is appropriate, the alternative funding plan proposed by the Secretary.

(d) DEFENSE INFORMATION INFRASTRUCTURE.—For purposes of this section, the Defense Information Infrastructure is the web of communications networks, computers, software, databases, applications, data security services, and other capabilities that meets the information processing and transport needs of Department of Defense users.

SEC. 1063. AUTHORITY TO ACCEPT SERVICES FROM FOREIGN GOVERNMENTS AND INTERNATIONAL ORGANIZATIONS FOR DEFENSE PURPOSES.

Section 2608(a) of title 10, United States Code, is amended by inserting before the period at the end the following: "and may accept from any foreign government or international organization any contribution of services made by such foreign government or international organization for use by the Department of Defense".

SEC. 1064. PROHIBITION ON COLLECTION AND RELEASE OF DETAILED SATELLITE IMAGERY RELATING TO ISRAEL.

(a) COLLECTION AND DISSEMINATION.—A department or agency of the United States may issue a license for the collection or dissemination by a non-Federal entity of satellite imagery with respect to Israel only if such imagery is no more detailed or precise than satellite imagery of Israel that is available from commercial sources.

(b) DECLASSIFICATION AND RELEASE.—A department or agency of the United States may declassify or otherwise release satellite imagery with respect to Israel only if such imagery is no more detailed or precise than satellite imagery of Israel that is available from commercial sources.

SEC. 1065. GEORGE C. MARSHALL EUROPEAN CENTER FOR STRATEGIC SECURITY STUDIES.

(a) AUTHORITY TO ACCEPT FOREIGN GIFTS AND DONATIONS.—(1) The Secretary of Defense may, on behalf of the George C. Marshall European Center for Strategic Security Studies (in this section referred to as the "Marshall Center"), accept foreign gifts or donations in order to defray the costs of, or enhance the operation of, the Marshall Center.

(2) Funds received by the Secretary under paragraph (1) shall be credited to appropriations available for the Department of Defense for the Marshall Center. Funds so credited shall be merged with the appropriations to which credited and shall be available for the Marshall Center for the same purposes and same period as the appropriations with which merged.

(3) The Secretary of Defense shall notify Congress if the total amount of money accepted under paragraph (1) exceeds $2,000,000 in any fiscal year. Any such notice shall list each of the contributors of such amounts and the amount of each contribution in such fiscal year.

(4) For purposes of this subsection, a foreign gift or donation is a gift or donation of funds, materials (including research materials), property, or services (including lecture services and faculty services) from a foreign government, a foundation or other charitable organization in a foreign country, or an individual in a foreign country.

(b) MARSHALL CENTER PARTICIPATION BY FOREIGN NATIONS.—(1) Notwithstanding any other provision of law, the Secretary of Defense may authorize participation by a European or Eurasian nation in Marshall Center programs if the Secretary determines, after consultation with the Secretary of State, that such participation is in the national interest of the United States.

(2) Not later than January 31 of each year, the Secretary of Defense shall submit to Congress a report setting forth the names of the foreign nations permitted to participate in programs of the Marshall Center during the preceding year under paragraph (1). Each such report shall be prepared by the Secretary with the assistance of the Director of the Marshall Center.

(c) EXEMPTIONS FOR MEMBERS OF MARSHALL CENTER BOARD OF VISITORS FROM CERTAIN REQUIREMENTS.—(1) In the case of any person invited to serve without compensation on the Marshall Center Board of Visitors, the Secretary of Defense may waive any requirement for financial disclosure that would otherwise apply to that person solely by reason of service on such Board.

(2) Notwithstanding any other provision of law, a member of the Marshall Center Board of Visitors may not be required to register as an agent of a foreign government solely by reason of service as a member of the Board.

(3) Notwithstanding section 219 of title 18, United States Code, a non-United States citizen may serve on the Marshall Center Board of Visitors even though registered as a foreign agent.

SEC. 1066. AUTHORITY TO AWARD TO CIVILIAN PARTICIPANTS IN THE DEFENSE OF PEARL HARBOR THE CONGRESSIONAL MEDAL PREVIOUSLY AUTHORIZED ONLY FOR MILITARY PARTICIPANTS IN THE DEFENSE OF PEARL HARBOR.

(a) AUTHORITY.—The Speaker of the House of Representatives and the President pro tempore of the Senate are authorized jointly to present, on behalf of Congress, a bronze medal provided for under section 1492 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510; 104 Stat. 1721) to any person who meets the eligibility requirements set forth in subsection (d) of that section other than the requirement for membership in the Armed Forces, as certified under subsection (e) of that section or under subsection (b) of this section.

(b) CERTIFICATION.—The Secretary of Defense shall, not later than 12 months after the date of the enactment of this Act, certify to the Speaker of the House of Representatives and the President pro tempore of the Senate the names of persons who are eligible for award of the medal under this Act and have not previously been certified under section 1492(e) of the National Defense Authorization Act for Fiscal Year 1991.

(c) APPLICATIONS.—Subsections (d)(2) and (f) of section 1492 of the National Defense Authorization Act for Fiscal Year 1991 shall apply in the administration of this section.

(d) ADDITIONAL STRIKING AUTHORITY.—The Secretary of the Treasury shall strike such additional medals as may be necessary for presentation under the authority of subsection (a).

(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated such sum as may be necessary to carry out this section.

(f) RETROACTIVE EFFECTIVE DATE.—The authority under subsection (a) shall be effective as of November 5, 1990.

SEC. 1067. ASSIMILATIVE CRIMES AUTHORITY FOR TRAFFIC OFFENSES ON MILITARY INSTALLATIONS.

Section 4 of the Act of June 1, 1948 (40 U.S.C. 318c), is amended—

(1) by striking out "Whoever shall violate" and inserting in lieu thereof "(a) Except as provided in subsection (b), whoever violates";

(2) by inserting "than" after "not more"; and

(3) by adding at the end the following:

"(b)(1) Whoever violates any military traffic regulation shall be fined an amount not to exceed the amount of the maximum fine for a like or similar offense under the criminal or civil law of the State, territory, possession, or district where the military installation in which the violation occurred is located, or imprisoned for not more than 30 days, or both.

"(2) For purposes of this subsection, the term 'military traffic regulation' means a rule or regulation for the control of vehicular or pedestrian traffic on military installations that is promulgated by the Secretary of Defense, or the designee of the Secretary, under the authority delegated pursuant to section 2.".

SEC. 1068. UNIFORM CODE OF MILITARY JUSTICE AMENDMENTS.

(a) TECHNICAL AMENDMENT REGARDING FORFEITURES DURING CONFINEMENT ADJUDGED BY A COURT-MARTIAL.—(1) Section

858b(a)(1) of title 10, United States Code (article 58b(a)(1) of the Uniform Code of Military Justice), is amended—

(A) in the first sentence, by inserting "(if adjudged by a general court-martial)" after "all pay and"; and

(B) in the third sentence, by striking out "two-thirds of all pay and allowances" and inserting in lieu thereof "two-thirds of all pay".

(2) The amendments made by paragraph (1) shall take effect as of April 1, 1996, and shall apply to any case in which a sentence is adjudged by a court-martial on or after that date.

(b) EXCEPTED SERVICE APPOINTMENTS TO CERTAIN NONATTORNEY POSITIONS OF THE UNITED STATES COURT OF APPEALS FOR THE ARMED FORCES.—(1) Subsection (c) of section 943 of title 10, United States Code (article 143(c) of the Uniform Code of Military Justice) is amended in paragraph (1) by inserting after the first sentence the following: "A position of employment under the Court that is provided primarily for the service of one judge of the court, reports directly to the judge, and is a position of a confidential character is excepted from the competitive service.".

(2) The caption for such subsection is amended by striking out "ATTORNEY" and inserting in lieu thereof "CERTAIN".

(c) REPEAL OF 13-YEAR SPECIAL LIMIT ON TERM OF TRANSITIONAL JUDGE OF UNITED STATES COURT OF APPEALS FOR THE ARMED FORCES.—(1) Subsection (d)(2) of section 1301 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101–189; 103 Stat. 1575; 10 U.S.C. 942 note) is amended by striking out "to the judges who are first appointed to the two new positions of the court created as of October 1, 1990—" and all that follows and inserting in lieu thereof "to the judge who is first appointed to one of the two new positions of the court created as of October 1, 1990, as designated by the President at the time of appointment, the anniversary referred to in subparagraph (A) of that paragraph shall be treated as being the seventh anniversary and the number of years referred to in subparagraph (B) of that paragraph shall be treated as being seven.".

(2) Subsection (e)(1) of such section is amended by striking out "each judge" and inserting in lieu thereof "a judge".

SEC. 1069. PUNISHMENT OF INTERSTATE STALKING.

(a) IN GENERAL.—Chapter 110A of title 18, United States Code, is amended by inserting after section 2261 the following new section:

"§ 2261A. Interstate stalking

"Whoever travels across a State line or within the special maritime and territorial jurisdiction of the United States with the intent to injure or harass another person, and in the course of, or as a result of, such travel places that person in reasonable fear of the death of, or serious bodily injury (as defined in section 1365(g)(3) of this title) to, that person or a member of that person's immediate family (as defined in section 115 of this title) shall be punished as provided in section 2261 of this title.".

(b) CONFORMING AMENDMENTS.—Title 18, United States Code, is amended as follows:

(1) Section 2261(b) is amended by inserting "or section 2261A" after "this section".

(2) Sections 2261(b) and 2262(b) are each amended by striking "offender's spouse or intimate partner" each place it appears and inserting "victim".

*(3) The chapter heading for chapter 110A is amended by inserting "**AND STALKING**" after "**VIOLENCE**".*

(4) The item relating to chapter 110A in the table of chapters at the beginning of part I is amended to read as follows:

"110A. Domestic violence and stalking ..... 2261".

(c) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 110A of such title is amended by inserting after the item relating to section 2261 the following new item:

"2261A. Interstate stalking.".

SEC. 1070. PARTICIPATION OF MEMBERS, DEPENDENTS, AND OTHER PERSONS IN CRIME PREVENTION EFFORTS AT INSTALLATIONS.

(a) CRIME PREVENTION PLAN.—The Secretary of Defense shall prepare and implement an incentive-based plan to encourage members of the Armed Forces, dependents of members, civilian employees of the Department of Defense, and employees of defense contractors performing work at military installations to report to an appropriate military law enforcement agency any crime or criminal activity that the person reasonably believes occurred on a military installation or involves a member of the Armed Forces.

(b) INCENTIVES TO REPORT CRIMINAL ACTIVITY.—The Secretary of Defense shall include in the plan developed under subsection (a) incentives for members and other persons described in such subsection to provide information to appropriate military law enforcement agencies regarding any crime or criminal activity occurring on a military installation or involving a member of the Armed Forces.

(c) REPORT REGARDING IMPLEMENTATION.—Not later than February 1, 1997, the Secretary shall submit to Congress a report describing the plan being developed under subsection (a).

SEC. 1071. DISPLAY OF STATE FLAGS AT INSTALLATIONS AND FACILITIES OF THE DEPARTMENT OF DEFENSE.

(a) IN GENERAL.—Subchapter I of chapter 134 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2249b. Display of State flags: prohibition on use of funds to arbitrarily exclude flag; position and manner of display

"(a) PROHIBITION ON USE OF FUNDS.—Funds available to the Department of Defense may not be used to prescribe or enforce any rule that arbitrarily excludes the official flag of any State, territory, or possession of the United States from any display of the flags of the States, territories, and possessions of the United States at an official ceremony of the Department of Defense.

"(b) POSITION AND MANNER OF DISPLAY.—The display of an official flag of a State, territory, or possession of the United States at an installation or other facility of the Department shall be governed by the provisions of section 3 of the Joint Resolution of June 22,

1942 (56 Stat. 378, chapter 435; 36 U.S.C. 175), and any modification of such provisions under section 8 of that Joint Resolution (36 U.S.C. 178).".

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

"2249b. Display of State flags: prohibition on use of funds to arbitrarily exclude flag; position and manner of display.".

SEC. 1072. TREATMENT OF EXCESS OPERATIONAL SUPPORT AIRLIFT AIRCRAFT.

(a) REUTILIZATION OR SALE BEFORE TRANSFER.—An operational support airlift aircraft that is excess to the requirements of the United States shall be placed in an inactive status and stored at Davis-Monthan Air Force Base, Arizona, only upon the determination of the Secretary of Defense that all reasonable efforts for the reutilization of the aircraft by, or sale of the aircraft to, Federal agencies or other persons have been completed. The Secretary shall ensure that attempts to reutilize or sell the entire aircraft are given precedence over any reutilization or sale of individual parts or components of the aircraft.

(b) OPERATIONAL SUPPORT AIRLIFT AIRCRAFT DEFINED.—In this section, the term "operational support airlift aircraft" has the meaning given such term in section 1086(f) of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 458).

SEC. 1073. CORRECTION TO STATUTORY REFERENCES TO CERTAIN DEPARTMENT OF DEFENSE ORGANIZATIONS.

(a) NORTH AMERICAN AEROSPACE DEFENSE COMMAND.—Section 162(a) of title 10, United States Code, is amended by striking out "North American Air Defense Command" in paragraphs (1), (2), and (3) and inserting in lieu thereof "North American Aerospace Defense Command".

(b) FORMER NAVAL RECORDS AND HISTORY OFFICE AND FUND.—(1) Section 7222 of title 10, United States Code, is amended by striking out "Office of Naval Records and History" each place it appears in subsections (a) and (c) and inserting in lieu thereof "Naval Historical Center".

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

"§ 7222. Naval Historical Center Fund".

(B) The item relating to such section in the table of sections at the beginning of chapter 631 of title 10, United States Code, is amended to read as follows:

"7222. Naval Historical Center Fund.".

(3) Section 2055(g) of the Internal Revenue Code of 1986 is amended by striking out paragraph (4) and inserting in lieu thereof the following:

"(4) For treatment of gifts and bequests for the benefit of the Naval Historical Center as gifts or bequests to or for the use of the United States, see section 7222 of title 10, United States Code.".

(c) DEFENSE DISTRIBUTION CENTER, ANNISTON.—The Corporation for the Promotion of Rifle Practice and Firearms Safety Act (title XVI of Public Law 104–106; 110 Stat. 515; 36 U.S.C. 5501 et seq.) is amended by striking out "Anniston Army Depot" each place it appears in the following provisions and inserting in lieu thereof "Defense Distribution Depot, Anniston":

(1) Section 1615(a)(3) (36 U.S.C. 5505(a)(3)).

(2) Section 1616(b) (36 U.S.C. 5506(b)).

(3) Section 1619(a)(1) (36 U.S.C. 5509(a)(1)).

(d) CHEMICAL DEMILITARIZATION CITIZENS ADVISORY COMMISSIONS.—Section 172 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102–484; 106 Stat. 2341; 50 U.S.C. 1521 note) is amended by striking out "Assistant Secretary of the Army (Installations, Logistics, and Environment)" in subsections (b) and (f) and inserting in lieu thereof "Assistant Secretary of the Army (Research, Development and Acquisition)".

(e) DEFENSE ADVANCED RESEARCH PROJECTS AGENCY.—(1) Each of the following provisions of law is amended by inserting "Defense" before "Advanced Research Projects Agency" each place it appears:

(A) Section 5316 of title 5, United States Code.

(B) Subsections (b), (f), and (i) of section 2371 of title 10, United States Code.

(C) Section 822(c)(1)(D) of Public Law 101–510 (42 U.S.C. 6686).

(D) Section 845(a) of Public Law 103–160 (10 U.S.C. 2371 note).

(E) Section 243(a) of Public Law 103–160 (10 U.S.C. 2431 note).

(F) Sections 1352(c)(2), 1353, and 1354(a) of Public Law 103–160 (10 U.S.C. 2501 note).

*(2) The section headings of each of the following sections are amended by inserting "**DEFENSE**" before "**ADVANCED**":*

(A) Section 845 of Public Law 103–160 (10 U.S.C. 2371 note).

(B) Sections 1353 and 1354 of Public Law 103–160 (10 U.S.C. 2501 note).

(3) The heading for subsection (a) of section 1354 of Public Law 103–160 (10 U.S.C. 2501 note) is amended by striking out "ARPA" and inserting in lieu thereof "DARPA".

SEC. 1074. TECHNICAL AND CLERICAL AMENDMENTS.

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

(1) Section 129(a) is amended by striking out "the date of the enactment of the National Defense Authorization Act for Fiscal Year 1996" and inserting in lieu thereof "February 10, 1996,".

(2) Section 401 is amended—

(A) in subsection (a)(4), by striking out "Armed Forces" both places it appears and inserting in lieu thereof "armed forces"; and

(B) in subsection (e), by inserting "any of the following" after "means".

(3) Section 528(b) is amended by striking out "(1)" after "(b)" and inserting "(1)" before "The limitation".

(4) Section 1078a(a) is amended by striking out "Beginning on October 1, 1994, the" and inserting in lieu thereof "The".

(5) Section 1161(b)(2) is amended by striking out "section 1178" and inserting in lieu thereof "section 1167".

(6) Section 1167 is amended by striking out "person" and inserting in lieu thereof "member".

(7) The table of sections at the beginning of chapter 81 is amended by striking out "Sec." in the item relating to section 1599a.

(8) Section 1588(d)(1)(C) is amended by striking out "Section 522a" and inserting in lieu thereof "Section 552a".

(9) Chapter 87 is amended—

(A) in section 1723(a), by striking out the second sentence;

(B) in section 1724—

(i) in subsection (a), by striking out "small purchase threshold" and inserting in lieu thereof "simplified acquisition threshold"; and

(ii) in subsections (a) and (b), by striking out ", beginning on October 1, 1993,";

(C) in section 1733(a), by striking out "On and after October 1, 1993, a" and inserting in lieu thereof "A"; and

(D) in section 1734—

(i) in subsection (a)(1), by striking out ", on and after October 1, 1993,"; and

(ii) in subsection (b)(1)(A), by striking out ", on and after October 1, 1991,".

(10) Section 2216, as added by section 371 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 107 Stat. 277), is redesignated as section 2216a, and the item relating to that section in the table of sections at the beginning of chapter 131 is revised so as to reflect such redesignation.

(11) Section 2305(b)(6) is amended—

(A) in subparagraph (B), by striking out "of this section" and "of this paragraph";

(B) in subparagraph (C), by striking out "this subsection" and inserting in lieu thereof "subparagraph (A)"; and

(C) in subparagraph (D), by striking out "pursuant to this subsection" and inserting in lieu thereof "under subparagraph (A)".

(12) Section 2306a(h)(3) is amended by inserting "(41 U.S.C. 403(12))" before the period at the end.

(13) Section 2323a(a) is amended by striking out "section 1207 of the National Defense Authorization Act for Fiscal Year 1987 (10 U.S.C. 2301 note)" and inserting in lieu thereof "section 2323 of this title".

(14) Section 2534(c)(4) is amended by striking out "the date occurring two years after the date of the enactment of the National Defense Authorization Act for Fiscal Year 1996" and inserting in lieu thereof "February 10, 1998".

(15) The table of sections at the beginning of chapter 155 is amended by striking out the item relating to section 2609.

(16) Section 2610(e) is amended by striking out "two years after the date of the enactment of the National Defense Authorization Act for Fiscal Year 1996" and inserting in lieu thereof "on February 10, 1998".

(17) Sections 2824(c) and 2826(i)(1) are amended by striking out "the date of the enactment of the National Defense Authorization Act for Fiscal Year 1996" and inserting in lieu thereof "February 10, 1996".

(18) Section 3036(d)(3) is amended by striking out "For purposes of this subsection," and inserting in lieu thereof "In this subsection,".

(19) The table of sections at the beginning of chapter 641 is amended by striking out the item relating to section 7434.

(20) Section 7863 is amended by inserting "were" in the first sentence after "the stores".

(21) Section 10542(b)(21) is amended by striking out "261" and inserting in lieu thereof "12001".

(22) Section 12205(a) is amended by striking out "After September 30, 1995, no person" and inserting in lieu thereof "No person".

(b) AMENDMENTS TO PUBLIC LAW 104–106.—The National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 186 et seq.) is amended as follows:

(1) Section 561(d)(1) (110 Stat. 322) is amended by inserting "of such title" after "Section 1405(c)".

(2) Section 1092(b)(2) (110 Stat. 460) is amended by striking out the period at the end and inserting in lieu thereof "; and".

(3) Section 4301(a)(1) (110 Stat. 656) is amended by inserting "of subsection (a)" after "in paragraph (2)".

(4) Section 5601 (110 Stat. 699) is amended—

(A) in subsection (a), by inserting "of title 10, United States Code," before "is amended"; and

(B) in subsection (c), by striking out "use of equipment or services if," in the second quoted matter therein and inserting in lieu thereof "use of the equipment or services".

(5) Section 3403 (110 Stat. 631) is amended by striking out "Act of Fiscal" and inserting in lieu thereof "Act for Fiscal".

(6) Section 4202(c)(1) (110 Stat. 653) is amended, effective as of February 10, 1996, by striking out "purchases of'" in the first quoted matter therein and inserting in lieu thereof "contracts for'".

(7) Section 5607(c) (110 Stat. 701) is amended, effective as of February 10, 1996—

(A) by striking out "303B(h)" and by inserting in lieu thereof "303B(k)"; and

(B) by striking out "253b(h)" and by inserting in lieu thereof "253b(k)".

(c) PROVISIONS EXECUTED BEFORE ENACTMENT OF PUBLIC LAW 104–106.—

(1) Section 533(b) of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 315) shall apply as if enacted as of December 31, 1995.

(2) The authority provided under section 942(f) of title 10, United States Code, shall be effective as if section 1142 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 467) had been enacted on September 29, 1995.

(d) AMENDMENTS TO OTHER ACTS.—

(1) The last section of the Office of Federal Procurement Policy Act (41 U.S.C. 434), as added by section 5202 of Public Law 104–106 (110 Stat. 690), is redesignated as section 38, and the item appearing after section 34 in the table of contents in the first section of that Act is transferred to the end of such table of contents and revised so as to reflect such redesignation.

(2) Section 1412(g)(2) of the Department of Defense Authorization Act, 1986 (50 U.S.C. 1521(g)(2)), is amended—

(A) in the matter preceding subparagraph (A), by striking out "shall contain—" and inserting in lieu thereof "shall include the following:";

(B) in subparagraph (A)—

(i) by striking out "a" before "site-by-site" and inserting in lieu thereof "A"; and

(ii) by striking out the semicolon at the end and inserting in lieu thereof a period; and

(C) in subparagraphs (B) and (C), by striking out "an" at the beginning of the subparagraph and inserting in lieu thereof "An".

(3) Section 3131 of Public Law 99–570 (19 U.S.C. 2081; 100 Stat. 3207–91) is amended in clause (v) of subsection (a)(1)(A) by striking out "and (c)" both places it appears.

(e) COORDINATION WITH OTHER AMENDMENTS.—For purposes of applying amendments made by provisions of this Act other than provisions of this section, this section shall be treated as having been enacted immediately before the other provisions of this Act.

(f) AMENDMENTS TO THE OFFICE OF FEDERAL PROCUREMENT POLICY ACT.—The Office of Federal Procurement Policy Act (41 U.S.C. 403 et seq.) is amended as follows:

(1) Section 6(f) (41 U.S.C. 405(f)) is amended by striking out "the policies set forth in section 2 or".

(2) Section 15(a) (41 U.S.C. 413(a)) is amended by striking out the second sentence.

(3) Section 25 (41 U.S.C. 421) is amended—

(A) in subsection (c)—

(i) in paragraph (3), by striking out "the policies set forth in section 2 of this Act or"; and

(ii) in paragraph (5), by striking out "or the policies set forth in section 2 of this Act"; and

(B) in subsection (e), by striking out "the policies of section 2 and".

SEC. 1075. MODIFICATION TO THIRD-PARTY LIABILITY TO UNITED STATES FOR TORTIOUS INFLICTION OF INJURY OR DISEASE ON MEMBERS OF THE UNIFORMED SERVICES.

(a) RECOVERY OF PAY AND ALLOWANCES.—The first section of Public Law 87–693 (42 U.S.C. 2651) is amended—

(1) in the first sentence of subsection (a)—

(A) by inserting "or pay for" after "required by law to furnish"; and

(B) by striking out "or to be furnished" both places it appears and inserting in lieu thereof ", to be furnished, paid for, or to be paid for";

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

(3) by inserting after subsection (a), the following new subsections:

"(b) If a member of the uniformed services is injured, or contracts a disease, under circumstances creating a tort liability upon a third person (other than or in addition to the United States and except employers of seamen referred to in subsection (a)) for damages for such injury or disease and the member is unable to perform the member's regular military duties as a result of the injury or disease, the United States shall have a right (independent of the rights of the member) to recover from the third person or an insurer of the third person, or both, the amount equal to the total amount of the pay that accrues and is to accrue to the member for the period for which the member is unable to perform such duties as a result of the injury or disease and is not assigned to perform other military duties.

"(c)(1) If, pursuant to the laws of a State that are applicable in a case of a member of the uniformed services who is injured or contracts a disease as a result of tortious conduct of a third person, there is in effect for such a case (as a substitute or alternative for compensation for damages through tort liability) a system of compensation or reimbursement for expenses of hospital, medical, surgical, or dental care and treatment or for lost pay pursuant to a policy of insurance, contract, medical or hospital service agreement, or similar arrangement, the United States shall be deemed to be a third-party beneficiary of such a policy, contract, agreement, or arrangement.

"(2) For the purposes of paragraph (1)—

"(A) the expenses incurred or to be incurred by the United States for care and treatment for an injured or diseased member as described in subsection (a) shall be deemed to have been incurred by the member;

"(B) the cost to the United States of the pay of the member as described in subsection (b) shall be deemed to have been pay lost by the member as a result of the injury or disease; and

"(C) the United States shall be subrogated to any right or claim that the injured or diseased member or the member's guardian, personal representative, estate, dependents, or survivors have under a policy, contract, agreement, or arrangement referred to in paragraph (1) to the extent of the reasonable value of the care and treatment and the total amount of the pay deemed lost under subparagraph (B).";

(4) in subsection (d), as redesignated by paragraph (2), by inserting "or paid for" after "treatment is furnished"; and

(5) by adding at the end the following:

"(f)(1) Any amount recovered under this section for medical care and related services furnished by a military medical treatment facility or similar military activity shall be credited to the appropriation or appropriations supporting the operation of that facility or activity, as determined under regulations prescribed by the Secretary of Defense.

"(2) Any amount recovered under this section for the cost to the United States of pay of an injured or diseased member of the uniformed services shall be credited to the appropriation that supports the operation of the command, activity, or other unit to which the member was assigned at the time of the injury or illness, as determined under regulations prescribed by the Secretary concerned.

"(g) For the purposes of this section:

"(1) The term 'uniformed services' has the meaning given such term in section 101 of title 10, United States Code.

"(2) The term 'tortious conduct' includes any tortious omission.

"(3) The term 'pay', with respect to a member of the uniformed services, means basic pay, special pay, and incentive pay that the member is authorized to receive under title 37, United States Code, or any other law providing pay for service in the uniformed services.

"(4) The term 'Secretary concerned' means—

"(A) the Secretary of Defense, with respect to the Army, the Navy, the Air Force, the Marine Corps, and the Coast Guard (when it is operating as a service in the Navy);

"(B) the Secretary of Transportation, with respect to the Coast Guard when it is not operating as a service in the Navy;

"(C) the Secretary of Health and Human Services, with respect to the commissioned corps of the Public Health Service; and

"(D) the Secretary of Commerce, with respect to the commissioned corps of the National Oceanic and Atmospheric Administration.".

(b) CONFORMING AMENDMENTS.—The first section of Public Law 87–693 (42 U.S.C. 2651) is amended—

(1) in the first sentence of subsection (a)—

(A) by inserting "(independent of the rights of the injured or diseased person)" after "a right to recover"; and

(B) by inserting ", or that person's insurer," after "from said third person";

(2) in subsection (d), as redesignated by subsection (a)(2)—

(A) by striking out "such right," and inserting in lieu thereof "a right under subsections (a), (b), and (c)"; and

(B) by inserting "or the insurance carrier or other entity responsible for the payment or reimbursement of medical expenses or lost pay" after "the third person who is liable for the injury or disease" each place it appears.

(c) EFFECTIVE DATE.—The authority to collect pursuant to the amendments made by this section shall apply to expenses described

in the first section of Public Law 87–693 (as amended by this section) that are incurred, or are to be incurred, by the United States on or after the date of the enactment of this Act, whether the event from which the claim arises occurs before, on, or after that date.

SEC. 1076. CHEMICAL STOCKPILE EMERGENCY PREPAREDNESS PROGRAM.

(a) REPORT.—Not later than 120 days after the date of the enactment of this Act, the Secretary of the Army shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report assessing the implementation and success of the establishment of site-specific Integrated Product and Process Teams as a management tool for the Chemical Stockpile Emergency Preparedness Program.

(b) CONTINGENT MANDATED REFORMS.—If at the end of the 120-day period beginning on the date of the enactment of this Act the Secretary of the Army and the Director of the Federal Emergency Management Agency have been unsuccessful in implementing a site-specific Integrated Product and Process Team with each of the affected States, the Secretary of the Army shall—

(1) assume full control and responsibility for the Chemical Stockpile Emergency Preparedness Program (eliminating the role of the Director of the Federal Emergency Management Agency as joint manager of the program);

(2) establish programmatic agreement with each of the affected States regarding program requirements, implementation schedules, training and exercise requirements, and funding (to include direct grants for program support);

(3) clearly define the goals of the program; and

(4) establish fiscal constraints for the program.

SEC. 1077. EXEMPTION FROM REQUIREMENTS APPLICABLE TO SAVINGS ASSOCIATIONS FOR CERTAIN SAVINGS INSTITUTIONS SERVING MILITARY PERSONNEL.

Section 10(m)(3)(F) of the Home Owners' Loan Act (12 U.S.C. 1467a(m)(3)(F)) is amended—

(1) in the subparagraph caption, by striking out "ASSOCIATION SERVING TRANSIENT" and inserting in lieu thereof "ASSOCIATIONS SERVING CERTAIN";

(2) by striking out "company if—" and all that follows through "90 percent" and inserting in lieu thereof "company if at least 90 percent"; and

(3) by striking out "officers" both places it appears and inserting in lieu thereof "members".

SEC. 1078. IMPROVEMENTS TO NATIONAL SECURITY EDUCATION PROGRAM.

(a) TEMPORARY REQUIREMENT RELATING TO EMPLOYMENT.—Title VII of the Department of Defense Appropriations Act, 1996 (Public Law 104–61; 109 Stat. 650), is amended in the paragraph under the heading "NATIONAL SECURITY EDUCATION TRUST FUND" by striking out the proviso.

(b) GENERAL PROGRAM REQUIREMENTS.—(1) Subparagraph (A) of subsection (a)(1) of section 802 of the David L. Boren National Security Education Act of 1991 (50 U.S.C. 1902) is amended to read as follows:

"(A) awarding scholarships to undergraduate students who—

"(i) are United States citizens in order to enable such students to study, for at least one academic semester or equivalent term, in foreign countries that are critical countries (as determined under section 803(d)(4)(A)) in those languages and study areas where deficiencies exist (as identified in the assessments undertaken pursuant to section 806(d)); and

"(ii) pursuant to subsection (b)(2)(A), enter into an agreement to work in a national security position or work in the field of higher education in the area of study for which the scholarship was awarded;"; and

(2) Subparagraph (B) of that subsection is amended—

(A) in clause (i), by inserting "relating to the national security interests of the United States" after "international fields"; and

(B) in clause (ii)—

(i) by striking out "subsection (b)(2)" and inserting in lieu thereof "subsection (b)(2)(B)"; and

(ii) by striking out "work for an agency or office of the Federal Government or in" and inserting in lieu thereof "work in a national security position or work in".

(c) SERVICE AGREEMENT.—(1) Subsection (b) of that section is amended in the matter preceding paragraph (1) by striking out ", or of scholarships" and all that follows through "12 months or more," and inserting in lieu thereof "or any scholarship".

(2) Paragraph (2) of that subsection is amended to read as follows:

"(2) will—

"(A) not later than eight years after such recipient's completion of the study for which scholarship assistance was provided under the program, and in accordance with regulations issued by the Secretary—

"(i) work in a national security position for a period specified by the Secretary, which period shall be no longer than the period for which scholarship assistance was provided; or

"(ii) if the recipient demonstrates to the Secretary (in accordance with such regulations) that no national security position is available, work in the field of higher education in a discipline relating to the foreign country, foreign language, area study, or international field of study for which the scholarship was awarded, for a period specified by the Secretary, which period shall be determined in accordance with clause (i); or

"(B) upon completion of such recipient's education under the program, and in accordance with such regulations—

"(i) work in a national security position for a period specified by the Secretary, which period shall be not less than one and not more than three times the period for which the fellowship assistance was provided; or

"(ii) if the recipient demonstrates to the Secretary (in accordance with such regulations) that no national security position is available upon the completion of the degree, work in the field of higher education in a discipline relating to the foreign country, foreign language, area study, or international field of study for which the fellowship was awarded, for a period specified by the Secretary, which period shall be established in accordance with clause (i); and".

(d) EVALUATION OF PROGRESS IN LANGUAGE SKILLS.—Such section is further amended—

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

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

"(c) EVALUATION OF PROGRESS IN LANGUAGE SKILLS.—The Secretary shall, through the National Security Education Program office, administer a test of the foreign language skills of each recipient of a scholarship or fellowship under this title before the commencement of the study or education for which the scholarship or fellowship is awarded and after the completion of such study or education. The purpose of these tests is to evaluate the progress made by recipients of scholarships and fellowships in developing foreign language skills as a result of assistance under this title.".

(e) FUNCTIONS OF THE NATIONAL SECURITY EDUCATION BOARD.—Section 803(d) of that Act (50 U.S.C. 1903(d)) is amended—

(1) in paragraph (1), by inserting ", including an order of priority in such awards that favors individuals expressing an interest in national security issues or pursuing a career in a national security position" before the period;

(2) in paragraph (4)—

(A) in the matter preceding subparagraph (A), by striking out "Make recommendations" and inserting in lieu thereof "After taking into account the annual analyses of trends in language, international, and area studies under section 806(b)(1), make recommendations";

(B) in subparagraph (A), by inserting "and countries which are of importance to the national security interests of the United States" after "are studying"; and

(C) in subparagraph (B), by inserting "relating to the national security interests of the United States" after "section 802(a)(1)(B)";

(3) by redesignating paragraph (5) as paragraph (8); and

(4) by inserting after paragraph (4) the following new paragraphs:

"(5) Encourage applications for fellowships under this title from graduate students having an educational background in any academic discipline, particularly in the areas of science or technology.

"(6) Provide the Secretary biennially with a list of scholarship recipients and fellowship recipients, including an assessment of their foreign area and language skills, who are available to work in a national security position.

"(7) Not later than 30 days after a scholarship or fellowship recipient completes the study or education for which assistance was provided under the program, provide the Secretary with a report fully describing the foreign area and language skills obtained by the recipient as a result of the assistance.".

(f) NATIONAL SECURITY POSITION DEFINED.—(1) Section 808 of that Act (50 U.S.C. 1908) is amended by adding at the end the following new paragraph:

"(4) The term 'national security position' means a position—

"(A) having national security responsibilities in an agency or office of the Federal Government that has national security responsibilities, as determined under section 802(g); and

"(B) in which the individual in such position makes their foreign language skills available to such agency or office.".

(2) Section 802 of that Act (50 U.S.C. 1902), as amended by subsection (d)(1) of this section, is further amended by adding at the end the following new subsection:

"(g) DETERMINATION OF AGENCIES AND OFFICES OF THE FEDERAL GOVERNMENT HAVING NATIONAL SECURITY RESPONSIBILITIES.—(1) The Secretary, in consultation with the Board, shall annually determine and develop a list identifying each agency or office of the Federal Government having national security responsibilities at which a recipient of a fellowship or scholarship under this title will be able to make the recipient's foreign area and language skills available to such agency or office. The Secretary shall submit the first such list to the Congress and include each subsequent list in the annual report to the Congress, as required by section 806(b)(6).

"(2) Notwithstanding section 804, funds may not be made available from the Fund to carry out this title for fiscal year 1997 until 30 days after the date on which the Secretary of Defense submits to the Congress the first such list required by paragraph (1).".

(3) Section 806(b) of that Act (50 U.S.C. 1906(b)) is amended by striking out "and" at the end of paragraph (5), redesignating paragraph (6) as paragraph (7), and inserting after paragraph (5) the following new paragraph (6):

"(6) the current list of agencies and offices of the Federal Government required to be developed by section 802(g); and".

(g) REPORT ON PROGRAM.—(1) Not later than six months after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report assessing the improvements to the program established under the David L. Boren National Security Education Act of 1991 (50 U.S.C. 1901 et seq.) that result from the amendments made by this section.

(2) The report shall include an assessment of the contribution of the program, as so improved, in meeting the national security objectives of the United States.

SEC. 1079. AVIATION AND VESSEL WAR RISK INSURANCE.

(a) AVIATION RISK INSURANCE.—(1) Chapter 931 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 9514. Indemnification of Department of Transportation for losses covered by defense-related aviation insurance

"(a) PROMPT INDEMNIFICATION REQUIRED.—(1) In the event of a loss that is covered by defense-related aviation insurance, the Secretary of Defense shall promptly indemnify the Secretary of Transportation for the amount of the loss consistent with the indemnification agreement between the two Secretaries that underlies such insurance. The Secretary of Defense shall make such indemnification—

"(A) in the case of a claim for the loss of an aircraft hull, not later than 30 days after the date on which the Secretary of Transportation determines the claim to be payable or that amounts are due under the policy that provided the defense-related aviation insurance; and

"(B) in the case of any other claim, not later than 180 days after the date on which the Secretary of Transportation determines the claim to be payable.

"(2) When there is a loss of an aircraft hull that is (or may be) covered by defense-related aviation insurance, the Secretary of Transportation may make, during the period when a claim for such loss is pending with the Secretary of Transportation, any required periodic payments owed by the insured party to a lessor or mortgagee of such aircraft. Such payments shall commence not later than 30 days following the date of the presentment of the claim for the loss of the aircraft hull to the Secretary of Transportation. If the Secretary of Transportation determines that the claim is payable, any amount paid under this paragraph arising from such claim shall be credited against the amount payable under the aviation insurance. If the Secretary of Transportation determines that the claim is not payable, any amount paid under this paragraph arising from such claim shall constitute a debt to the United States, payable to the insurance fund. Any such amounts so returned to the United States shall be promptly credited to the fund or account from which the payments were made under this paragraph.

"(b) SOURCE OF FUNDS FOR PAYMENT OF INDEMNITY.—The Secretary of Defense may pay an indemnity described in subsection (a) from any funds available to the Department of Defense for operation and maintenance, and such sums as may be necessary for payment of such indemnity are hereby authorized to be transferred to the Secretary of Transportation for such purpose.

"(c) NOTICE TO CONGRESS.—In the event of a loss that is covered by defense-related aviation insurance in the case of an incident in which the covered loss is (or is expected to be) in an amount in excess of $1,000,000, the Secretary of Defense shall submit to Congress—

"(1) notification of the loss as soon after the occurrence of the loss as possible and in no event more than 30 days after the date of the loss; and

"(2) semiannual reports thereafter updating the information submitted under paragraph (1) and showing with respect to losses arising from such incident the total amount expended to cover such losses, the source of those funds, pending litigation, and estimated total cost to the Government.

"(d) IMPLEMENTING MATTERS.—(1) Payment of indemnification under this section is not subject to section 2214 or 2215 of this title or any other provision of law requiring notification to Congress before funds may be transferred.

"(2) Consolidation of claims arising from the same incident is not required before indemnification of the Secretary of Transportation for payment of a claim may be made under this section.

"(e) CONSTRUCTION WITH OTHER TRANSFER AUTHORITY.—Authority to transfer funds under this section is in addition to any other authority provided by law to transfer funds (whether enacted before, on, or after the date of the enactment of this section) and is not subject to any dollar limitation or notification requirement contained in any other such authority to transfer funds.

"(f) ANNUAL REPORT ON CONTINGENT LIABILITIES.—Not later than March 1 of each year, the Secretary of Defense shall submit to Congress a report setting forth the current amount of the contingent outstanding liability of the United States under the insurance program under chapter 443 of title 49.

"(g) DEFINITIONS.—In this section:

"(1) DEFENSE-RELATED AVIATION INSURANCE.—The term 'defense-related aviation insurance' means aviation insurance and reinsurance provided through policies issued by the Secretary of Transportation under chapter 443 of title 49 that pursuant to section 44305(b) of that title is provided by that Secretary without premium at the request of the Secretary of Defense and is covered by an indemnity agreement between the Secretary of Transportation and the Secretary of Defense.

"(2) LOSS.—The term 'loss' includes damage to or destruction of property, personal injury or death, and other liabilities and expenses covered by the defense-related aviation insurance.".

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

"9514. Indemnification of Department of Transportation for losses covered by defense-related aviation insurance.".

(b) VESSEL WAR RISK INSURANCE.—(1) Chapter 157 of title 10, United States Code, is amended by adding after section 2644, as redesignated by section 906, the following new section:

"§ 2645. Indemnification of Department of Transportation for losses covered by vessel war risk insurance

"(a) PROMPT INDEMNIFICATION REQUIRED.—(1) In the event of a loss that is covered by vessel war risk insurance, the Secretary of Defense shall promptly indemnify the Secretary of Transportation for the amount of the loss consistent with the indemnification agreement between the two Secretaries that underlies such insurance. The Secretary of Defense shall make such indemnification—

"(A) in the case of a claim for the loss of a vessel, not later than 90 days after the date on which the Secretary of Transportation determines the claim to be payable or that amounts are due under the policy that provided the vessel war risk insurance; and

"(B) in the case of any other claim, not later than 180 days after the date on which on which the Secretary of Transportation determines the claim to be payable.

"(2) When there is a loss of a vessel that is (or may be) covered by vessel war risk insurance, the Secretary of Transportation may make, during the period when a claim for such loss is pending with the Secretary of Transportation, any required periodic payments owed by the insured party to a lessor or mortgagee of such vessel. Such payments shall commence not later than 30 days following the date of the presentment of the claim for the loss of the vessel to the Secretary of Transportation. If the Secretary of Transportation determines that the claim is payable, any amount paid under this paragraph arising from such claim shall be credited against the amount payable under the vessel war risk insurance. If the Secretary of Transportation determines that the claim is not payable, any amount paid under this paragraph arising from such claim shall constitute a debt to the United States, payable to the insurance fund. Any such amounts so returned to the United States shall be promptly credited to the fund or account from which the payments were made under this paragraph.

"(b) SOURCE OF FUNDS FOR PAYMENT OF INDEMNITY.—The Secretary of Defense may pay an indemnity described in subsection (a) from any funds available to the Department of Defense for operation and maintenance, and such sums as may be necessary for payment of such indemnity are hereby authorized to be transferred to the Secretary of Transportation for such purpose.

"(c) DEPOSIT OF FUNDS.—Any amount transferred to the Secretary of Transportation under this section shall be deposited in, and merged with amounts in, the Vessel War Risk Insurance Fund as provided in the second sentence of section 1208(a) of the Merchant Marine Act, 1936 (46 U.S.C. App. 1288(a)).

"(d) NOTICE TO CONGRESS.—In the event of a loss that is covered by vessel war risk insurance in the case of an incident in which the covered loss is (or is expected to be) in an amount in excess of $1,000,000, the Secretary of Defense shall submit to Congress—

"(1) notification of the loss as soon after the occurrence of the loss as possible and in no event more than 30 days after the date of the loss; and

"(2) semiannual reports thereafter updating the information submitted under paragraph (1) and showing with respect to losses arising from such incident the total amount expended to cover such losses, the source of such funds, pending litigation, and estimated total cost to the Government.

"(e) IMPLEMENTING MATTERS.—(1) Payment of indemnification under this section is not subject to section 2214 or 2215 of this title or any other provision of law requiring notification to Congress before funds may be transferred.

"(2) Consolidation of claims arising from the same incident is not required before indemnification of the Secretary of Transportation for payment of a claim may be made under this section.

"(f) CONSTRUCTION WITH OTHER TRANSFER AUTHORITY.—Authority to transfer funds under this section is in addition to any other authority provided by law to transfer funds (whether enacted before, on, or after the date of the enactment of this section) and is

not subject to any dollar limitation or notification requirement contained in any other such authority to transfer funds.

"(f) ANNUAL REPORT ON CONTINGENT LIABILITIES.—Not later than March 1 of each year, the Secretary of Defense shall submit to Congress a report setting forth the current amount of the contingent outstanding liability of the United States under the vessel war risk insurance program under title XII of the Merchant Marine Act, 1936 (46 U.S.C. App. 1281 et seq.).

"(h) DEFINITIONS.—In this section:

"(1) VESSEL WAR RISK INSURANCE.—The term 'vessel war risk insurance' means insurance and reinsurance provided through policies issued by the Secretary of Transportation under title XII of the Merchant Marine Act, 1936 (46 U.S.C. App. 1281 et seq.), that is provided by that Secretary without premium at the request of the Secretary of Defense and is covered by an indemnity agreement between the Secretary of Transportation and the Secretary of Defense.

"(2) VESSEL WAR RISK INSURANCE FUND.—The term 'Vessel War Risk Insurance Fund' means the insurance fund referred to in the first sentence of section 1208(a) of the Merchant Marine Act, 1936 (46 U.S.C. App. 1288(a)).

"(3) LOSS.—The term 'loss' includes damage to or destruction of property, personal injury or death, and other liabilities and expenses covered by the vessel war risk insurance.".

(2) The table of sections at the beginning of such chapter is amended by adding after the item relating to section 2644, as added by section 906, the following new item:

"2645. Indemnification of Department of Transportation for losses covered by vessel war risk insurance.".

SEC. 1080. DESIGNATION OF MEMORIAL AS NATIONAL D–DAY MEMORIAL.

(a) DESIGNATION.—The memorial to be constructed by the National D–Day Memorial Foundation in Bedford, Virginia, is hereby designated as a national memorial to be known as the "National D–Day Memorial". The memorial shall serve to honor the members of the Armed Forces of the United States who served in the liberation of Normandy, France, in June 1944.

(b) PUBLIC PROCLAMATION.—The President is requested and urged to issue a public proclamation acknowledging the designation of the memorial to be constructed by the National D–Day Memorial Foundation in Bedford, Virginia, as the National D–Day Memorial.

(c) MAINTENANCE OF MEMORIAL.—All expenses for maintenance and care of the memorial shall be paid for with non-Federal funds, including funds provided by the National D–Day Memorial Foundation. The United States shall not be liable for any expense incurred for the maintenance and care of the memorial.

SEC. 1081. SENSE OF CONGRESS REGARDING SEMICONDUCTOR TRADE AGREEMENT BETWEEN UNITED STATES AND JAPAN.

(a) FINDINGS.—Congress makes the following findings:

(1) The United States and Japan share a long and important bilateral relationship which serves as an anchor of peace and stability in the Asia Pacific region, an alliance which was

reaffirmed at the recent summit meeting between President Clinton and Prime Minister Hashimoto in Tokyo.

(2) The Japanese economy has experienced difficulty over the past few years, demonstrating that it is no longer possible for Japan, the world's second largest economy, to use exports as the sole engine of economic growth, but that the Government of Japan must promote deregulation of its domestic economy in order to increase economic growth.

(3) Deregulation of the Japanese economy requires government attention to the removal of barriers to imports of manufactured goods.

(4) The United States-Japan Semiconductor Trade Agreement has begun the process of deregulation in the semiconductor sector and is opening the Japanese market to competitive foreign products.

(5) The United States-Japan Semiconductor Trade Agreement has put in place both government-to-government and industry-to-industry mechanisms which have played a vital role in allowing cooperation to replace conflict in this important high technology sector.

(6) The mechanisms include joint calculation of foreign market share, deterrence of dumping, and promotion of industrial cooperation in the design of foreign semiconductor devices.

(7) Because of these actions under the United States-Japan Semiconductor Trade Agreement, the United States and Japan today enjoy trade in semiconductors which is mutually beneficial, harmonious, and free from the friction that once characterized the semiconductor industry.

(8) Because of structural barriers in Japan, a gap still remains between the share of the world market for semiconductor products outside Japan that the United States and other foreign semiconductor sources are able to capture through competitiveness and the share of the Japanese semiconductor market that the United States and those other sources are able to capture through competitiveness, and that gap is consistent across the full range of semiconductor products as well as a full range of end-use applications.

(9) The competitiveness and health of the United States semiconductor industry is of critical importance to the overall economic well-being and high technology defense capabilities of the United States.

(10) The economic interests of both the United States and Japan are best served by well functioning, open markets, deterrence of dumping, and continuing good cooperative relationships in all sectors, including semiconductors.

(11) A strong and healthy and military and political alliance between the United States and Japan requires continuation of the industrial and economic cooperation promoted by the United States-Japan Semiconductor Trade Agreement.

(12) President Clinton has called on the Government of Japan to agree to a continuation of the United States-Japan Semiconductor Trade Agreement beyond the current agreement's expiration on July 31, 1996.

(13) The Government of Japan has opposed any continuation of the United States-Japan Semiconductor Trade Agreement to promote cooperation in United States-Japan semiconductor trade.

(b) SENSE OF CONGRESS.—On the basis of the findings contained in subsection (a), it is the sense of Congress that—

(1) it is regrettable that the Government of Japan has refused to consider continuation of the United States-Japan Semiconductor Trade Agreement to ensure that cooperation continues in the semiconductor sector beyond the expiration of the agreement on July 31, 1996; and

(2) the President should take all necessary and appropriate actions to ensure the resumption and extension of the United States-Japan Semiconductor Trade Agreement beyond July 31, 1996.

(c) DEFINITION.—For purposes of this section, the term "United States-Japan Semiconductor Trade Agreement" refers to the agreement between the United States and Japan concerning trade in semiconductor products, with arrangement, done by exchange of letters at Washington on June 11, 1991.

SEC. 1082. AGREEMENTS FOR EXCHANGE OF DEFENSE PERSONNEL BETWEEN THE UNITED STATES AND FOREIGN COUNTRIES.

(a) AUTHORITY TO ENTER INTO INTERNATIONAL EXCHANGE AGREEMENTS.—(1) The Secretary of Defense may enter into international defense personnel exchange agreements.

(2) For purposes of this section, an international defense personnel exchange agreement is an agreement with the government of an ally of the United States or another friendly foreign country for the exchange of—

(A) military and civilian personnel of the Department of Defense; and

(B) military and civilian personnel of the defense ministry of that foreign government.

(b) ASSIGNMENT OF PERSONNEL.—(1) Pursuant to an international defense personnel exchange agreement, personnel of the defense ministry of a foreign government may be assigned to positions in the Department of Defense and personnel of the Department of Defense may be assigned to positions in the defense ministry of such foreign government. Positions to which exchanged personnel are assigned may include positions of instructors.

(2) An agreement for the exchange of personnel engaged in research and development activities may provide for assignment of Department of Defense personnel to positions in private industry that support the defense ministry of the host foreign government.

(3) An individual may not be assigned to a position pursuant to an international defense personnel exchange agreement unless the assignment is acceptable to both governments.

(c) RECIPROCITY OF PERSONNEL QUALIFICATIONS REQUIRED.—Each government shall be required under an international defense personnel exchange agreement to provide personnel with qualifications, training, and skills that are essentially equal to those of the personnel provided by the other government.

(d) PAYMENT OF PERSONNEL COSTS.—(1) Each government shall pay the salary, per diem, cost of living, travel costs, cost of

language or other training, and other costs for its own personnel in accordance with the applicable laws and regulations of such government.

(2) Paragraph (1) does not apply to the following costs:

(A) The cost of temporary duty directed by the host government.

(B) The cost of training programs conducted to familiarize, orient, or certify exchanged personnel regarding unique aspects of the assignments of the exchanged personnel.

(C) Costs incident to the use of the facilities of the host government in the performance of assigned duties.

(e) PROHIBITED CONDITIONS.—No personnel exchanged pursuant to an agreement under this section may take or be required to take an oath of allegiance to the host country or to hold an official capacity in the government of such country.

(f) RELATIONSHIP TO OTHER AUTHORITY.—The requirements in subsections (c) and (d) shall apply in the exercise of any authority of the Secretaries of the military departments to enter into an agreement with the government of a foreign country to provide for the exchange of members of the armed forces and military personnel of the foreign country. The Secretary of Defense may prescribe regulations for the application of such subsections in the exercise of such authority.

SEC. 1083. SENSE OF SENATE REGARDING BOSNIA AND HERZEGOVINA.

It is the sense of the Senate that, notwithstanding any other provision of law, in order to maximize the amount of equipment provided to the Government of Bosnia and Herzegovina under the authority contained in section 540 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1996 (Public Law 104–107; 110 Stat. 737), the price of the transferred equipment shall not exceed the lowest level at which the same or similar equipment has been transferred to any other country under any other United States Government program.

SEC. 1084. DEFENSE BURDENSHARING.

(a) EFFORTS TO INCREASE ALLIED BURDENSHARING.—The President shall seek to have each nation that has cooperative military relations with the United States (including security agreements, basing arrangements, or mutual participation in multinational military organizations or operations) take one or more of the following actions:

(1) Increase its financial contributions to the payment of the nonpersonnel costs incurred by the United States Government for stationing United States military personnel in that nation, with a goal of achieving by September 30, 2000, 75 percent of such costs. An increase in financial contributions by any nation under this paragraph may include the elimination of taxes, fees, or other charges levied on United States military personnel, equipment, or facilities stationed in that nation.

(2) Increase its annual budgetary outlays for national defense as a percentage of its gross domestic product by 10 percent or at least to a level commensurate to that of the United States by September 30, 1997.

(3) Increase its annual budgetary outlays for foreign assistance (to promote democratization, economic stabilization, transparency arrangements, defense economic conversion, respect for the rule of law, and internationally recognized human rights) by 10 percent or at least to a level commensurate to that of the United States by September 30, 1997.

(4) Increase the amount of military assets (including personnel, equipment, logistics, support and other resources) that it contributes, or would be prepared to contribute, to multinational military activities worldwide.

(b) AUTHORITIES TO ENCOURAGE ACTIONS BY UNITED STATES ALLIES.—In seeking the actions described in subsection (a) with respect to any nation, or in response to a failure by any nation to undertake one or more of such actions, the President may take any of the following measures to the extent otherwise authorized by law:

(1) Reduce the end strength level of members of the Armed Forces assigned to permanent duty ashore in that nation.

(2) Impose on that nation fees or other charges similar to those that such nation imposes on United States forces stationed in that nation.

(3) Reduce (through rescission, impoundment, or other appropriate procedures as authorized by law) the amount the United States contributes to the NATO Civil Budget, Military Budget, or Security Investment Program.

(4) Suspend, modify, or terminate any bilateral security agreement the United States has with that nation, consistent with the terms of such agreement.

(5) Reduce (through rescission, impoundment or other appropriate procedures as authorized by law) any United States bilateral assistance appropriated for that nation.

(6) Take any other action the President determines to be appropriate as authorized by law.

(c) REPORT ON PROGRESS IN INCREASING ALLIED BURDENSHARING.—Not later than March 1, 1997, the Secretary of Defense shall submit to Congress a report on—

(1) steps taken by other nations to complete the actions described in subsection (a);

(2) all measures taken by the President, including those authorized in subsection (b), to achieve the actions described in subsection (a); and

(3) the budgetary savings to the United States that are expected to accrue as a result of the steps described under paragraph (1).

(d) REPORT ON NATIONAL SECURITY BASES FOR FORWARD DEPLOYMENT AND BURDENSHARING RELATIONSHIPS.—(1) In order to ensure the best allocation of budgetary resources, the President shall undertake a review of the status of elements of the United States Armed Forces that are permanently stationed outside the United States. The review shall include an assessment of the following:

(A) The alliance requirements that are to be found in agreements between the United States and other countries.

(B) The national security interests that support permanently stationing elements of the United States Armed Forces outside the United States.

(C) The stationing costs associated with the forward deployment of elements of the United States Armed Forces.

(D) The alternatives available to forward deployment (such as material prepositioning, enhanced airlift and sealift, or joint training operations) to meet such alliance requirements or national security interests, with such alternatives identified and described in detail.

(E) The costs and force structure configurations associated with such alternatives to forward deployment.

(F) The financial contributions that allies of the United States make to common defense efforts (to promote democratization, economic stabilization, transparency arrangements, defense economic conversion, respect for the rule of law, and internationally recognized human rights).

(G) The contributions that allies of the United States make to meeting the stationing costs associated with the forward deployment of elements of the United States Armed Forces.

(H) The annual expenditures of the United States and its allies on national defense, and the relative percentages of each nation's gross domestic product constituted by those expenditures.

(2) The President shall submit to Congress a report on the review under paragraph (1). The report shall be submitted not later than March 1, 1997, in classified and unclassified form.

(e) REPORT DATE.—Section 1003(c) of Public Law 98–515 is amended by striking out "each year" and inserting "by March 1, 1998, and every other year thereafter".

TITLE XI—NATIONAL IMAGERY AND MAPPING AGENCY

Sec. 1101. Short title.
Sec. 1102. Findings.
Sec. 1103. Role of Director of Central Intelligence in appointment and evaluation of certain intelligence officials.

Subtitle A—Establishment of Agency

Sec. 1111. Establishment.
Sec. 1112. Missions and authority.
Sec. 1113. Transfers of personnel and assets.
Sec. 1114. Compatibility with authority under the National Security Act of 1947.
Sec. 1115. Creditable civilian service for career conditional employees of the Defense Mapping Agency.
Sec. 1116. Saving provisions.
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Sec. 1118. Authorization of appropriations.

Subtitle B—Conforming Amendments and Effective Dates

Sec. 1121. Redesignation and repeals.
Sec. 1122. Reference amendments.
Sec. 1123. Headings and clerical amendments.
Sec. 1124. Effective date.

SEC. 1101. SHORT TITLE.

This title may be cited as the "National Imagery and Mapping Agency Act of 1996".

SEC. 1102. FINDINGS.

Congress makes the following findings:

(1) There is a need within the Department of Defense and the Intelligence Community of the United States to provide a single agency focus for the growing number and diverse types of customers for imagery and geospatial information resources within the Government, to ensure visibility and accountability for those resources, and to harness, leverage, and focus rapid technological developments to serve the imagery, imagery intelligence, and geospatial information customers.

(2) There is a need for a single Government agency to solicit and advocate the needs of that growing and diverse pool of customers.

(3) A single combat support agency dedicated to imagery, imagery intelligence, and geospatial information could act as a focal point for support of all imagery intelligence and geospatial information customers, including customers in the Department of Defense, the Intelligence Community, and related agencies outside of the Department of Defense.

(4) Such an agency would best serve the needs of the imagery, imagery intelligence, and geospatial information customers if it were organized—

(A) to carry out its mission responsibilities under the authority, direction, and control of the Secretary of Defense, with the advice of the Chairman of the Joint Chiefs of Staff; and

(B) to carry out its responsibilities to national intelligence customers in accordance with policies and priorities established by the Director of Central Intelligence.

SEC. 1103. ROLE OF DIRECTOR OF CENTRAL INTELLIGENCE IN APPOINTMENT AND EVALUATION OF CERTAIN INTELLIGENCE OFFICIALS.

(a) IN GENERAL.—Section 201 of title 10, United States Code, is amended to read as follows:

"§ 201. Certain intelligence officials: consultation and concurrence regarding appointments; evaluation of performance

"(a) CONSULTATION REGARDING APPOINTMENT.—Before submitting a recommendation to the President regarding the appointment of an individual to the position of Director of the Defense Intelligence Agency, the Secretary of Defense shall consult with the Director of Central Intelligence regarding the recommendation.

"(b) CONCURRENCE IN APPOINTMENT.—(1) Before submitting a recommendation to the President regarding the appointment of an individual to a position referred to in paragraph (2), the Secretary of Defense shall seek the concurrence of the Director of Central Intelligence in the recommendation. If the Director does not concur in the recommendation, the Secretary may make the recommendation to the President without the Director's concurrence, but shall include in the recommendation a statement that the Director does not concur in the recommendation.

"(2) Paragraph (1) applies to the following positions:

"(A) The Director of the National Security Agency.

"(B) The Director of the National Reconnaissance Office.

"(C) The Director of the National Imagery and Mapping Agency.".

"(c) PERFORMANCE EVALUATIONS.—(1) The Director of Central Intelligence shall provide annually to the Secretary of Defense, for the Secretary's consideration, an evaluation of the performance of the individuals holding the positions referred to in paragraph (2) in fulfilling their respective responsibilities with regard to the National Foreign Intelligence Program.

"(2) The positions referred to in paragraph (1) are the following:

"(A) The Director of the National Security Agency.

"(B) The Director of the National Reconnaissance Office.

"(C) The Director of the National Imagery and Mapping Agency.".

(b) CLERICAL AMENDMENT.—The item relating to section 201 in the table of sections at the beginning of subchapter II of chapter 8 of such title is amended to read as follows:

"201. Certain intelligence officials: consultation and concurrence regarding appointments; evaluation of performance.".

Subtitle A—Establishment of Agency

SEC. 1111. ESTABLISHMENT.

(a) ESTABLISHMENT.—There is hereby established in the Department of Defense a Defense Agency to be known as the National Imagery and Mapping Agency.

(b) TRANSFER OF FUNCTIONS FROM DEPARTMENT OF DEFENSE ENTITIES.—The missions and functions of the following elements of the Department of Defense are transferred to the National Imagery and Mapping Agency:

(1) The Defense Mapping Agency.

(2) The Central Imagery Office.

(3) Other elements of the Department of Defense as specified in the classified annex to this Act.

(c) TRANSFER OF FUNCTIONS FROM CENTRAL INTELLIGENCE AGENCY.—The missions and functions of the following elements of the Central Intelligence Agency are transferred to the National Imagery and Mapping Agency:

(1) The National Photographic Interpretation Center.

(2) Other elements of the Central Intelligence Agency as specified in the classified annex to this Act.

(d) PRESERVATION OF LEVEL AND QUALITY OF IMAGERY INTELLIGENCE SUPPORT TO ALL-SOURCE ANALYSIS AND PRODUCTION.—In managing the establishment of the National Imagery and Mapping Agency, the Secretary of Defense, in consultation with the Director of Central Intelligence, shall ensure that imagery intelligence support provided to all-source analysis and production is in no way degraded or compromised.

SEC. 1112. MISSIONS AND AUTHORITY.

(a) AGENCY CHARTER.—Part I of subtitle A of title 10, United States Code, is amended—

(1) by redesignating chapter 22 as chapter 23; and

(2) by inserting after chapter 21 the following new chapter 22:

"CHAPTER 22—NATIONAL IMAGERY AND MAPPING AGENCY

"Subchapter	*Sec.*
"I. Missions and Authority	*441*
"II. Maps, Charts, and Geodetic Products	*451*
"III. Personnel Management	*461*
"IV. Definitions	*467*

"SUBCHAPTER I—MISSIONS AND AUTHORITY

"Sec.
"441. Establishment.
"442. Missions.
"443. Imagery intelligence and geospatial information: support for foreign countries.
"444. Support from Central Intelligence Agency.
"445. Protection of agency identifications and organizational information.

"§ 441. Establishment

"(a) ESTABLISHMENT.—The National Imagery and Mapping Agency is a combat support agency of the Department of Defense and has significant national missions.

"(b) DIRECTOR.—(1) The Director of the National Imagery and Mapping Agency is the head of the agency.

"(2) Upon a vacancy in the position of Director, the Secretary of Defense shall recommend to the President an individual for appointment to the position.

"(3) If an officer of the armed forces on active duty is appointed to the position of Director, the position shall be treated as having been designated by the President as a position of importance and responsibility for purposes of section 601 of this title and shall carry the grade of lieutenant general, or, in the case of an officer of the Navy, vice admiral.

"(c) DIRECTOR OF CENTRAL INTELLIGENCE COLLECTION TASKING AUTHORITY.—Unless otherwise directed by the President, the Director of Central Intelligence shall have authority (except as otherwise agreed by the Director and the Secretary of Defense) to—

"(1) approve collection requirements levied on national imagery collection assets;

"(2) determine priorities for such requirements; and

"(3) resolve conflicts in such priorities.

"(d) AVAILABILITY AND CONTINUED IMPROVEMENT OF IMAGERY INTELLIGENCE SUPPORT TO ALL-SOURCE ANALYSIS AND PRODUCTION FUNCTION.—The Secretary of Defense, in consultation with the Director of Central Intelligence, shall take all necessary steps to ensure the full availability and continued improvement of imagery intelligence support for all-source analysis and production.

"§ 442. Missions

"(a) NATIONAL SECURITY MISSIONS.—(1) The National Imagery and Mapping Agency shall, in support of the national security objectives of the United States, provide the following:

"(A) Imagery.

"(B) Imagery intelligence.

"(C) Geospatial information.

"(2) Imagery, intelligence, and information provided in carrying out paragraph (1) shall be timely, relevant, and accurate.

"(b) NAVIGATION INFORMATION.—The National Imagery and Mapping Agency shall improve means of navigating vessels of the Navy and the merchant marine by providing, under the authority of the Secretary of Defense, accurate and inexpensive nautical charts, sailing directions, books on navigation, and manuals of instructions for the use of all vessels of the United States and of navigators generally.

"(c) MAPS, CHARTS, ETC.—The National Imagery and Mapping Agency shall prepare and distribute maps, charts, books, and geodetic products as authorized under subchapter II of this chapter.

"(d) NATIONAL MISSIONS.—The National Imagery and Mapping Agency also has national missions as specified in section 120(a) of the National Security Act of 1947.

"(e) SYSTEMS.—The National Imagery and Mapping Agency may, in furtherance of a mission of the Agency, design, develop, deploy, operate, and maintain systems related to the processing and dissemination of imagery intelligence and geospatial information that may be transferred to, accepted or used by, or used on behalf of—

"(1) the armed forces, including any combatant command, component of a combatant command, joint task force, or tactical unit; or

"(2) any other department or agency of the United States.

"§ 443. Imagery intelligence and geospatial information: support for foreign countries

"(a) USE OF APPROPRIATED FUNDS.—The Director of the National Imagery and Mapping Agency may use appropriated funds available to the National Imagery and Mapping Agency to provide foreign countries with imagery intelligence and geospatial information support.

"(b) USE OF FUNDS OTHER THAN APPROPRIATED FUNDS.—The Director may use funds other than appropriated funds to provide foreign countries with imagery intelligence and geospatial information support, notwithstanding provisions of law relating to the expenditure of funds of the United States, except that—

"(1) no such funds may be expended, in whole or in part, by or for the benefit of the National Imagery and Mapping Agency for a purpose for which Congress had previously denied funds.

"(2) proceeds from the sale of imagery intelligence or geospatial information items may be used only to purchase replacement items similar to the items that are sold; and

"(3) the authority provided by this subsection may not be used to acquire items or services for the principal benefit of the United States.

"(c) ACCOMMODATION PROCUREMENTS.—The authority under this section may be exercised to conduct accommodation procurements on behalf of foreign countries.

"(d) COORDINATION WITH DIRECTOR OF CENTRAL INTELLIGENCE.—The Director of the Agency shall coordinate with the Di-

rector of Central Intelligence any action under this section that involves imagery intelligence or intelligence products or involves providing support to an intelligence or security service of a foreign country.

"§ 444. Support from Central Intelligence Agency

"(a) SUPPORT AUTHORIZED.—The Director of Central Intelligence may provide support in accordance with this section to the Director of the National Imagery and Mapping Agency. The Director of the National Imagery and Mapping Agency may accept support provided under this section.

"(b) ADMINISTRATIVE AND CONTRACT SERVICES.—(1) In furtherance of the national intelligence effort, the Director of Central Intelligence may provide administrative and contract services to the National Imagery and Mapping Agency as if that agency were an organizational element of the Central Intelligence Agency.

"(2) Services provided under paragraph (1) may include the services of security police. For purposes of section 15 of the Central Intelligence Agency Act of 1949 (50 U.S.C. 403o), an installation of the National Imagery and Mapping Agency that is provided security police services under this section shall be considered an installation of the Central Intelligence Agency.

"(3) Support provided under this subsection shall be provided under terms and conditions agreed upon by the Secretary of Defense and the Director of Central Intelligence.

"(c) DETAIL OF PERSONNEL.—The Director of Central Intelligence may detail personnel of the Central Intelligence Agency indefinitely to the National Imagery and Mapping Agency without regard to any limitation on the duration of interagency details of Federal Government personnel.

"(d) REIMBURSABLE OR NONREIMBURSABLE SUPPORT.—Support under this section may be provided and accepted on either a reimbursable basis or a nonreimbursable basis.

"(e) AUTHORITY TO TRANSFER FUNDS.—(1) The Director of the National Imagery and Mapping Agency may transfer funds available for that agency to the Director of Central Intelligence for the Central Intelligence Agency.

"(2) The Director of Central Intelligence—

"(A) may accept funds transferred under paragraph (1); and

"(B) shall expend such funds, in accordance with the Central Intelligence Agency Act of 1949 (50 U.S.C. 403a et seq.), to provide administrative and contract services or detail personnel to the National Imagery and Mapping Agency under this section.

"§ 445. Protection of agency identifications and organizational information

"(a) UNAUTHORIZED USE OF AGENCY NAME, INITIALS, OR SEAL.—(1) Except with the written permission of the Secretary of Defense, no person may knowingly use, in connection with any merchandise, retail product, impersonation, solicitation, or commercial activity in a manner reasonably calculated to convey the impression

that such use is approved, endorsed, or authorized by the Secretary of Defense, any of the following:

"(A) The words 'National Imagery and Mapping Agency', the initials 'NIMA', or the seal of the National Imagery and Mapping Agency.

"(B) The words 'Defense Mapping Agency', the initials 'DMA', or the seal of the Defense Mapping Agency.

"(C) Any colorable imitation of such words, initials, or seals.

"(2) Whenever it appears to the Attorney General that any person is engaged or about to engage in an act or practice which constitutes or will constitute conduct prohibited by paragraph (1), the Attorney General may initiate a civil proceeding in a district court of the United States to enjoin such act or practice. Such court shall proceed as soon as practicable to a hearing and determination of such action and may, at any time before such final determination, enter such restraining orders or prohibitions, or take such other action as is warranted, to prevent injury to the United States or to any person or class of persons for whose protection the action is brought.

"SUBCHAPTER II—MAPS, CHARTS, AND GEODETIC PRODUCTS

"Sec.
"451. Maps, charts, and books.
"452. Pilot charts.
"453. Prices of maps, charts, and navigational publications.
"454. Exchange of mapping, charting, and geodetic data with foreign countries and international organizations
"455. Maps, charts, and geodetic data: public availability; exceptions.
"456. Civil actions barred.

"SUBCHAPTER III—PERSONNEL MANAGEMENT

"Sec.
"461. Management rights.

"§ 461. Management rights

"(a) SCOPE.—If there is no obligation under the provisions of chapter 71 of title 5 for the head of an agency of the United States to consult or negotiate with a labor organization on a particular matter by reason of that matter being covered by a provision of law or a Governmentwide regulation, the Director of the National Imagery and Mapping Agency is not obligated to consult or negotiate with a labor organization on that matter even if that provision of law or regulation is inapplicable to the National Imagery and Mapping Agency.

"(b) BARGAINING UNITS.—The National Imagery and Mapping Agency shall accord exclusive recognition to a labor organization under section 7111 of title 5 only for a bargaining unit that was recognized as appropriate for the Defense Mapping Agency on the day before the date on which employees and positions of the Defense Mapping Agency in that bargaining unit became employees and positions of the National Imagery and Mapping Agency under the National Imagery and Mapping Agency Act of 1996 (title XI of the National Defense Authorization Act for Fiscal Year 1997).

"(c) TERMINATION OF BARGAINING UNIT COVERAGE OF POSITION MODIFIED TO AFFECT NATIONAL SECURITY DIRECTLY.—(1) If the Director of the National Imagery and Mapping Agency determines that the responsibilities of a position within a collective bargaining unit should be modified to include intelligence, counterintelligence, investigative, or security duties not previously assigned to that position and that the performance of the newly assigned duties directly affects the national security of the United States, then, upon such a modification of the responsibilities of that position, the position shall cease to be covered by the collective bargaining unit and the employee in that position shall cease to be entitled to representation by a labor organization accorded exclusive recognition for that collective bargaining unit.

"(2) A determination described in paragraph (1) that is made by the Director of the National Imagery and Mapping Agency may not be reviewed by the Federal Labor Relations Authority or any court of the United States.

"SUBCHAPTER IV—DEFINITIONS

"Sec.
"467. Definitions.

"§ 467. Definitions

"In this chapter:

"(1) The term 'function' means any duty, obligation, responsibility, privilege, activity, or program.

"(2)(A) The term 'imagery' means, except as provided in subparagraph (B), a likeness or presentation of any natural or manmade feature or related object or activity and the positional data acquired at the same time the likeness or representation was acquired, including—

"(i) products produced by space-based national intelligence reconnaissance systems; and

"(ii) likenesses or presentations produced by satellites, airborne platforms, unmanned aerial vehicles, or other similar means.

"(B) Such term does not include handheld or clandestine photography taken by or on behalf of human intelligence collection organizations.

"(3) The term 'imagery intelligence' means the technical, geographic, and intelligence information derived through the interpretation or analysis of imagery and collateral materials.

"(4) The term 'geospatial information' means information that identifies the geographic location and characteristics of natural or constructed features and boundaries on the earth and includes—

"(A) statistical data and information derived from, among other things, remote sensing, mapping, and surveying technologies;

"(B) mapping, charting, and geodetic data; and

"(C) geodetic products, as defined in section 455(c) of this title.".

(b) TRANSFER OF DEFENSE MAPPING AGENCY PROVISIONS.—(1) Sections 2792, 2793, 2794, 2795, 2796, and 2798 of title 10, United

States Code, are transferred to subchapter II of chapter 22 of such title, as added by subsection (a), inserted in that sequence in such subchapter following the table of sections, and redesignated in accordance with the following table:

Section transferred	***Section as redesignated***
2792	*451*
2793	*452*
2794	*453*
2795	*454*
2796	*455*
2798	*456.*

(2) Sections 451(1), 452, 453, 454, and 455 (in subsections (a) and (b)(1)(C)), and 456 of title 10, United States Code, as transferred and redesignated by paragraph (1), are amended by striking out "Defense Mapping Agency" each place it appears and inserting in lieu thereof "National Imagery and Mapping Agency".

(c) OVERSIGHT OF AGENCY AS A COMBAT SUPPORT AGENCY.—Section 193 of title 10, United States Code, is amended—

(1) in subsection (d)—

(A) by striking out the caption and inserting in lieu thereof "REVIEW OF NATIONAL SECURITY AGENCY AND NATIONAL IMAGERY AND MAPPING AGENCY.—";

(B) in paragraph (1)—

(i) by inserting "and the National Imagery and Mapping Agency" after "the National Security Agency"; and

(ii) by striking out "the Agency" and inserting in lieu thereof "that the agencies"; and

(C) in paragraph (2), by inserting "and the National Imagery and Mapping Agency" after "the National Security Agency";

(2) in subsection (e)—

(A) by striking out "DIA AND NSA" in the caption and inserting in lieu thereof the following: "DIA, NSA, AND NIMA"; and

(B) by striking out "and the National Security Agency" and inserting in lieu thereof ", the National Security Agency, and the National Imagery and Mapping Agency"; and

(3) in subsection (f), by striking out paragraph (4) and inserting in lieu thereof the following:

"(4) The National Imagery and Mapping Agency.".

(d) CONSOLIDATION AND STANDARDIZATION OF EXEMPTIONS FROM DISCLOSURE OF ORGANIZATIONAL AND PERSONNEL INFORMATION.—Chapter 21 of title 10, United States Code, is amended by striking out sections 424 and 425 and inserting in lieu thereof the following:

"§ 424. Disclosure of organizational and personnel information: exemption for Defense Intelligence Agency, National Reconnaissance Office, and National Imagery and Mapping Agency

"(a) EXEMPTION FROM DISCLOSURE.—Except as required by the President or as provided in subsection (c), no provision of law shall be construed to require the disclosure of—

"(1) the organization or any function of an organization of the Department of Defense named in subsection (b); or

"(2) the number of persons employed by or assigned or detailed to any such organization or the name, official title, occupational series, grade, or salary of any such person.

"(b) COVERED ORGANIZATIONS.—This section applies to the following organizations of the Department of Defense:

"(1) The Defense Intelligence Agency.

"(2) The National Reconnaissance Office.

"(3) The National Imagery and Mapping Agency.

"(c) PROVISION OF INFORMATION TO CONGRESS.—Subsection (a) does not apply with respect to the provision of information to Congress.".

(e) SPECIAL PRINTING AUTHORITY FOR AGENCY.—(1) Section 207(a)(2)(B) of the Legislative Branch Appropriations Act, 1993 (Public Law 102–392; 44 U.S.C. 501 note), is amended by inserting "National Imagery and Mapping Agency," after "Defense Intelligence Agency,".

(2) Section 1336 of title 44, United States Code, is amended—

(A) by striking out "Secretary of the Navy" and inserting in lieu thereof "Director of the National Imagery and Mapping Agency"; and

(B) by striking out "United States Naval Oceanographic Office" and inserting in lieu thereof "National Imagery and Mapping Agency".

SEC. 1113. TRANSFERS OF PERSONNEL AND ASSETS.

(a) PERSONNEL AND ASSETS.—Subject to subsections (b) and (c), the personnel, assets, unobligated balances of appropriations and authorizations of appropriations, and, to the extent jointly determined appropriate by the Secretary of Defense and Director of Central Intelligence, obligated balances of appropriations and authorizations of appropriations employed, used, held, arising from, or available in connection with the missions and functions transferred under section 1111(b) or section 1111(c) are transferred to the National Imagery and Mapping Agency. Transfers of appropriations from the Central Intelligence Agency under this subsection shall be made in accordance with section 1531 of title 31, United States Code.

(b) DETERMINATION OF CIA POSITIONS TO BE TRANSFERRED.—Not earlier than two years after the effective date of this subtitle, the Secretary of Defense and the Director of Central Intelligence shall determine which, if any, positions and personnel of the Central Intelligence Agency are to be transferred to the National Imagery and Mapping Agency. The positions to be transferred, and the employees serving in such positions, shall be transferred to the National Imagery and Mapping Agency under terms and conditions prescribed by the Secretary of Defense and the Director of Central Intelligence.

(c) RULE FOR CIA IMAGERY ACTIVITIES ONLY PARTIALLY TRANSFERRED.—If the National Photographic Interpretation Center of the Central Intelligence Agency or any imagery-related activity of the Central Intelligence Agency authorized to be performed by the National Imagery and Mapping Agency is not completely transferred to the National Imagery and Mapping Agency, the Secretary of Defense and the Director of Central Intelligence shall—

(1) jointly determine which, if any, contracts, leases, property, and records employed, used, held, arising from, available to, or otherwise relating to such Center or activity is to be transferred to the National Imagery and Intelligence Agency; and

(2) provide by written agreement for the transfer of such items.

SEC. 1114. COMPATIBILITY WITH AUTHORITY UNDER THE NATIONAL SECURITY ACT OF 1947.

(a) AGENCY FUNCTIONS.—Paragraph (2) of section 105(b) of the National Security Act of 1947 (50 U.S.C. 403–5(b)) is amended to read as follows:

"(2) through the National Imagery and Mapping Agency (except as otherwise directed by the President or the National Security Council), with appropriate representation from the intelligence community, the continued operation of an effective unified organization within the Department of Defense—

"(A) for carrying out tasking of imagery collection;

"(B) for the coordination of imagery processing and exploitation activities;

"(C) for ensuring the dissemination of imagery in a timely manner to authorized recipients; and

"(D) notwithstanding any other provision of law, for—

"(i) prescribing technical architecture and standards related to imagery intelligence and geospatial information and ensuring compliance with such architecture and standards; and

"(ii) developing and fielding systems of common concern related to imagery intelligence and geospatial information;".

(b) NATIONAL MISSION.—Title I of such Act (50 U.S.C. 402 et seq.) is amended by adding at the end the following new section:

"NATIONAL MISSION OF NATIONAL IMAGERY AND MAPPING AGENCY

"SEC. 120. (a) IN GENERAL.—In addition to the Department of Defense missions set forth in section 442 of title 10, United States Code, the National Imagery and Mapping Agency shall support the imagery requirements of the Department of State and other departments and agencies of the United States outside the Department of Defense.

"(b) REQUIREMENTS AND PRIORITIES.—The Director of Central Intelligence shall establish requirements and priorities governing the collection of national intelligence by the National Imagery and Mapping Agency under subsection (a).

"(c) CORRECTION OF DEFICIENCIES.—The Director of Central Intelligence shall develop and implement such programs and policies as the Director and the Secretary of Defense jointly determine necessary to review and correct deficiencies identified in the capabilities of the National Imagery and Mapping Agency to accomplish assigned national missions, including support to the all-source analysis and production process. The Director shall consult with the Secretary of Defense on the development and implementation of such programs and policies. The Secretary shall obtain the advice of the Chairman of the Joint Chiefs of Staff regarding the matters on

which the Director and the Secretary are to consult under the preceding sentence.".

(c) TASKING OF IMAGERY ASSETS.—Title I of such Act is further amended by adding at the end the following new section:

"COLLECTION TASKING AUTHORITY

"SEC. 121. Unless otherwise directed by the President, the Director of Central Intelligence shall have authority (except as otherwise agreed by the Director and the Secretary of Defense) to—

"(1) approve collection requirements levied on national imagery collection assets;

"(2) determine priorities for such requirements; and

"(3) resolve conflicts in such priorities.".

(d) CLERICAL AMENDMENT.—The table of contents in the first section of such Act is amended by inserting after the item relating to section 109 the following new items:

"Sec. 120. National mission of National Imagery and Mapping Agency.
"Sec. 121. Collection tasking authority.".

SEC. 1115. CREDITABLE CIVILIAN SERVICE FOR CAREER CONDITIONAL EMPLOYEES OF THE DEFENSE MAPPING AGENCY.

In the case of an employee of the National Imagery and Mapping Agency who, on the day before the effective date of this title, was an employee of the Defense Mapping Agency in a career-conditional status, the continuous service of that employee as an employee of the National Imagery and Mapping Agency on and after such date shall be considered creditable service for the purpose of any determination of the career status of the employee.

SEC. 1116. SAVING PROVISIONS.

(a) CONTINUING EFFECT ON LEGAL DOCUMENTS.—All orders, determinations, rules, regulations, permits, agreements, international agreements, grants, contracts, leases, certificates, licenses, registrations, privileges, and other administrative actions—

(1) which have been issued, made, granted, or allowed to become effective by the President, any Federal agency or official thereof, or by a court of competent jurisdiction, in connection with any of the functions which are transferred under this title or any function that the National Imagery and Mapping Agency is authorized to perform by law, and

(2) which are in effect at the time this title takes effect, or were final before the effective date of this title and are to become effective on or after the effective date of this title,

shall continue in effect according to their terms until modified, terminated, superseded, set aside, or revoked in accordance with law by the President, the Secretary of Defense, the Director of the National Imagery and Mapping Agency or other authorized official, a court of competent jurisdiction, or by operation of law.

(b) PROCEEDINGS NOT AFFECTED.—This title and the amendments made by this title shall not affect any proceedings, including notices of proposed rulemaking, or any application for any license, permit, certificate, or financial assistance pending before an element of the Department of Defense or Central Intelligence Agency at the time this title takes effect, with respect to function of that element transferred by section 1122, but such proceedings and applications

shall be continued. Orders shall be issued in such proceedings, appeals shall be taken therefrom, and payments shall be made pursuant to such orders, as if this title had not been enacted, and orders issued in any such proceedings shall continue in effect until modified, terminated, superseded, or revoked by a duly authorized official, by a court of competent jurisdiction, or by operation of law. Nothing in this section shall be deemed to prohibit the discontinuance or modification of any such proceeding under the same terms and conditions and to the same extent that such proceeding could have been discontinued or modified if this title had not been enacted.

SEC. 1117. DEFINITIONS.

In this subtitle, the terms "function", "imagery", "imagery intelligence", and "geospatial information" have the meanings given those terms in section 467 of title 10, United States Code, as added by section 1112.

SEC. 1118. AUTHORIZATION OF APPROPRIATIONS.

Funds are authorized to be appropriated for the National Imagery and Mapping Agency for fiscal year 1997 in amounts and for purposes, and subject to the terms, conditions, limitations, restrictions, and requirements, that are set forth in the Classified Annex to this Act.

Subtitle B—Conforming Amendments and Effective Dates

SEC. 1121. REDESIGNATION AND REPEALS.

(a) REDESIGNATION.—Chapter 23 of title 10, United States Code (as redesignated by section 1112(a)(1)) is amended by redesignating the sections in that chapter as sections 481 and 482, respectively.

(b) REPEAL OF SUPERSEDED LAW.—Chapter 167 of such title, as amended by section 1112(b), is repealed.

SEC. 1122. REFERENCE AMENDMENTS.

(a) TITLE 5, UNITED STATES CODE.—Title 5, United States Code, is amended as follows:

(1) CENTRAL IMAGERY OFFICE.—Sections 2302(a)(2)(C)(ii), 3132(a)(1)(B), 4301(1) (in clause (ii)), 4701(a)(1)(B), 5102(a)(1) (in clause (xi)), 5342(a)(1)(L), 6339(a)(1)(E), and 7323(b)(2)(B)(i)(XIII) are amended by striking out "Central Imagery Office" and inserting in lieu thereof "National Imagery and Mapping Agency".

(2) DIRECTOR, CENTRAL IMAGERY OFFICE.—Section 6339(a)(2)(E) is amended by striking out "Central Imagery Office, the Director of the Central Imagery Office" and inserting in lieu thereof "National Imagery and Mapping Agency, the Director of the National Imagery and Mapping Agency".

(b) OTHER LAWS.—The following provisions of law are amended by striking out "Central Imagery Office" and inserting in lieu thereof "National Imagery and Mapping Agency":

(1) NATIONAL SECURITY ACT OF 1947.—Section 3(4)(E) of the National Security Act of 1947 (50 U.S.C. 401a(4)(E).

(2) ETHICS IN GOVERNMENT ACT OF 1978.—Section 105(a) of the Ethics in Government Act of 1978 (Public Law 95–521; 5 U.S.C. App. 4).

(3) EMPLOYEE POLYGRAPH PROTECTION ACT.—Section 7(b)(2)(A)(i) of the Employee Polygraph Protection Act of 1988 (Public Law 100–347; 29 U.S.C. 2006(b)(2)(A)(i)).

(c) CROSS REFERENCE.—Section 82 of title 14, United States Code, is amended by striking out "chapter 167" and inserting in lieu thereof "subchapter II of chapter 22".

SEC. 1123. HEADINGS AND CLERICAL AMENDMENTS.

(a) TITLE 10, UNITED STATES CODE.—

(1) The table of chapters at the beginning of subtitle A of title 10, United States Code, is amended—

(A) by striking out the item relating to chapter 22 and inserting in lieu thereof the following:

"22. National Imagery and Mapping Agency 441
"23. Miscellaneous Studies and Reports ..... 471";

and

(B) by striking out the item relating to chapter 167.

(2) The table of chapters at the beginning of part I of such subtitle is amended by striking out the item relating to chapter 22 and inserting in lieu thereof the following:

"22. National Imagery and Mapping Agency 441
"23. Miscellaneous Studies and Reports ..... 471";

(3) The table of chapters at the beginning of part IV of such subtitle is amended by striking out the item relating to chapter 167.

(4) The items in the table of sections at the beginning of chapter 23 of title 10, United States Code (as redesignated by section 1112(a)(1)), are revised so as to reflect the redesignations made by section 1121(a).

(b) TITLE 44, UNITED STATES CODE.—

(1) The heading of section 1336 of title 44, United States Code, is amended to read as follows:

"§ 1336. National Imagery and Mapping Agency: special publications".

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

"1336. National Imagery and Mapping Agency: special publications.".

SEC. 1124. EFFECTIVE DATE.

This title and the amendments made by this title shall take effect on October 1, 1996, or the date of the enactment of this Act, whichever is later.

TITLE XII—RESERVE FORCES REVITALIZATION

TITLE XII—RESERVE FORCES REVITALIZATION

Sec. 1201. Short title.
Sec. 1202. Purpose.

Subtitle A—Reserve Component Structure

Sec. 1211. Reserve component commands.
Sec. 1212. Reserve component chiefs.
Sec. 1213. Review of active duty and reserve general and flag officer authorizations.
Sec. 1214. Guard and reserve technicians.

Subtitle B—Reserve Component Accessibility

Sec. 1231. Report to Congress on measures to improve National Guard and reserve ability to respond to emergencies.
Sec. 1232. Report to Congress concerning tax incentives for employers of members of reserve components.
Sec. 1233. Report to Congress concerning income insurance program for activated reservists.
Sec. 1234. Report to Congress concerning small business loans for members released from reserve service during contingency operations.

Subtitle C—Reserve Forces Sustainment

Sec. 1251. Report concerning tax deductibility of nonreimbursable expenses.
Sec. 1252. Authority to pay transient housing charges for members performing active duty for training.
Sec. 1253. Sense of Congress concerning quarters allowance during service on active duty for training.
Sec. 1254. Sense of Congress concerning military leave policy.
Sec. 1255. Reserve Forces Policy Board.
Sec. 1256. Report on parity of benefits for active duty service and reserve service.
Sec. 1257. Information on proposed funding for the Guard and Reserve components in future-years defense programs.

SEC. 1201. SHORT TITLE.

This title may be cited as the "Reserve Forces Revitalization Act of 1996".

SEC. 1202. PURPOSE.

The purpose of this title is to revise the basic statutory authorities governing the organization and administration of the reserve components of the Armed Forces in order to recognize the realities of reserve component partnership in the Total Force and to better prepare the American citizen-soldier, sailor, airman, and Marine in time of peace for duties in war.

Subtitle A—Reserve Component Structure

SEC. 1211. RESERVE COMPONENT COMMANDS.

(a) ESTABLISHMENT.—(1) Part I of subtitle E of title 10, United States Code, is amended by inserting after chapter 1005 the following new chapter:

"CHAPTER 1006—RESERVE COMPONENT COMMANDS

"Sec.
"10171. United States Army Reserve Command.
"10172. Naval Reserve Force.

"10173. Marine Forces Reserve.
"10174. Air Force Reserve Command.

"§ 10171. United States Army Reserve Command

"(a) COMMAND.—The United States Army Reserve Command is a separate command of the Army commanded by the Chief of Army Reserve.

"(b) CHAIN OF COMMAND.—Except as otherwise prescribed by the Secretary of Defense, the Secretary of the Army shall prescribe the chain of command for the United States Army Reserve Command.

"(c) ASSIGNMENT OF FORCES.—The Secretary of the Army—

"(1) shall assign to the United States Army Reserve Command all forces of the Army Reserve in the continental United States other than forces assigned to the unified combatant command for special operations forces established pursuant to section 167 of this title; and

"(2) except as otherwise directed by the Secretary of Defense in the case of forces assigned to carry out functions of the Secretary of the Army specified in section 3013 of this title, shall assign all such forces of the Army Reserve to the commander of the United States Atlantic Command.

"§ 10172. Naval Reserve Force

"(a) ESTABLISHMENT OF COMMAND.—The Secretary of the Navy, with the advice and assistance of the Chief of Naval Operations, shall establish a Naval Reserve Force. The Naval Reserve Force shall be operated as a separate command of the Navy.

"(b) COMMANDER.—The Chief of Naval Reserve shall be the commander of the Naval Reserve Force. The commander of the Naval Reserve Force reports directly to the Chief of Naval Operations.

"(c) ASSIGNMENT OF FORCES.—The Secretary of the Navy—

"(1) shall assign to the Naval Reserve Force specified portions of the Naval Reserve other than forces assigned to the unified combatant command for special operations forces established pursuant to section 167 of this title; and

"(2) except as otherwise directed by the Secretary of Defense in the case of forces assigned to carry out functions of the Secretary of the Navy specified in section 5013 of this title, shall assign to the combatant commands all such forces assigned to the Naval Reserve Force under paragraph (1) in the manner specified by the Secretary of Defense.

"§ 10173. Marine Forces Reserve

"(a) ESTABLISHMENT.—The Secretary of the Navy, with the advice and assistance of the Commandant of the Marine Corps, shall establish in the Marine Corps a command known as the Marine Forces Reserve.

"(b) COMMANDER.—The Marine Forces Reserve is commanded by the Commander, Marine Forces Reserve. The Commander, Marine Forces Reserve, reports directly to the Commandant of the Marine Corps.

"(c) ASSIGNMENT OF FORCES.—The Commandant of the Marine Corps—

"(1) shall assign to the Marine Forces Reserve the forces of the Marine Corps Reserve stationed in the continental United States other than forces assigned to the unified combatant command for special operations forces established pursuant to section 167 of this title; and

"(2) except as otherwise directed by the Secretary of Defense in the case of forces assigned to carry out functions of the Secretary of the Navy specified in section 5013 of this title, shall assign to the combatant commands (through the Marine Corps component commander for each such command) all such forces assigned to the Marine Forces Reserve under paragraph (1) in the manner specified by the Secretary of Defense.

"§ 10174. Air Force Reserve Command

"(a) ESTABLISHMENT OF COMMAND.—The Secretary of the Air Force, with the advice and assistance of the Chief of Staff of the Air Force, shall establish an Air Force Reserve Command. The Air Force Reserve Command shall be operated as a separate command of the Air Force.

"(b) COMMANDER.—The Chief of Air Force Reserve is the Commander of the Air Force Reserve Command. The commander of the Air Force Reserve Command reports directly to the Chief of Staff of the Air Force.

"(c) ASSIGNMENT OF FORCES.—The Secretary of the Air Force—

"(1) shall assign to the Air Force Reserve Command all forces of the Air Force Reserve stationed in the continental United States other than forces assigned to the unified combatant command for special operations forces established pursuant to section 167 of this title; and

"(2) except as otherwise directed by the Secretary of Defense in the case of forces assigned to carry out functions of the Secretary of the Air Force specified in section 8013 of this title, shall assign to the combatant commands all such forces assigned to the Air Force Reserve Command under paragraph (1) in the manner specified by the Secretary of Defense.".

(2) The tables of chapters at the beginning of part I of such subtitle and at the beginning of such subtitle are each amended by inserting after the item relating to chapter 1005 the following new item:

"1006. Reserve Component Commands ..... 10171".

(b) CONFORMING REPEAL.—Section 903 of the National Defense Authorization Act for Fiscal Year 1991 (10 U.S.C. 3074 note) is repealed.

(c) IMPLEMENTATION SCHEDULE.—Implementation of chapter 1006 of title 10, United States Code, as added by subsection (a), shall begin not later than 90 days after the date of the enactment of this Act and shall be completed not later than one year after such date.

SEC. 1212. RESERVE COMPONENT CHIEFS.

(a) CHIEF OF ARMY RESERVE.—Section 3038 of title 10, United States Code, is amended by adding at the end the following new subsections:

"(d) BUDGET.—The Chief of Army Reserve is the official within the executive part of the Department of the Army who, subject to the authority, direction, and control of the Secretary of the Army and the Chief of Staff, is responsible for justification and execution of the personnel, operation and maintenance, and construction budgets for the Army Reserve. As such, the Chief of Army Reserve is the director and functional manager of appropriations made for the Army Reserve in those areas.

"(e) FULL TIME SUPPORT PROGRAM.—The Chief of Army Reserve manages, with respect to the Army Reserve, the personnel program of the Department of Defense known as the Full Time Support Program.

"(f) ANNUAL REPORT.—(1) The Chief of Army Reserve shall submit to the Secretary of Defense, through the Secretary of the Army, an annual report on the state of the Army Reserve and the ability of the Army Reserve to meet its missions. The report shall be prepared in conjunction with the Chief of Staff of the Army and may be submitted in classified and unclassified versions.

"(2) The Secretary of Defense shall transmit the annual report of the Chief of Army Reserve under paragraph (1) to Congress, together with such comments on the report as the Secretary considers appropriate. The report shall be transmitted at the same time each year that the annual report of the Secretary under section 113 of this title is submitted to Congress.".

(b) CHIEF OF NAVAL RESERVE.—(1) Chapter 513 of such title is amended by inserting after section 5142a the following new section:

"§ 5143. Office of Naval Reserve: appointment of Chief

"(a) ESTABLISHMENT OF OFFICE: CHIEF OF NAVAL RESERVE.—There is in the executive part of the Department of the Navy, on the staff of the Chief of Naval Operations, an Office of the Naval Reserve, which is headed by a Chief of Naval Reserve. The Chief of Naval Reserve—

"(1) is the principal adviser on Naval Reserve matters to the Chief of Naval Operations; and

"(2) is the commander of the Naval Reserve Force.

"(b) APPOINTMENT.—The President, by and with the advice and consent of the Senate, shall appoint the Chief of Naval Reserve from officers who—

"(1) have had at least 10 years of commissioned service;

"(2) are in a grade above captain; and

"(3) have been recommended by the Secretary of the Navy.

"(c) GRADE.—(1) The Chief of Naval Reserve holds office for a term determined by the Chief of Naval Operations, normally four years, but may be removed for cause at any time. He is eligible to succeed himself.

"(2) The Chief of Naval Reserve, while so serving, has a grade above rear admiral (lower half), without vacating the officer's permanent grade.

"(d) BUDGET.—The Chief of Naval Reserve is the official within the executive part of the Department of the Navy who, subject to the authority, direction, and control of the Secretary of the Navy and the Chief of Naval Operations, is responsible for preparation, justification, and execution of the personnel, operation and maintenance, and construction budgets for the Naval Reserve. As such, the Chief of Naval Reserve is the director and functional manager of appropriations made for the Naval Reserve in those areas.

"(e) ANNUAL REPORT.—(1) The Chief of Naval Reserve shall submit to the Secretary of Defense, through the Secretary of the Navy, an annual report on the state of the Naval Reserve and the ability of the Naval Reserve to meet its missions. The report shall be prepared in conjunction with the Chief of Naval Operations and may be submitted in classified and unclassified versions.

"(2) The Secretary of Defense shall transmit the annual report of the Chief of Naval Reserve under paragraph (1) to Congress, together with such comments on the report as the Secretary considers appropriate. The report shall be transmitted at the same time each year that the annual report of the Secretary under section 113 of this title is submitted to Congress.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 5142a the following new item:

"5143. Office of Naval Reserve: appointment of Chief.".

(c) CHIEF OF MARINE FORCES RESERVE.—(1) Chapter 513 of such title is amended by inserting after section 5143 (as added by subsection (b)) the following new section:

"§ 5144. Office of Marine Forces Reserve: appointment of Commander

"(a) ESTABLISHMENT OF OFFICE; COMMANDER, MARINE FORCES RESERVE.—There is in the executive part of the Department of the Navy an Office of the Marine Forces Reserve, which is headed by the Commander, Marine Forces Reserve. The Commander, Marine Forces Reserve, is the principal adviser to the Commandant on Marine Forces Reserve matters.

"(b) APPOINTMENT.—The President, by and with the advice and consent of the Senate, shall appoint the Commander, Marine Forces Reserve, from officers of the Marine Corps who—

"(1) have had at least 10 years of commissioned service;

"(2) are in a grade above colonel; and

"(3) have been recommended by the Secretary of the Navy.

"(c) TERM OF OFFICE; GRADE.—(1) The Commander, Marine Forces Reserve, holds office for a term determined by the Commandant of the Marine Corps, normally four years, but may be removed for cause at any time. He is eligible to succeed himself.

"(2) The Commander, Marine Forces Reserve, while so serving, has a grade above brigadier general, without vacating the officer's permanent grade.

"(d) ANNUAL REPORT.—(1) The Commander, Marine Forces Reserve, shall submit to the Secretary of Defense, through the Secretary of the Navy, an annual report on the state of the Marine Corps Reserve and the ability of the Marine Corps Reserve to meet

its missions. The report shall be prepared in conjunction with the Commandant of the Marine Corps and may be submitted in classified and unclassified versions.

"(2) The Secretary of Defense shall transmit the annual report of the Commander, Marine Forces Reserve, under paragraph (1) to Congress, together with such comments on the report as the Secretary considers appropriate. The report shall be transmitted at the same time each year that the annual report of the Secretary under section 113 of this title is submitted to Congress.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 5143 (as added by subsection (b)) the following new item:

"5144. Office of Marine Forces Reserve: appointment of Commander.".

(d) CHIEF OF AIR FORCE RESERVE.—Section 8038 of such title is amended by adding at the end the following new subsections:

"(d) BUDGET.—The Chief of Air Force Reserve is the official within the executive part of the Department of the Air Force who, subject to the authority, direction, and control of the Secretary of the Air Force and the Chief of Staff, is responsible for preparation, justification, and execution of the personnel, operation and maintenance, and construction budgets for the Air Force Reserve. As such, the Chief of Air Force Reserve is the director and functional manager of appropriations made for the Air Force Reserve in those areas.

"(e) FULL TIME SUPPORT PROGRAM.—(1) The Chief of Air Force Reserve manages, with respect to the Air Force Reserve, the personnel program of the Department of Defense known as the Full Time Support Program.

"(f) ANNUAL REPORT.—(1) The Chief of Air Force Reserve shall submit to the Secretary of Defense, through the Secretary of the Air Force, an annual report on the state of the Air Force Reserve and the ability of the Air Force Reserve to meet its missions. The report shall be prepared in conjunction with the Chief of Staff of the Air Force and may be submitted in classified and unclassified versions.

"(2) The Secretary of Defense shall transmit the annual report of the Chief of Air Force Reserve under paragraph (1) to Congress, together with such comments on the report as the Secretary considers appropriate. The report shall be transmitted at the same time each year that the annual report of the Secretary under section 113 of this title is submitted to Congress.".

(e) CONFORMING AMENDMENT.—Section 641(1)(B) of such title is amended by inserting "5143, 5144," after "3038,".

SEC. 1213. REVIEW OF ACTIVE DUTY AND RESERVE GENERAL AND FLAG OFFICER AUTHORIZATIONS.

(a) REPORT TO CONGRESS.—Not later than six months after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report containing any recommendations of the Secretary (together with the rationale of the Secretary for the recommendations) concerning the following:

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

(2) Statutory designation of the positions and grades of any additional general and flag officers in the commands and offices created by sections 1211 and 1212.

(b) MATTERS TO BE INCLUDED.—The Secretary shall include in the report under subsection (a) the Secretary's views on whether current limitations referred to in subsection (a)—

(1) permit the Secretaries of the military departments, in view of increased requirements for assignment of general and flag officers in positions external to their organic services, to meet adequately both internal and external requirements for general and flag officers;

(2) adequately recognize the significantly increased role of the reserve components in both service-specific and joint operations; and

(3) permit the Secretaries of the military departments and the reserve components to assign general and flag officers to active and reserve component positions with grades commensurate with the scope of duties and responsibilities of the position.

(c) EXEMPTIONS FROM ACTIVE-DUTY CEILINGS.—(1) The Secretary shall include in the report under subsection (a) the Secretary's recommendations regarding the merits of exempting from any active-duty ceiling (established by law or administrative action) the following officers:

(A) Reserve general and flag officers assigned to positions specified in the organizations created by this title.

(B) Reserve general and flag officers serving on active duty, but who are excluded from the active-duty list.

(2) If the Secretary determines under paragraph (1) that any Reserve general or flag officers should be exempt from active duty limits, the Secretary shall include in the report under subsection (a) the Secretary's recommendations for—

(A) the effective management of those Reserve general and flag officers; and

(B) revision of active duty ceilings so as to prevent an increase in the numbers of active general and flag officers authorizations due solely to the removal of Reserve general and flag officers from under the active duty authorizations.

(3) If the Secretary determines under paragraph (1) that active and reserve general officers on active duty should continue to be managed under a common ceiling, the Secretary shall make recommendations for the appropriate apportionment of numbers for general and flag officers among active and reserve officers.

(d) RESERVE FORCES POLICY BOARD PARTICIPATION.—The Secretary of Defense shall ensure that the Reserve Forces Policy Board participates in the internal Department of Defense process for development of the recommendations of the Secretary contained in the report under subsection (a). If the Board submits to the Secretary any comments or recommendations for inclusion in the report, the Secretary shall transmit them to Congress, with the report, in the same form as that in which they were submitted to the Secretary.

(e) GAO REVIEW.—The Comptroller General of the United States shall assess the criteria used by the Secretary of Defense to develop recommendations for purposes of the report under this section and shall submit to Congress, not later than 30 days after the

date on which the report of the Secretary under this section is submitted, a report setting forth the Comptroller General's conclusions concerning the adequacy and completeness of the recommendations made by the Secretary in the report.

SEC. 1214. GUARD AND RESERVE TECHNICIANS.

Section 10216 of title 10, United States Code, as amended by section 413, is amended—

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

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

"(a) IN GENERAL.—Military technicians are Federal civilian employees hired under title 5 and title 32 who are required to maintain dual-status as drilling reserve component members as a condition of their Federal civilian employment. Such employees shall be authorized and accounted for as a separate category of dual-status civilian employees, exempt as specified in subsection (b)(3) from any general or regulatory requirement for adjustments in Department of Defense civilian personnel."; and

(3) in paragraph (3) of subsection (b), as redesignated by paragraph (1), by striking out "in high-priority units and organizations specified in paragraph (1)".

Subtitle B—Reserve Component Accessibility

SEC. 1231. REPORT TO CONGRESS ON MEASURES TO IMPROVE NATIONAL GUARD AND RESERVE ABILITY TO RESPOND TO EMERGENCIES.

(a) REPORT.—Not later than six months after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report regarding reserve component responsiveness to both domestic emergencies and national contingency operations. The report shall set forth the measures taken, underway, and projected to be taken to improve the timeliness, adequacy, and effectiveness of reserve component responses to such emergencies and operations.

(b) MATTERS RELATED TO RESPONSIVENESS TO DOMESTIC EMERGENCIES.—The report shall address the following:

(1) The need to expand the time period set by section 12301(b) of title 10, United States Code, which permits the involuntary recall at any time to active duty of units and individuals for up to 15 days per year.

(2) The recommendations of the 1995 report of the RAND Corporation entitled "Assessing the State and Federal Missions of the National Guard", as follows:

(A) That Federal law be clarified and amended to authorize Presidential use of the Federal reserves of all military services for domestic emergencies and disasters without any time constraint.

(B) That the Secretary of Defense develop and support establishment of an appropriate national level compact for interstate sharing of resources, including the domestic ca-

pabilities of the national guards of the States, during emergencies and disasters.

(C) That Federal level contingency stocks be created to support the National Guard in domestic disasters.

(D) That Federal funding and regulatory support be provided for Federal-State disaster emergency response planning exercises.

(c) MATTERS RELATED TO PRESIDENTIAL RESERVE CALL-UP AUTHORITY.—The report under this section shall specifically address matters related to the authority of the President to activate for service on active duty units and members of reserve components under sections 12301, 12302, and 12304 of title 10, United States Code, including—

(1) whether such authority is adequate to meet the full range of reserve component missions for the 21st century, particularly with regard to the time periods for which such units and members may be on active duty under those authorities and the ability to activate both units and individual members; and

(2) whether the three-tiered set of statutory authorities (under such sections 12301, 12302, and 12304) should be consolidated, modified, or in part eliminated in order to facilitate current and future use of Reserve units and individual reserve component members for a broader range of missions, and, if so, in what manner.

(d) MATTERS RELATED TO RELEASE FROM ACTIVE DUTY.—The report under this section shall include findings and recommendations (based upon a review of current policies and procedures) concerning procedures for release from active duty of units and members of reserve components who have been involuntarily called or ordered to active duty under section 12301, 12302, or 12304 of title 10, United States Code, with specific recommendations concerning the desirability of statutory provisions to—

(1) establish specific guidelines for when it is appropriate (or inappropriate) to retain on active duty such reserve component units when active component units are available to perform the mission being performed by the reserve component unit;

(2) minimize the effects of frequent mobilization of the civilian employers, as well as the effects of frequent mobilization on recruiting and retention in the reserve components; and

(3) address other matters relating to the needs of such members of reserve components, their employers, and (in the case of such members who own businesses) their employees, while such members are on active duty.

(e) RESERVE FORCES POLICY BOARD PARTICIPATION.—The Secretary of Defense shall ensure that the Reserve Forces Policy Board participates in the internal Department of Defense process for development of the recommendations of the Secretary contained in the report under subsection (a). If the Board submits to the Secretary any comments or recommendations for inclusion in the report, the Secretary shall transmit them to Congress, with the report, in the same form as that in which they were submitted to the Secretary.

(f) GAO REVIEW.—The Comptroller General of the United States shall assess the criteria used by the Secretary of Defense to develop recommendations for purposes of the report under this section and shall submit to Congress, not later than 30 days after the date on which the report of the Secretary under this section is submitted, a report setting forth the Comptroller General's conclusions concerning the adequacy and completeness of the recommendations made by the Secretary in the report.

SEC. 1232. REPORT TO CONGRESS CONCERNING TAX INCENTIVES FOR EMPLOYERS OF MEMBERS OF RESERVE COMPONENTS.

Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report setting forth a draft of legislation to provide tax incentives to employers of members of reserve components in order to compensate employers for absences of those employees due to required training and for absences due to performance of active duty.

SEC. 1233. REPORT TO CONGRESS CONCERNING INCOME INSURANCE PROGRAM FOR ACTIVATED RESERVISTS.

Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report setting forth legislative recommendations for changes to chapter 1214 of title 10, United States Code. Such recommendations shall in particular provide, in the case of a mobilized member who owns a business, income replacement for that business and for employees of that member or business who have a loss of income during the period of such activation attributable to the activation of the member.

SEC. 1234. REPORT TO CONGRESS CONCERNING SMALL BUSINESS LOANS FOR MEMBERS RELEASED FROM RESERVE SERVICE DURING CONTINGENCY OPERATIONS.

Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report setting forth a draft of legislation to establish a small business loan program to provide members of reserve components who are ordered to active duty or active Federal service (other than for training) during a contingency operation (as defined in section 101 of title 10, United States Code) low-cost loans to assist those members in retaining or rebuilding businesses that were affected by their service on active duty or in active Federal service.

Subtitle C—Reserve Forces Sustainment

SEC. 1251. REPORT CONCERNING TAX DEDUCTIBILITY OF NONREIMBURSABLE EXPENSES.

Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report setting forth a draft of legislation to restore the tax deductibility of nonreimbursable expenses incurred by members of reserve components in connection with military service.

SEC. 1252. AUTHORITY TO PAY TRANSIENT HOUSING CHARGES FOR MEMBERS PERFORMING ACTIVE DUTY FOR TRAINING.

Section 404(j)(1) of title 37, United States Code, is amended by striking out "annual training duty" and inserting in lieu thereof "active duty for training".

SEC. 1253. SENSE OF CONGRESS CONCERNING QUARTERS ALLOWANCE DURING SERVICE ON ACTIVE DUTY FOR TRAINING.

It is the sense of Congress that the United States should continue to pay members of reserve components appropriate quarters allowances during periods of service on active duty for training.

SEC. 1254. SENSE OF CONGRESS CONCERNING MILITARY LEAVE POLICY.

It is the sense of Congress that military leave policies in effect as of the date of the enactment of this Act with respect to members of the reserve components should not be changed.

SEC. 1255. RESERVE FORCES POLICY BOARD.

(a) COMMENDATION.—The Congress commends the Reserve Forces Policy Board, created by the Armed Forces Reserve Act of 1952 (Public Law 82–476), for its fine work in the past as an independent source of advice to the Secretary of Defense on all matters pertaining to the reserve components.

(b) SENSE OF CONGRESS.—It is the sense of Congress that the Reserve Forces Policy Board and the reserve forces policy committees for the individual branches of the Armed Forces should continue to perform the vital role of providing the civilian leadership of the Department of Defense with independent advice on matters pertaining to the reserve components.

(c) ANNUAL REPORT OF RESERVE FORCES POLICY BOARD.—Section 113(c) of title 10, United States Code, is amended—

(1) by striking out paragraph (3);

(2) by redesignating paragraphs (1), (2), and (4) as subparagraphs (A), (B), and (C), respectively;

(3) by inserting "(1)" after "(c)";

(4) by inserting "and" at the end of subparagraph (B), as redesignated by paragraph (2); and

(5) by adding at the end the following:

"(2) At the same time that the Secretary submits the annual report under paragraph (1), the Secretary shall transmit to the President and Congress a separate report from the Reserve Forces Policy Board on the reserve programs of the Department of Defense and on any other matters that the Reserve Forces Policy Board considers appropriate to include in the report.".

SEC. 1256. REPORT ON PARITY OF BENEFITS FOR ACTIVE DUTY SERVICE AND RESERVE SERVICE.

No later than six months after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report providing recommendations for changes in law that the Secretary considers necessary, feasible, and affordable to reduce the disparities in pay and benefits that occur between active component members of the Armed Forces and reserve component members as a result of eligibility based on length of time on active duty.

SEC. 1257. INFORMATION ON PROPOSED FUNDING FOR THE GUARD AND RESERVE COMPONENTS IN FUTURE-YEARS DEFENSE PROGRAMS.

(a) IN GENERAL.—(1) Chapter 1013 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 10543. National Guard and reserve component equipment procurement and military construction funding: inclusion in future-years defense program

"The Secretary of Defense shall specify in each future-years defense program submitted to Congress under section 221 of this title the estimated expenditures and the proposed appropriations, for each fiscal year of the period covered by that program, for the procurement of equipment and for military construction for each of the reserve components of the armed forces.".

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

"10543. National Guard and reserve component equipment procurement and military construction funding: inclusion in future-years defense program.".

(b) EFFECTIVE DATE.—Section 10543 of title 10, United States Code, as added by subsection (a), shall apply with respect to each future-years defense program submitted to Congress after the date of the enactment of this Act.

TITLE XIII—ARMS CONTROL AND RELATED MATTERS

Subtitle A—Arms Control, Counterproliferation Activities, and Related Matters

Sec. 1301. Extension of counterproliferation authorities.
Sec. 1302. Limitation on retirement or dismantlement of strategic nuclear delivery systems.
Sec. 1303. Strengthening certain sanctions against nuclear proliferation activities.
Sec. 1304. Authority to pay certain expenses relating to humanitarian and civic assistance for clearance of landmines.
Sec. 1305. Report on military capabilities of People's Republic of China.
Sec. 1306. Presidential report regarding weapons proliferation and policies of the People's Republic of China.
Sec. 1307. United States-People's Republic of China Joint Defense Conversion Commission.
Sec. 1308. Sense of Congress concerning export controls.
Sec. 1309. Counterproliferation Program Review Committee.
Sec. 1310. Sense of Congress concerning assisting other countries to improve security of fissile material.
Sec. 1311. Review by Director of Central Intelligence of National Intelligence Estimate 95–19.

Subtitle B—Commission to Assess the Ballistic Missile Threat to the United States

Sec. 1321. Establishment of Commission.
Sec. 1322. Duties of Commission.
Sec. 1323. Report.
Sec. 1324. Powers.
Sec. 1325. Commission procedures.
Sec. 1326. Personnel matters.
Sec. 1327. Miscellaneous administrative provisions.
Sec. 1328. Funding.
Sec. 1329. Termination of the Commission.

Subtitle A—Arms Control, Counterproliferation Activities, and Related Matters

SEC. 1301. EXTENSION OF COUNTERPROLIFERATION AUTHORITIES.

(a) ONE-YEAR EXTENSION OF AUTHORITY.—Section 1505 of the Weapons of Mass Destruction Control Act of 1992 (title XV of Public Law 102–484; 22 U.S.C. 5859a) is amended—

(1) in subsection (d)(3), by striking out "or" after "fiscal year 1995," and by inserting ", or $15,000,000 for fiscal year 1997" before the period at the end; and

(2) in subsection (f), by striking out "1996" and inserting in lieu thereof "1997".

(b) FUNDING FLEXIBILITY.—Subsection (d) of such section is further amended by adding at the end the following new paragraph:

"(4)(A) In the event of a significant unforeseen development related to the activities of the United Nations Special Commission on Iraq for which the Secretary of Defense determines that financial assistance under this section is required at a level which would result in the total amount of assistance provided under this section during the then-current fiscal year exceeding the amount specified with respect to that year under paragraph (3), the Secretary of Defense may provide such assistance notwithstanding the limitation with respect to that fiscal year under paragraph (3). Funds for such purpose may be derived from any funds available to the Department of Defense for that fiscal year.

"(B) Financial assistance may be provided under subparagraph (A) only after the Secretary of Defense provides notice in writing to the committees of Congress named in subsection (e)(2) of the significant unforeseen development and of the Secretary's intent to provide assistance in excess of the limitation for that fiscal year under paragraph (3). However, if the Secretary determines in any case that under the specific circumstances of that case advance notice is not possible, such notice shall be provided as soon as possible and not later than 15 days after the date on which the assistance is provided. Any notice under this subparagraph shall include a description of the development, the amount of assistance provided or to be provided, and the source of the funds for that assistance.".

SEC. 1302. LIMITATION ON RETIREMENT OR DISMANTLEMENT OF STRATEGIC NUCLEAR DELIVERY SYSTEMS.

(a) FUNDING LIMITATION.—Funds available to the Department of Defense may not be obligated or expended during fiscal year 1997 for retiring or dismantling, or for preparing to retire or dismantle, any of the following strategic nuclear delivery systems:

(1) B–52H bomber aircraft.

(2) Trident ballistic missile submarines.

(3) Minuteman III intercontinental ballistic missiles.

(4) Peacekeeper intercontinental ballistic missiles.

(b) WAIVER AUTHORITY.—If the START II Treaty enters into force during fiscal year 1996 or fiscal year 1997, the Secretary of Defense may waive the application of the limitation under paragraphs (2), (3), and (4) of subsection (a) to Trident ballistic missile submarines, Minuteman III intercontinental ballistic missiles, and Peacekeeper intercontinental ballistic missiles, respectively, to the

extent that the Secretary determines necessary in order to implement the treaty.

(c) FUNDING LIMITATION ON EARLY DEACTIVATION.—(1) If the limitation under paragraphs (2), (3), and (4) of subsection (a) ceases to apply by reason of a waiver under subsection (b), funds available to the Department of Defense may nevertheless not be obligated or expended during fiscal year 1997 to implement any agreement or understanding to undertake substantial early deactivation of a strategic nuclear delivery system specified in subsection (b) until 30 days after the date on which the President submits to Congress a report concerning such actions.

(2) For purposes of this subsection, a substantial early deactivation is an action during fiscal year 1997 to deactivate a substantial number of strategic nuclear delivery systems specified in subsection (b) by—

(A) removing nuclear warheads from those systems; or

(B) taking other steps to remove those systems from combat status.

(3) A report under this subsection shall include the following:

(A) The text of any understanding or agreement between the United States and the Russian Federation concerning substantial early deactivation of strategic nuclear delivery systems under the START II Treaty.

(B) The plan of the Department of Defense for implementing the agreement.

(C) An assessment of the Secretary of Defense of the adequacy of the provisions contained in the agreement for monitoring and verifying compliance of Russia with the terms of the agreement.

(D) A determination by the President as to whether the deactivations to occur under the agreement will be carried out in a symmetrical, reciprocal, or equivalent manner.

(E) An assessment by the President of the effect of the proposed early deactivation on the stability of the strategic balance and relative strategic nuclear capabilities of the United States and the Russian Federation at various stages during deactivation and upon completion.

(d) START II TREATY DEFINED.—For purposes of this section, the term "START II Treaty" means the Treaty Between the United States of America and the Russian Federation on Further Reduction and Limitation of Strategic Offensive Arms, signed at Moscow on January 3, 1993, including the following protocols and memorandum of understanding, all such documents being integral parts of and collectively referred to as the "START II Treaty" (contained in Treaty Document 103–1):

(1) The Protocol on Procedures Governing Elimination of Heavy ICBMs and on Procedures Governing Conversion of Silo Launchers of Heavy ICBMs Relating to the Treaty Between the United States of America and the Russian Federation on Further Reduction and Limitation of Strategic Offensive Arms (also known as the "Elimination and Conversion Protocol").

(2) The Protocol on Exhibitions and Inspections of Heavy Bombers Relating to the Treaty Between the United States and the Russian Federation on Further Reduction and Limitation of

Strategic Offensive Arms (also known as the "Exhibitions and Inspections Protocol").

(3) The Memorandum of Understanding on Warhead Attribution and Heavy Bomber Data Relating to the Treaty Between the United States of America and the Russian Federation on Further Reduction and Limitation of Strategic Offensive Arms (also known as the "Memorandum on Attribution").

(e) RETENTION OF B–52H AIRCRAFT ON ACTIVE STATUS.—(1) The Secretary of the Air Force shall maintain in active status (including the performance of standard maintenance and upgrades) the current fleet of B–52H bomber aircraft.

(2) For purposes of carrying out upgrades of B–52H bomber aircraft during fiscal year 1997, the Secretary shall treat the entire current fleet of such aircraft as aircraft expected to be maintained in active status during the six-year period beginning on October 1, 1996.

SEC. 1303. STRENGTHENING CERTAIN SANCTIONS AGAINST NUCLEAR PROLIFERATION ACTIVITIES.

(a) SANCTIONS.—Section 2(b)(4) of the Export-Import Bank Act of 1945 (12 U.S.C. 635(b)(4)) is amended to read as follows:

"(4)(A) If the Secretary of State determines that—

"(i) any country that has agreed to International Atomic Energy Agency nuclear safeguards materially violates, abrogates, or terminates, after October 26, 1977, such safeguards;

"(ii) any country that has entered into an agreement for cooperation concerning the civil use of nuclear energy with the United States materially violates, abrogates, or terminates, after October 26, 1977, any guarantee or other undertaking to the United States made in such agreement;

"(iii) any country that is not a nuclear-weapon state detonates, after October 26, 1977, a nuclear explosive device;

"(iv) any country willfully aids or abets, after June 29, 1994, any non-nuclear-weapon state to acquire any such nuclear explosive device or to acquire unsafeguarded special nuclear material; or

"(v) any person knowingly aids or abets, after the date of enactment of the National Defense Authorization Act for Fiscal Year 1997, any non-nuclear-weapon state to acquire any such nuclear explosive device or to acquire unsafeguarded special nuclear material,

then the Secretary of State shall submit a report to the appropriate committees of the Congress and to the Board of Directors of the Bank stating such determination and identifying each country or person the Secretary determines has so acted.

"(B)(i) If the Secretary of State makes a determination under subparagraph (A)(v) with respect to a foreign person, the Congress urges the Secretary to initiate consultations immediately with the government with primary jurisdiction over that person with respect to the imposition of the prohibition contained in subparagraph (C).

"(ii) In order that consultations with that government may be pursued, the Board of Directors of the Bank shall delay im-

position of the prohibition contained in subparagraph (C) for up to 90 days if the Secretary of State requests the Board to make such delay. Following these consultations, the prohibition contained in subparagraph (C) shall apply immediately unless the Secretary determines and certifies to the Congress that that government has taken specific and effective actions, including appropriate penalties, to terminate the involvement of the foreign person in the activities described in subparagraph (A)(v). The Board of Directors of the Bank shall delay the imposition of the prohibition contained in subparagraph (C) for up to an additional 90 days if the Secretary requests the Board to make such additional delay and if the Secretary determines and certifies to the Congress that that government is in the process of taking the actions described in the preceding sentence.

"(iii) Not later than 90 days after making a determination under subparagraph (A)(v), the Secretary of State shall submit to the appropriate committees of the Congress a report on the status of consultations with the appropriate government under this subparagraph, and the basis for any determination under clause (ii) that such government has taken specific corrective actions.

"(C) The Board of Directors of the Bank shall not give approval to guarantee, insure, or extend credit, or participate in the extension of credit in support of United States exports to any country, or to or by any person, identified in the report described in subparagraph (A).

"(D) The prohibition in subparagraph (C) shall not apply to approvals to guarantee, insure, or extend credit, or participate in the extension of credit in support of United States exports to a country with respect to which a determination is made under clause (i), (ii), (iii), or (iv) of subparagraph (A) regarding any specific event described in such clause if the President determines and certifies in writing to the Congress not less than 45 days prior to the date of the first approval following the determination that it is in the national interest for the Bank to give such approvals.

"(E) The prohibition in subparagraph (C) shall not apply to approvals to guarantee, insure, or extend credit, or participate in the extension of credit in support of United States exports to or by a person with respect to whom a determination is made under clause (v) of subparagraph (A) regarding any specific event described in such clause if—

"(i) the Secretary of State determines and certifies to the Congress that the appropriate government has taken the corrective actions described in subparagraph (B)(ii); or

"(ii) the President determines and certifies in writing to the Congress not less than 45 days prior to the date of the first approval following the determination that—

"(I) reliable information indicates that—

"(aa) such person has ceased to aid or abet any non-nuclear-weapon state to acquire any nuclear explosive device or to acquire unsafeguarded special nuclear material; and

"(bb) steps have been taken to ensure that the activities described in item (aa) will not resume; or

"(II) the prohibition would have a serious adverse effect on vital United States interests.

"(F) For purposes of this paragraph:

"(i) The term 'country' has the meaning given to 'foreign state' in section 1603(a) of title 28, United States Code.

"(ii) The term 'knowingly' is used within the meaning of the term 'knowing' in section 104(h)(3) of the Foreign Corrupt Practices Act (15 U.S.C. 78dd–2(h)(3)).

"(iii) The term 'person' means a natural person as well as a corporation, business association, partnership, society, trust, any other nongovernmental entity, organization, or group, and any governmental entity operating as a business enterprise, and any successor of any such entity.

"(iv) The term 'nuclear-weapon state' has the meaning given the term in Article IX(3) of the Treaty on the Non-Proliferation of Nuclear Weapons, signed at Washington, London, and Moscow on July 1, 1968.

"(v) The term 'non-nuclear-weapon state' has the meaning given the term in section 830(5) of the Nuclear Proliferation Prevention Act of 1994 (Public Law 103–236; 108 Stat. 521).

"(vi) The term 'nuclear explosive device' has the meaning given the term in section 830(4) of the Nuclear Proliferation Prevention Act of 1994 (Public Law 103–236; 108 Stat. 521).

"(vii) The term 'unsafeguarded special nuclear material' has the meaning given the term in section 830(8) of the Nuclear Proliferation Prevention Act of 1994.".

(b) RECOMMENDATIONS TO MAKE NONPROLIFERATION LAWS MORE EFFECTIVE.—Not later than 180 days after the date of the enactment of this Act, the President shall submit to the Congress his recommendations on ways to make the laws of the United States more effective in controlling and preventing the proliferation of weapons of mass destruction and missiles. The report shall identify all sources of Government funds used for such nonproliferation activities.

SEC. 1304. AUTHORITY TO PAY CERTAIN EXPENSES RELATING TO HUMANITARIAN AND CIVIC ASSISTANCE FOR CLEARANCE OF LANDMINES.

(a) AUTHORITY TO PAY EXPENSES.—Section 401(c) of title 10, United States Code, is amended—

(1) by redesignating paragraph (2) as paragraph (4); and

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

"(2) Expenses covered by paragraph (1) include the following expenses incurred in providing assistance described in subsection (e)(5):

"(A) Travel, transportation, and subsistence expenses of Department of Defense personnel providing such assistance.

"(B) The cost of any equipment, services, or supplies acquired for the purpose of carrying out or supporting the activities described in subsection (e)(5), including any nonlethal, in-

dividual, or small-team landmine clearing equipment or supplies that are to be transferred or otherwise furnished to a foreign country in furtherance of the provision of assistance under this section.

"(3) The cost of equipment, services, and supplies provided in any fiscal year under paragraph (2)(B) may not exceed $5,000,000.".

(b) COORDINATION WITH OTHER LAWS.—Section 401(b) of such title is amended—

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

(2) by adding at the end the following:

"(2) Any authority provided under any other provision of law to provide assistance that is described in subsection (e)(5) to a foreign country shall be carried out in accordance with, and subject to the limitations prescribed in, this section. Any such provision may be construed as superseding a provision of this section only if, and to the extent that, such provision specifically refers to this section and specifically identifies the provision of this section that is to be considered superseded or otherwise inapplicable under such provision.".

SEC. 1305. REPORT ON MILITARY CAPABILITIES OF PEOPLE'S REPUBLIC OF CHINA.

(a) REPORT.—The Secretary of Defense shall prepare a report, in both classified and unclassified form, on the future pattern of military modernization of the People's Republic of China. The report shall address both the probable course of military-technological development in the People's Liberation Army and the development of Chinese military strategy and operational concepts.

(b) MATTERS TO BE INCLUDED.—The report shall include analyses and forecasts of the following:

(1) Trends that would lead the People's Republic of China toward advanced intelligence, surveillance, and reconnaissance capabilities, either through a development program or by gaining access to commercial or third-party systems with militarily significant capabilities.

(2) Efforts by the People's Republic of China to develop highly accurate and low-observable ballistic and cruise missiles, and the investments in infrastructure that would allow for production of such weapons in militarily significant quantities, particularly in numbers sufficient to conduct attacks capable of overwhelming projected defense capabilities in the region.

(3) Development by the People's Republic of China of enhanced command and control networks, particularly those capable of battle management that would include long-range precision strikes.

(4) Programs of the People's Republic of China involving unmanned aerial vehicles, particularly those with extended ranges or loitering times.

(5) Exploitation by the People's Republic of China of the Global Positioning System or other similar systems, including commercial land surveillance satellites, for significant military purposes, including particularly for increasing the accuracy of weapons or the situational awareness of operating forces.

(6) Development by the People's Republic of China of capabilities for denial of sea control, such as advanced sea mines or improved submarine capabilities.

(7) Continued development by the People's Republic of China of follow-on forces, particularly those capable of rapid air or amphibious assault.

(c) SUBMISSION OF REPORT.—The report shall be submitted to Congress not later than February 1, 1997.

SEC. 1306. PRESIDENTIAL REPORT REGARDING WEAPONS PROLIFERATION AND POLICIES OF THE PEOPLE'S REPUBLIC OF CHINA.

(a) FINDINGS.—The Congress finds that—

(1) the People's Republic of China acceded to the Treaty on the Non-Proliferation of Nuclear Weapons (hereafter in this section referred to as the "NPT") on March 9, 1992;

(2) the People's Republic of China is not a member of the Nuclear Suppliers Group and remains the only major nuclear supplier that continues to transfer nuclear technology, equipment, and materials to countries that have not agreed to the application of safeguards of the International Atomic Energy Agency (hereafter in this section referred to as the "IAEA") over all of their nuclear materials;

(3) on June 30, 1995, the United States and 29 other members of the Nuclear Suppliers Group notified the Director General of the IAEA that the Government of each respective country has decided that the controls of that Group should not be defeated by the transfer of component parts;

(4) a state-owned entity in the People's Republic of China, the China Nuclear Energy Industry Corporation, has knowingly transferred specially designed ring magnets to an unsafeguarded uranium enrichment facility in the Islamic Republic of Pakistan;

(5) ring magnets are identified on the Trigger List of the Nuclear Suppliers Group as a component of magnetic suspension bearings which are to be exported only to countries that have safeguards of the IAEA over all of their nuclear materials;

(6) these ring magnets could contribute significantly to the ability of the Islamic Republic of Pakistan to produce additional unsafeguarded enriched uranium, a nuclear explosive material;

(7) the Government of the People's Republic of China has transferred nuclear equipment and technology to the Islamic Republic of Iran, despite repeated claims by the Government of the United States that the Islamic Republic of Iran is engaged in clandestine efforts to acquire a nuclear explosive device;

(8) representatives of the Government of the People's Republic of China have repeatedly assured the Government of the United States that the People's Republic of China would abide by the guidelines of the Missile Technology Control Regime (hereafter in this section referred to as the "MTCR");

(9) the Government of China has transferred M–11 missiles to the Islamic Republic of Pakistan; and

(10) the M–11 missile conforms to the definition of a nuclear-capable missile under the MTCR.

(b) SENSE OF THE CONGRESS.—It is the sense of the Congress that—

(1) the assistance that the People's Republic of China has provided to the Islamic Republic of Iran and to the Islamic Republic of Pakistan could contribute to the ability of such countries to manufacture nuclear weapons;

(2) the recent transfer by the People's Republic of China of ring magnets to an unsafeguarded uranium enrichment facility in the Islamic Republic of Pakistan conflicts with China's obligations under Articles I and III of the NPT, as well as the official nonproliferation policies and assurances by the People's Republic of China and the Islamic Republic of Pakistan with respect to the nonproliferation of nuclear weapons and nuclear-capable missiles;

(3) the transfer of M–11 missiles from the People's Republic of China to the Islamic Republic of Pakistan is inconsistent with longstanding United States Government interpretations of assurances from the Government of the People's Republic of China with respect to that country's intent to abide by the guidelines of the MTCR;

(4) violations by the People's Republic of China of the standards and objectives of the MTCR and global nuclear nonproliferation regimes have jeopardized the credibility of the MTCR and such regimes;

(5) the MTCR and global nuclear nonproliferation regimes require collective international action to impose costs against and to withhold benefits from any country, including the People's Republic of China, that engages in activities that are contrary to the objectives of those regimes;

(6) the President should explore with the governments of other countries new opportunities for collective action in response to activities of any country, including the People's Republic of China, that aid or abet the global proliferation of weapons of mass destruction or their means of delivery; and

(7) the President should communicate to the Government of the People's Republic of China the sense of the Congress that the stability and growth of future relations between the people, the economies, and the Governments of the United States and the People's Republic of China will significantly depend upon substantive evidence of cooperation by the Government of the People's Republic of China in efforts to halt the global proliferation of weapons of mass destruction and their means of delivery.

(c) REPORT.—Not later than 60 days after the date of the enactment of this Act, the President shall submit to the Congress a report, in both classified and unclassified form, concerning the transfer from the People's Republic of China to the Islamic Republic of Pakistan of technology, equipment, or materials important to the production of nuclear weapons and their means of delivery. The President shall include in the report the following:

(1) The specific justification of the Secretary of State for determining that there was not a sufficient basis for imposing sanctions under section 2(b)(4) of the Export-Import Bank Act of 1945, as amended by section 825 of the Nuclear Proliferation Prevention Act of 1994, by reason of the transfer of ring

magnets and other technology, equipment, or materials from the People's Republic of China to the Islamic Republic of Pakistan.

(2) What commitment the United States Government is seeking from the People's Republic of China to ensure that the People's Republic of China establishes a fully effective export control system that will prevent transfers (such as the Pakistan sale) from taking place in the future.

(3) A description of the pledges, assurances, and other commitments made by representatives of the Governments of the People's Republic of China and the Islamic Republic of Pakistan to the Government of the United States since January 1, 1991, with respect to the nonproliferation of nuclear weapons or nuclear-capable missiles, and an assessment of the record of compliance with such undertakings.

(4) Whether, in light of the recent assurances provided by the People's Republic of China, the President intends to make the certification and submit the report required by section 902(a)(6)(B) of the Foreign Relations Authorization Act, Fiscal Years 1990 and 1991 (22 U.S.C. 2151 note), and make the certification and submit the report required by Public Law 99–183, relating to the approval and implementation of the agreement for nuclear cooperation between the United States and the People's Republic of China, and, if not, why not.

(5) Whether the Secretary of State considers the recent assurances and clarifications provided by the People's Republic of China to have provided sufficient information to allow the United States to determine that the People's Republic of China is not in violation of paragraph (2) of section 129 of the Atomic Energy Act of 1954, as required by Public Law 99–183.

(6) If the President is unable or unwilling to make the certifications and reports referred to in paragraph (4), a description of what the President considers to be the significance of the clarifications and assurances provided by the People's Republic of China in the course of the recent discussions regarding the transfer by the People's Republic of China of nuclear-weapon-related equipment to the Islamic Republic of Pakistan.

(7) A description of the laws, regulations, and procedures currently used by the People's Republic of China to regulate exports of nuclear technology, equipment, or materials, including dual-use goods, and an assessment of the effectiveness of such arrangements.

(8) A description of the current policies and practices of other countries in response to the transfer of nuclear and missile technology by the People's Republic of China to the Islamic Republic of Pakistan and the Islamic Republic of Iran.

SEC. 1307. UNITED STATES-PEOPLE'S REPUBLIC OF CHINA JOINT DEFENSE CONVERSION COMMISSION.

None of the funds appropriated or otherwise available for the Department of Defense for fiscal year 1997 or any prior fiscal year may be obligated or expended for any activity associated with the United States-People's Republic of China Joint Defense Conversion Commission until 15 days after the date on which the first semiannual report required by section 1343 of the National Defense Au-

thorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 487) is received by Congress.

SEC. 1308. SENSE OF CONGRESS CONCERNING EXPORT CONTROLS.

(a) FINDINGS.—The Congress makes the following findings:

(1) Export controls are a part of a comprehensive response to national security threats. The export of a United States commodity or technology should be restricted in cases in which the export of the commodity or technology would increase the threat to the national security of the United States or would be contrary to the nonproliferation goals or foreign policy interests of the United States.

(2) The export of certain commodities and technology may adversely affect the national security and foreign policy of the United States by making a significant contribution to the military potential of countries or by enhancing the capability of countries to design, develop, test, produce, stockpile, or use weapons of mass destruction and missile delivery systems, and other significant military capabilities. Therefore, the administration of export controls should emphasize the control of these exports.

(3) The acquisition of sensitive commodities and technologies by those countries and end users whose actions or policies run counter to United States national security or foreign policy interests may enhance the military capabilities of those countries, particularly their ability to design, develop, test, produce, stockpile, use, and deliver nuclear, chemical, and biological weapons and missile delivery systems, and other significant military capabilities. This enhancement threatens the security of the United States and its allies. The availability to countries and end users of items that contribute to military capabilities or the proliferation of weapons of mass destruction is a fundamental concern of the United States and should be eliminated through deterrence, negotiations, and other appropriate means whenever possible.

(4) The national security of the United States depends not only on wise foreign policies and a strong defense, but also a vibrant national economy. To be truly effective, export controls should be applied uniformly by all suppliers.

(5) On November 8, 1995, the President continued the national emergency declared in Executive Order No. 12938 of November 14, 1994, "with respect to the unusual and extraordinary threat to the national security, foreign policy, and economy of the United States posed by the proliferation of nuclear, biological, and chemical weapons and the means of delivering such weapons".

(6) A successor regime to COCOM (the Coordinating Committee for Multilateral Export Controls) has not been established. Currently, each nation is determining independently which dual-use military items, if any, will be controlled for export.

(7) The United States should play a leading role in promoting transparency and responsibility with regard to the transfers of sensitive dual-use goods and technologies.

(b) SENSE OF CONGRESS.—It is the sense of the Congress that—

(1) establishing an international export control regime, empowered to control exports of dual-use technology, is critically important and should be a top priority for the United States; and

(2) the United States should strongly encourage its allies and other friendly countries to—

(A) adopt export controls that are the same or similar to the export controls imposed by the United States on items on the Commerce Control List;

(B) strengthen enforcement of their export controls; and

(C) explore the use of unilateral export controls where the possibility exists that an export could contribute to the enhancement of military capabilities or proliferation described in paragraphs (3) and (5) of subsection (a).

SEC. 1309. COUNTERPROLIFERATION PROGRAM REVIEW COMMITTEE.

(a) COMPOSITION OF THE COMMITTEE.—Subsection (a) of section 1605 of the National Defense Authorization Act for Fiscal Year 1994 (22 U.S.C. 2751 note) is amended by adding at the end the following new paragraph:

"(5) The Assistant to the Secretary of Defense for Nuclear and Chemical and Biological Defense Programs shall serve as executive secretary to the committee.".

(b) ADDITIONAL PURPOSE OF THE COMMITTEE.—Subsection (b)(1)(A) of such section is amended by inserting "and efforts, including efforts to stem the proliferation of weapons of mass destruction and to negate paramilitary and terrorist threats involving weapons of mass destruction" after "counterproliferation policy".

(c) FOUR-YEAR EXTENSION OF THE COMMITTEE.—Subsection (f) of such section is amended by striking out "September 30, 1996" and inserting in lieu thereof "September 30, 2000".

(d) REPORTS ON COUNTERPROLIFERATION ACTIVITIES AND PROGRAMS.—Section 1503 of the National Defense Authorization Act for Fiscal Year 1995 (22 U.S.C. 2751 note) is amended—

(1) in subsection (a)—

(A) by striking out "REPORT REQUIRED.—(1) Not later than May 1, 1995 and May 1, 1996, the Secretary" and inserting in lieu thereof "ANNUAL REPORT REQUIRED.—Not later than May 1 of each year, the Secretary"; and

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

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

"(d) REVIEW COMMITTEE CHARTER DEFINED.—For purposes of this section, the term 'Review Committee charter' means section 1605 of the National Defense Authorization Act for Fiscal Year 1994 (22 U.S.C. 2751 note).

"(e) TERMINATION OF REQUIREMENT.—The final report required under subsection (a) is the report for the year following the year in which the Counterproliferation Program Review Committee established under the Review Committee Charter ceases to exist.".

SEC. 1310. SENSE OF CONGRESS CONCERNING ASSISTING OTHER COUNTRIES TO IMPROVE SECURITY OF FISSILE MATERIAL.

(a) FINDINGS.—Congress finds the following:

(1) With the end of the Cold War, the world is faced with the need to manage the dismantling of vast numbers of nuclear

weapons and the disposition of the fissile materials that they contain.

(2) If recently agreed reductions in nuclear weapons are fully implemented, tens of thousands of nuclear weapons, containing a hundred tons or more of plutonium and many hundreds of tons of highly enriched uranium, will no longer be needed for military purposes.

(3) Plutonium and highly enriched uranium are the essential ingredients of nuclear weapons.

(4) Limits on access to plutonium and highly enriched uranium are the primary technical barrier to acquiring nuclear weapons capability in the world today.

(5) Several kilograms of plutonium, or several times that amount of highly enriched uranium, are sufficient to make a nuclear weapon.

(6) Plutonium and highly enriched uranium will continue to pose a potential threat for as long as they exist.

(7) Action is required to secure and account for plutonium and highly enriched uranium.

(8) It is in the national interest of the United States to—

(A) minimize the risk that fissile materials could be obtained by unauthorized parties;

(B) minimize the risk that fissile materials could be reintroduced into the arsenals from which they came, halting or reversing the arms reduction process; and

(C) strengthen the national and international control mechanisms and incentives designed to ensure continued arms reductions and prevent the spread of nuclear weapons.

(b) SENSE OF CONGRESS.—In light of the findings contained in subsection (a), it is the sense of Congress that the United States has a national security interest in assisting other countries to improve the security of their stocks of fissile material.

SEC. 1311. REVIEW BY DIRECTOR OF CENTRAL INTELLIGENCE OF NATIONAL INTELLIGENCE ESTIMATE 95–19.

(a) REVIEW.—The Director of Central Intelligence shall conduct a review of the underlying assumptions and conclusions of the National Intelligence Estimate designated as NIE 95–19 and entitled "Emerging Missile Threats to North America During the Next 15 Years", released by the Director in November 1995.

(b) METHODOLOGY FOR REVIEW.—The Director shall carry out the review under subsection (a) through a panel of independent, nongovernmental individuals with appropriate expertise and experience. Such a panel shall be convened by the Director not later than 45 days after the date of the enactment of this Act.

(c) REPORT.—The Director shall submit the findings resulting from the review under subsection (a), together with any comments of the Director on the review and the findings, to Congress not later than three months after the appointment of the Commission under section 1321.

Subtitle B—Commission To Assess the Ballistic Missile Threat to the United States

SEC. 1321. ESTABLISHMENT OF COMMISSION.

(a) ESTABLISHMENT.—There is hereby established a commission to be known as the "Commission to Assess the Ballistic Missile Threat to the United States" (hereinafter in this subtitle referred to as the "Commission").

(b) COMPOSITION.—The Commission shall be composed of nine members appointed by the Director of Central Intelligence. In selecting individuals for appointment to the Commission, the Director should consult with—

(1) the Speaker of the House of Representatives concerning the appointment of three of the members of the Commission;

(2) the majority leader of the Senate concerning the appointment of three of the members of the Commission; and

(3) the minority leader of the House of Representatives and the minority leader of the Senate concerning the appointment of three of the members of the Commission.

(c) QUALIFICATIONS.—Members of the Commission shall be appointed from among private United States citizens with knowledge and expertise in the political and military aspects of proliferation of ballistic missiles and the ballistic missile threat to the United States.

(d) CHAIRMAN.—The Speaker of the House of Representatives, after consultation with the majority leader of the Senate and the minority leaders of the House of Representatives and the Senate, shall designate one of the members of the Commission to serve as chairman of the Commission.

(e) PERIOD OF APPOINTMENT; VACANCIES.—Members shall be appointed for the life of the Commission. Any vacancy in the Commission shall be filled in the same manner as the original appointment.

(f) SECURITY CLEARANCES.—All members of the Commission shall hold appropriate security clearances.

(g) INITIAL ORGANIZATION REQUIREMENTS.—(1) All appointments to the Commission shall be made not later than 45 days after the date of the enactment of this Act.

(2) The Commission shall convene its first meeting not later than 30 days after the date as of which all members of the Commission have been appointed, but not earlier than October 15, 1996.

SEC. 1322. DUTIES OF COMMISSION.

(a) REVIEW OF BALLISTIC MISSILE THREAT.—The Commission shall assess the nature and magnitude of the existing and emerging ballistic missile threat to the United States.

(b) COOPERATION FROM GOVERNMENT OFFICIALS.—In carrying out its duties, the Commission should receive the full and timely cooperation of the Secretary of Defense, the Director of Central Intelligence, and any other United States Government official responsible for providing the Commission with analyses, briefings, and other information necessary for the fulfillment of its responsibilities.

SEC. 1323. REPORT.

The Commission shall, not later than six months after the date of its first meeting, submit to the Congress a report on its findings and conclusions.

SEC. 1324. POWERS.

(a) HEARINGS.—The Commission or, at its direction, any panel or member of the Commission, may, for the purpose of carrying out the provisions of this subtitle, hold hearings, sit and act at times and places, take testimony, receive evidence, and administer oaths to the extent that the Commission or any panel or member considers advisable.

(b) INFORMATION.—The Commission may secure directly from the Department of Defense, the Central Intelligence Agency, and any other Federal department or agency information that the Commission considers necessary to enable the Commission to carry out its responsibilities under this subtitle.

SEC. 1325. COMMISSION PROCEDURES.

(a) MEETINGS.—The Commission shall meet at the call of the Chairman.

(b) QUORUM.—(1) Five members of the Commission shall constitute a quorum other than for the purpose of holding hearings.

(2) The Commission shall act by resolution agreed to by a majority of the members of the Commission.

(c) COMMISSION.—The Commission may establish panels composed of less than full membership of the Commission for the purpose of carrying out the Commission's duties. The actions of each such panel shall be subject to the review and control of the Commission. Any findings and determinations made by such a panel shall not be considered the findings and determinations of the Commission unless approved by the Commission.

(d) AUTHORITY OF INDIVIDUALS TO ACT FOR COMMISSION.—Any member or agent of the Commission may, if authorized by the Commission, take any action which the Commission is authorized to take under this subtitle.

SEC. 1326. PERSONNEL MATTERS.

(a) PAY OF MEMBERS.—Members of the Commission shall serve without pay by reason of their work on the Commission.

(b) TRAVEL EXPENSES.—The members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Commission.

(c) STAFF.—(1) The chairman of the Commission may, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, appoint a staff director and such additional personnel as may be necessary to enable the Commission to perform its duties. The appointment of a staff director shall be subject to the approval of the Commission.

(2) The chairman of the Commission may fix the pay of the staff director and other personnel without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule

pay rates, except that the rate of pay fixed under this paragraph for the staff director may not exceed the rate payable for level V of the Executive Schedule under section 5316 of such title and the rate of pay for other personnel may not exceed the maximum rate payable for grade GS–15 of the General Schedule.

(d) DETAIL OF GOVERNMENT EMPLOYEES.—Upon request of the chairman of the Commission, the head of any Federal department or agency may detail, on a nonreimbursable basis, any personnel of that department or agency to the Commission to assist it in carrying out its duties.

(e) PROCUREMENT OF TEMPORARY AND INTERMITTENT SERVICES.—The chairman of the Commission may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, at rates for individuals which do not exceed the daily equivalent of the annual rate of basic pay payable for level V of the Executive Schedule under section 5316 of such title.

SEC. 1327. MISCELLANEOUS ADMINISTRATIVE PROVISIONS.

(a) POSTAL AND PRINTING SERVICES.—The Commission may use the United States mails and obtain printing and binding services in the same manner and under the same conditions as other departments and agencies of the Federal Government.

(b) MISCELLANEOUS ADMINISTRATIVE AND SUPPORT SERVICES.—The Director of Central Intelligence shall furnish the Commission, on a reimbursable basis, any administrative and support services requested by the Commission.

SEC. 1328. FUNDING.

Funds for activities of the Commission shall be provided from amounts appropriated for the Department of Defense for operation and maintenance for Defense-wide activities for fiscal year 1997. Upon receipt of a written certification from the Chairman of the Commission specifying the funds required for the activities of the Commission, the Secretary of Defense shall promptly disburse to the Commission, from such amounts, the funds required by the Commission as stated in such certification.

SEC. 1329. TERMINATION OF THE COMMISSION.

The Commission shall terminate 60 days after the date of the submission of its report under section 1323.

TITLE XIV—DEFENSE AGAINST WEAPONS OF MASS DESTRUCTION

Sec. 1401. Short title.
Sec. 1402. Findings.
Sec. 1403. Definitions.

Subtitle A—Domestic Preparedness

Sec. 1411. Response to threats of terrorist use of weapons of mass destruction.
Sec. 1412. Emergency response assistance program.
Sec. 1413. Nuclear, chemical, and biological emergency response.
Sec. 1414. Chemical-biological emergency response team.
Sec. 1415. Testing of preparedness for emergencies involving nuclear, radiological, chemical, and biological weapons.

Sec. 1416. Military assistance to civilian law enforcement officials in emergency situations involving biological or chemical weapons.
Sec. 1417. Rapid response information system.

Subtitle B—Interdiction of Weapons of Mass Destruction and Related Materials

Sec. 1421. Procurement of detection equipment—United States border security.
Sec. 1422. Extension of coverage of International Emergency Economic Powers Act.
Sec. 1423. Sense of Congress concerning criminal penalties.
Sec. 1424. International border security.

Subtitle C—Control and Disposition of Weapons of Mass Destruction and Related Materials Threatening the United States

Sec. 1431. Coverage of weapons-usable fissile materials in Cooperative Threat Reduction programs on elimination or transportation of nuclear weapons.
Sec. 1432. Elimination of plutonium production.

Subtitle D—Coordination of Policy and Countermeasures Against Proliferation of Weapons of Mass Destruction

Sec. 1441. National Coordinator on Nonproliferation.
Sec. 1442. National Security Council Committee on Nonproliferation.
Sec. 1443. Comprehensive preparedness program.
Sec. 1444. Termination.

Subtitle E—Miscellaneous

Sec. 1451. Sense of Congress concerning contracting policy.
Sec. 1452. Transfers of allocations among Cooperative Threat Reduction programs.
Sec. 1453. Sense of Congress concerning assistance to states of former Soviet Union.
Sec. 1454. Purchase of low-enriched uranium derived from Russian highly enriched uranium.
Sec. 1455. Sense of Congress concerning purchase, packaging, and transportation of fissile materials at risk of theft.

SEC. 1401. SHORT TITLE.

This title may be cited as the "Defense Against Weapons of Mass Destruction Act of 1996".

SEC. 1402. FINDINGS.

Congress makes the following findings:

(1) Weapons of mass destruction and related materials and technologies are increasingly available from worldwide sources. Technical information relating to such weapons is readily available on the Internet, and raw materials for chemical, biological, and radiological weapons are widely available for legitimate commercial purposes.

(2) The former Soviet Union produced and maintained a vast array of nuclear, biological, and chemical weapons of mass destruction.

(3) Many of the states of the former Soviet Union retain the facilities, materials, and technologies capable of producing additional quantities of weapons of mass destruction.

(4) The disintegration of the former Soviet Union was accompanied by disruptions of command and control systems, deficiencies in accountability for weapons, weapons-related materials and technologies, economic hardships, and significant gaps in border control among the states of the former Soviet Union. The problems of organized crime and corruption in the states of the former Soviet Union increase the potential for proliferation of nuclear, radiological, biological, and chemical weapons and related materials.

(5) The conditions described in paragraph (4) have substantially increased the ability of potentially hostile nations, terrorist groups, and individuals to acquire weapons of mass destruction and related materials and technologies from within the states of the former Soviet Union and from unemployed scientists who worked on those programs.

(6) As a result of such conditions, the capability of potentially hostile nations and terrorist groups to acquire nuclear, radiological, biological, and chemical weapons is greater than any time in history.

(7) The President has identified North Korea, Iraq, Iran, and Libya as hostile states which already possess some weapons of mass destruction and are developing others.

(8) The acquisition or the development and use of weapons of mass destruction is well within the capability of many extremist and terrorist movements, acting independently or as proxies for foreign states.

(9) Foreign states can transfer weapons to or otherwise aid extremist and terrorist movements indirectly and with plausible deniability.

(10) Terrorist groups have already conducted chemical attacks against civilian targets in the United States and Japan, and a radiological attack in Russia.

(11) The potential for the national security of the United States to be threatened by nuclear, radiological, chemical, or biological terrorism must be taken seriously.

(12) There is a significant and growing threat of attack by weapons of mass destruction on targets that are not military targets in the usual sense of the term.

(13) Concomitantly, the threat posed to the citizens of the United States by nuclear, radiological, biological, and chemical weapons delivered by unconventional means is significant and growing.

(14) Mass terror may result from terrorist incidents involving nuclear, radiological, biological, or chemical materials.

(15) Facilities required for production of radiological, biological, and chemical weapons are much smaller and harder to detect than nuclear weapons facilities, and biological, and chemical weapons can be deployed by alternative delivery means other than long-range ballistic missiles.

(16) Covert or unconventional means of delivery of nuclear, radiological, biological, and chemical weapons include cargo ships, passenger aircraft, commercial and private vehicles and vessels, and commercial cargo shipments routed through multiple destinations.

(17) Traditional arms control efforts assume large state efforts with detectable manufacturing programs and weapons production programs, but are ineffective in monitoring and controlling smaller, though potentially more dangerous, unconventional proliferation efforts.

(18) Conventional counterproliferation efforts would do little to detect or prevent the rapid development of a capability to suddenly manufacture several hundred chemical or biological weapons with nothing but commercial supplies and equipment.

(19) The United States lacks adequate planning and countermeasures to address the threat of nuclear, radiological, biological, and chemical terrorism.

(20) The Department of Energy has established a Nuclear Emergency Response Team which is available in case of nuclear or radiological emergencies, but no comparable units exist to deal with emergencies involving biological, or chemical weapons or related materials.

(21) State and local emergency response personnel are not adequately prepared or trained for incidents involving nuclear, radiological, biological, or chemical materials.

(22) Exercises of the Federal, State, and local response to nuclear, radiological, biological, or chemical terrorism have revealed serious deficiencies in preparedness and severe problems of coordination.

(23) The development of, and allocation of responsibilities for, effective countermeasures to nuclear, radiological, biological, or chemical terrorism in the United States requires well-coordinated participation of many Federal agencies, and careful planning by the Federal Government and State and local governments.

(24) Training and exercises can significantly improve the preparedness of State and local emergency response personnel for emergencies involving nuclear, radiological, biological, or chemical weapons or related materials.

(25) Sharing of the expertise and capabilities of the Department of Defense, which traditionally has provided assistance to Federal, State, and local officials in neutralizing, dismantling, and disposing of explosive ordnance, as well as radiological, biological, and chemical materials, can be a vital contribution to the development and deployment of countermeasures against nuclear, biological, and chemical weapons of mass destruction.

(26) The United States lacks effective policy coordination regarding the threat posed by the proliferation of weapons of mass destruction.

SEC. 1403. DEFINITIONS.

In this title:

(1) The term "weapon of mass destruction" means any weapon or device that is intended, or has the capability, to cause death or serious bodily injury to a significant number of people through the release, dissemination, or impact of—

(A) toxic or poisonous chemicals or their precursors;

(B) a disease organism; or

(C) radiation or radioactivity.

(2) The term "independent states of the former Soviet Union" has the meaning given that term in section 3 of the FREEDOM Support Act (22 U.S.C. 5801).

(3) The term "highly enriched uranium" means uranium enriched to 20 percent or more in the isotope U–235.

Subtitle A—Domestic Preparedness

SEC. 1411. RESPONSE TO THREATS OF TERRORIST USE OF WEAPONS OF MASS DESTRUCTION.

(a) ENHANCED RESPONSE CAPABILITY.—In light of the potential for terrorist use of weapons of mass destruction against the United States, the President shall take immediate action—

(1) to enhance the capability of the Federal Government to prevent and respond to terrorist incidents involving weapons of mass destruction; and

(2) to provide enhanced support to improve the capabilities of State and local emergency response agencies to prevent and respond to such incidents at both the national and the local level.

(b) REPORT REQUIRED.—Not later than January 31, 1997, the President shall transmit to Congress a report containing—

(1) an assessment of the capabilities of the Federal Government to prevent and respond to terrorist incidents involving weapons of mass destruction and to support State and local prevention and response efforts;

(2) requirements for improvements in those capabilities; and

(3) the measures that should be taken to achieve such improvements, including additional resources and legislative authorities that would be required.

SEC. 1412. EMERGENCY RESPONSE ASSISTANCE PROGRAM.

(a) PROGRAM REQUIRED.—(1) The Secretary of Defense shall carry out a program to provide civilian personnel of Federal, State, and local agencies with training and expert advice regarding emergency responses to a use or threatened use of a weapon of mass destruction or related materials.

(2) The President may designate the head of an agency other than the Department of Defense to assume the responsibility for carrying out the program on or after October 1, 1999, and relieve the Secretary of Defense of that responsibility upon the assumption of the responsibility by the designated official.

(3) In this section, the official responsible for carrying out the program is referred to as the "lead official".

(b) COORDINATION.—In carrying out the program, the lead official shall coordinate with each of the following officials who is not serving as the lead official:

(1) The Director of the Federal Emergency Management Agency.

(2) The Secretary of Energy.

(3) The Secretary of Defense.

(4) The heads of any other Federal, State, and local government agencies that have an expertise or responsibilities relevant to emergency responses described in subsection (a)(1).

(c) ELIGIBLE PARTICIPANTS.—The civilian personnel eligible to receive assistance under the program are civilian personnel of Federal, State, and local agencies who have emergency preparedness responsibilities.

(d) INVOLVEMENT OF OTHER FEDERAL AGENCIES.—(1) The lead official may use personnel and capabilities of Federal agencies outside the agency of the lead official to provide training and expert advice under the program.

(2)(A) Personnel used under paragraph (1) shall be personnel who have special skills relevant to the particular assistance that the personnel are to provide.

(B) Capabilities used under paragraph (1) shall be capabilities that are especially relevant to the particular assistance for which the capabilities are used.

(3) If the lead official is not the Secretary of Defense, and requests assistance from the Department of Defense that, in the judgment of the Secretary of Defense would affect military readiness or adversely affect national security, the Secretary of Defense may appeal the request for Department of Defense assistance by the lead official to the President.

(e) AVAILABLE ASSISTANCE.—Assistance available under this program shall include the following:

(1) Training in the use, operation, and maintenance of equipment for—

(A) detecting a chemical or biological agent or nuclear radiation;

(B) monitoring the presence of such an agent or radiation;

(C) protecting emergency personnel and the public; and

(D) decontamination.

(2) Establishment of a designated telephonic link (commonly referred to as a "hot line") to a designated source of relevant data and expert advice for the use of State or local officials responding to emergencies involving a weapon of mass destruction or related materials.

(3) Use of the National Guard and other reserve components for purposes authorized under this section that are specified by the lead official (with the concurrence of the Secretary of Defense if the Secretary is not the lead official).

(4) Loan of appropriate equipment.

(f) LIMITATIONS ON DEPARTMENT OF DEFENSE ASSISTANCE TO LAW ENFORCEMENT AGENCIES.—Assistance provided by the Department of Defense to law enforcement agencies under this section shall be provided under the authority of, and subject to the restrictions provided in, chapter 18 of title 10, United States Code.

(g) ADMINISTRATION OF DEPARTMENT OF DEFENSE ASSISTANCE.—The Secretary of Defense shall designate an official within the Department of Defense to serve as the executive agent of the Secretary for the coordination of the provision of Department of Defense assistance under this section.

(h) FUNDING.—(1) Of the total amount authorized to be appropriated under section 301, $35,000,000 is available for the program required under this section.

(2) Of the amount available for the program pursuant to paragraph (1), $10,500,000 is available for use by the Secretary of Defense to assist the Secretary of Health and Human Services in the establishment of metropolitan emergency medical response teams (commonly referred to as "Metropolitan Medical Strike Force

Teams") to provide medical services that are necessary or potentially necessary by reason of a use or threatened use of a weapon of mass destruction.

(3) The amount available for the program under paragraph (1) is in addition to any other amounts authorized to be appropriated for the program under section 301.

SEC. 1413. NUCLEAR, CHEMICAL, AND BIOLOGICAL EMERGENCY RESPONSE.

(a) DEPARTMENT OF DEFENSE.—The Secretary of Defense shall designate an official within the Department of Defense as the executive agent for—

(1) the coordination of Department of Defense assistance to Federal, State, and local officials in responding to threats involving biological or chemical weapons or related materials or technologies, including assistance in identifying, neutralizing, dismantling, and disposing of biological and chemical weapons and related materials and technologies; and

(2) the coordination of Department of Defense assistance to the Department of Energy in carrying out that department's responsibilities under subsection (b).

(b) DEPARTMENT OF ENERGY.—The Secretary of Energy shall designate an official within the Department of Energy as the executive agent for—

(1) the coordination of Department of Energy assistance to Federal, State, and local officials in responding to threats involving nuclear, chemical, and biological weapons or related materials or technologies, including assistance in identifying, neutralizing, dismantling, and disposing of nuclear weapons and related materials and technologies; and

(2) the coordination of Department of Energy assistance to the Department of Defense in carrying out that department's responsibilities under subsection (a).

(c) FUNDING.—Of the total amount authorized to be appropriated under section 301, $15,000,000 is available for providing assistance described in subsection (a).

SEC. 1414. CHEMICAL-BIOLOGICAL EMERGENCY RESPONSE TEAM.

(a) DEPARTMENT OF DEFENSE RAPID RESPONSE TEAM.—The Secretary of Defense shall develop and maintain at least one domestic terrorism rapid response team composed of members of the Armed Forces and employees of the Department of Defense who are capable of aiding Federal, State, and local officials in the detection, neutralization, containment, dismantlement, and disposal of weapons of mass destruction containing chemical, biological, or related materials.

(b) ADDITION TO FEDERAL RESPONSE PLAN.—Not later than December 31, 1997, the Director of the Federal Emergency Management Agency shall develop and incorporate into existing Federal emergency response plans and programs prepared under section 611(b) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5196(b)) guidance on the use and deployment of the rapid response teams established under this section to respond to emergency involving weapons of mass destruction. The Director shall carry out this subsection in consultation with the Sec-

retary of Defense and the heads of other Federal agencies involved with the emergency response plans.

SEC. 1415. TESTING OF PREPAREDNESS FOR EMERGENCIES INVOLVING NUCLEAR, RADIOLOGICAL, CHEMICAL, AND BIOLOGICAL WEAPONS.

(a) EMERGENCIES INVOLVING CHEMICAL OR BIOLOGICAL WEAPONS.—(1) The Secretary of Defense shall develop and carry out a program for testing and improving the responses of Federal, State, and local agencies to emergencies involving biological weapons and related materials and emergencies involving chemical weapons and related materials.

(2) The program shall include exercises to be carried out during each of five successive fiscal years beginning with fiscal year 1997.

(3) In developing and carrying out the program, the Secretary shall coordinate with the Director of the Federal Bureau of Investigation, the Director of the Federal Emergency Management Agency, the Secretary of Energy, and the heads of any other Federal, State, and local government agencies that have an expertise or responsibilities relevant to emergencies described in paragraph (1).

(b) EMERGENCIES INVOLVING NUCLEAR AND RADIOLOGICAL WEAPONS.—(1) The Secretary of Energy shall develop and carry out a program for testing and improving the responses of Federal, State, and local agencies to emergencies involving nuclear and radiological weapons and related materials.

(2) The program shall include exercises to be carried out during each of five successive fiscal years beginning with fiscal year 1997.

(3) In developing and carrying out the program, the Secretary shall coordinate with the Director of the Federal Bureau of Investigation, the Director of the Federal Emergency Management Agency, the Secretary of Defense, and the heads of any other Federal, State, and local government agencies that have an expertise or responsibilities relevant to emergencies described in paragraph (1).

(c) ANNUAL REVISIONS OF PROGRAMS.—The official responsible for carrying out a program developed under subsection (a) or (b) shall revise the program not later than June 1 in each fiscal year covered by the program. The revisions shall include adjustments that the official determines necessary or appropriate on the basis of the lessons learned from the exercise or exercises carried out under the program in the fiscal year, including lessons learned regarding coordination problems and equipment deficiencies.

(d) OPTION TO TRANSFER RESPONSIBILITY.—(1) The President may designate the head of an agency outside the Department of Defense to assume the responsibility for carrying out the program developed under subsection (a) beginning on or after October 1, 1999, and relieve the Secretary of Defense of that responsibility upon the assumption of the responsibility by the designated official.

(2) The President may designate the head of an agency outside the Department of Energy to assume the responsibility for carrying out the program developed under subsection (b) beginning on or after October 1, 1999, and relieve the Secretary of Energy of that responsibility upon the assumption of the responsibility by the designated official.

(e) FUNDING.—Of the total amount authorized to be appropriated under section 301, $15,000,000 is available for the develop-

ment and execution of the programs required by this section, including the participation of State and local agencies in exercises carried out under the programs.

SEC. 1416. MILITARY ASSISTANCE TO CIVILIAN LAW ENFORCEMENT OFFICIALS IN EMERGENCY SITUATIONS INVOLVING BIOLOGICAL OR CHEMICAL WEAPONS.

(a) ASSISTANCE AUTHORIZED.—(1) Chapter 18 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 382. Emergency situations involving chemical or biological weapons of mass destruction

"(a) IN GENERAL.—The Secretary of Defense, upon the request of the Attorney General, may provide assistance in support of Department of Justice activities relating to the enforcement of section 175 or 2332c of title 18 during an emergency situation involving a biological or chemical weapon of mass destruction. Department of Defense resources, including personnel of the Department of Defense, may be used to provide such assistance if—

"(1) the Secretary of Defense and the Attorney General jointly determine that an emergency situation exists; and

"(2) the Secretary of Defense determines that the provision of such assistance will not adversely affect the military preparedness of the United States.

"(b) EMERGENCY SITUATIONS COVERED.—In this section, the term 'emergency situation involving a biological or chemical weapon of mass destruction' means a circumstance involving a biological or chemical weapon of mass destruction—

"(1) that poses a serious threat to the interests of the United States; and

"(2) in which—

"(A) civilian expertise and capabilities are not readily available to provide the required assistance to counter the threat immediately posed by the weapon involved;

"(B) special capabilities and expertise of the Department of Defense are necessary and critical to counter the threat posed by the weapon involved; and

"(C) enforcement of section 175 or 2332c of title 18 would be seriously impaired if the Department of Defense assistance were not provided.

"(c) FORMS OF ASSISTANCE.—The assistance referred to in subsection (a) includes the operation of equipment (including equipment made available under section 372 of this title) to monitor, contain, disable, or dispose of the weapon involved or elements of the weapon.

"(d) REGULATIONS.—(1) The Secretary of Defense and the Attorney General shall jointly prescribe regulations concerning the types of assistance that may be provided under this section. Such regulations shall also describe the actions that Department of Defense personnel may take in circumstances incident to the provision of assistance under this section.

"(2)(A) Except as provided in subparagraph (B), the regulations may not authorize the following actions:

"(i) Arrest.

"(ii) Any direct participation in conducting a search for or seizure of evidence related to a violation of section 175 or 2332c of title 18.

"(iii) Any direct participation in the collection of intelligence for law enforcement purposes.

"(B) The regulations may authorize an action described in subparagraph (A) to be taken under the following conditions:

"(i) The action is considered necessary for the immediate protection of human life, and civilian law enforcement officials are not capable of taking the action.

"(ii) The action is otherwise authorized under subsection (c) or under otherwise applicable law.

"(e) REIMBURSEMENTS.—The Secretary of Defense shall require reimbursement as a condition for providing assistance under this section to the extent required under section 377 of this title.

"(f) DELEGATIONS OF AUTHORITY.—(1) Except to the extent otherwise provided by the Secretary of Defense, the Deputy Secretary of Defense may exercise the authority of the Secretary of Defense under this section. The Secretary of Defense may delegate the Secretary's authority under this section only to an Under Secretary of Defense or an Assistant Secretary of Defense and only if the Under Secretary or Assistant Secretary to whom delegated has been designated by the Secretary to act for, and to exercise the general powers of, the Secretary.

"(2) Except to the extent otherwise provided by the Attorney General, the Deputy Attorney General may exercise the authority of the Attorney General under this section. The Attorney General may delegate that authority only to the Associate Attorney General or an Assistant Attorney General and only if the Associate Attorney General or Assistant Attorney General to whom delegated has been designated by the Attorney General to act for, and to exercise the general powers of, the Attorney General.

"(g) RELATIONSHIP TO OTHER AUTHORITY.—Nothing in this section shall be construed to restrict any executive branch authority regarding use of members of the armed forces or equipment of the Department of Defense that was in effect before the date of the enactment of the National Defense Authorization Act for Fiscal Year 1997.".

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

"382. Emergency situations involving chemical or biological weapons of mass destruction.".

(b) CONFORMING AMENDMENT TO CONDITION FOR PROVIDING EQUIPMENT AND FACILITIES.—Section 372(b)(1) of title 10, United States Code, is amended by adding at the end the following new sentence: "The requirement for a determination that an item is not reasonably available from another source does not apply to assistance provided under section 382 of this title pursuant to a request of the Attorney General for the assistance.".

(c) CONFORMING AMENDMENTS RELATING TO AUTHORITY TO REQUEST ASSISTANCE.—(1)(A) Chapter 10 of title 18, United States Code, is amended by inserting after section 175 the following new section:

"§ 175a. Requests for military assistance to enforce prohibition in certain emergencies

"The Attorney General may request the Secretary of Defense to provide assistance under section 382 of title 10 in support of Department of Justice activities relating to the enforcement of section 175 of this title in an emergency situation involving a biological weapon of mass destruction. The authority to make such a request may be exercised by another official of the Department of Justice in accordance with section 382(f)(2) of title 10.".

(B) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 175 the following new item:

"175a. Requests for military assistance to enforce prohibition in certain emergencies.".

(2)(A) The chapter 133B of title 18, United States Code, that relates to terrorism is amended by inserting after section 2332c the following new section:

"§ 2332d. Requests for military assistance to enforce prohibition in certain emergencies

"The Attorney General may request the Secretary of Defense to provide assistance under section 382 of title 10 in support of Department of Justice activities relating to the enforcement of section 2332c of this title during an emergency situation involving a chemical weapon of mass destruction. The authority to make such a request may be exercised by another official of the Department of Justice in accordance with section 382(f)(2) of title 10.".

(B) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2332c the following new item:

"2332d. Requests for military assistance to enforce prohibition in certain emergencies.".

(d) CIVILIAN EXPERTISE.—The President shall take reasonable measures to reduce the reliance of civilian law enforcement officials on Department of Defense resources to counter the threat posed by the use or potential use of biological and chemical weapons of mass destruction within the United States. The measures shall include—

(1) actions to increase civilian law enforcement expertise to counter such a threat; and

(2) actions to improve coordination between civilian law enforcement officials and other civilian sources of expertise, within and outside the Federal Government, to counter such a threat.

(e) REPORTS.—The President shall submit to Congress the following reports:

(1) Not later than 90 days after the date of the enactment of this Act, a report describing the respective policy functions and operational roles of Federal agencies in countering the threat posed by the use or potential use of biological and chemical weapons of mass destruction within the United States.

(2) Not later than one year after such date, a report describing—

(A) the actions planned to be taken to carry out subsection (d); and

(B) the costs of such actions.

(3) Not later than three years after such date, a report updating the information provided in the reports submitted pursuant to paragraphs (1) and (2), including the measures taken pursuant to subsection (d).

SEC. 1417. RAPID RESPONSE INFORMATION SYSTEM.

(a) INVENTORY OF RAPID RESPONSE ASSETS.—(1) The head of each Federal Response Plan agency shall develop and maintain an inventory of physical equipment and assets under the jurisdiction of that agency that could be made available to aid State and local officials in search and rescue and other disaster management and mitigation efforts associated with an emergency involving weapons of mass destruction. The agency head shall submit a copy of the inventory, and any updates of the inventory, to the Director of the Federal Emergency Management Agency for inclusion in the master inventory required under subsection (b).

(2) Each inventory shall include a separate listing of any equipment that is excess to the needs of that agency and could be considered for disposal as excess or surplus property for use for response and training with regard to emergencies involving weapons of mass destruction.

(b) MASTER INVENTORY.—The Director of the Federal Emergency Management Agency shall compile and maintain a comprehensive listing of all inventories prepared under subsection (a). The first such master list shall be completed not later than December 31, 1997, and shall be updated annually thereafter.

(c) ADDITION TO FEDERAL RESPONSE PLAN.—Not later than December 31, 1997, the Director of the Federal Emergency Management Agency shall develop and incorporate into existing Federal emergency response plans and programs prepared under section 611(b) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5196(b)) guidance on accessing and using the physical equipment and assets included in the master list developed under subsection to respond to emergencies involving weapons of mass destruction.

(d) DATABASE ON CHEMICAL AND BIOLOGICAL MATERIALS.—The Director of the Federal Emergency Management Agency, in consultation with the Secretary of Defense, shall prepare a database on chemical and biological agents and munitions characteristics and safety precautions for civilian use. The initial design and compilation of the database shall be completed not later than December 31, 1997.

(e) ACCESS TO INVENTORY AND DATABASE.—The Director of the Federal Emergency Management Agency shall design and maintain a system to give Federal, State, and local officials access to the inventory listing and database maintained under this section in the event of an emergency involving weapons of mass destruction or to prepare and train to respond to such an emergency. The system shall include a secure but accessible emergency response hotline to access information and request assistance.

Subtitle B—Interdiction of Weapons of Mass Destruction and Related Materials

SEC. 1421. PROCUREMENT OF DETECTION EQUIPMENT—UNITED STATES BORDER SECURITY.

Of the amount authorized to be appropriated by section 301, $15,000,000 is available for the procurement of—

(1) equipment capable of detecting the movement of weapons of mass destruction and related materials into the United States;

(2) equipment capable of interdicting the movement of weapons of mass destruction and related materials into the United States; and

(3) materials and technologies related to use of equipment described in paragraph (1) or (2).

SEC. 1422. EXTENSION OF COVERAGE OF INTERNATIONAL EMERGENCY ECONOMIC POWERS ACT.

Section 206 of the International Emergency Economic Powers Act (50 U.S.C. 1705) is amended—

(1) in subsection (a), by inserting ", or attempts to violate," after "violates"; and

(2) in subsection (b), by inserting ", or willfully attempts to violate," after "violates".

SEC. 1423. SENSE OF CONGRESS CONCERNING CRIMINAL PENALTIES.

(a) SENSE OF CONGRESS CONCERNING INADEQUACY OF SENTENCING GUIDELINES.—It is the sense of Congress that the sentencing guidelines prescribed by the United States Sentencing Commission for the offenses of importation, attempted importation, exportation, and attempted exportation of nuclear, biological, and chemical weapons materials constitute inadequate punishment for such offenses.

(b) URGING OF REVISION TO GUIDELINES.—Congress urges the United States Sentencing Commission to revise the relevant sentencing guidelines to provide for increased penalties for offenses relating to importation, attempted importation, exportation, and attempted exportation of nuclear, biological, or chemical weapons or related materials or technologies under the following provisions of law:

(1) Section 11 of the Export Administration Act of 1979 (50 U.S.C. App. 2410).

(2) Sections 38 and 40 the Arms Export Control Act (22 U.S.C. 2778 and 2780).

(3) The International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.).

(4) Section 309(c) of the Nuclear Non-Proliferation Act of 1978 (22 U.S.C. 2156a(c).

SEC. 1424. INTERNATIONAL BORDER SECURITY.

(a) SECRETARY OF DEFENSE RESPONSIBILITY.—The Secretary of Defense, in consultation and cooperation with the Commissioner of Customs, shall carry out programs for assisting customs officials and border guard officials in the independent states of the former Soviet Union, the Baltic states, and other countries of Eastern Europe in preventing unauthorized transfer and transportation of nu-

clear, biological, and chemical weapons and related materials. Training, expert advice, maintenance of equipment, loan of equipment, and audits may be provided under or in connection with the programs.

(b) FUNDING.—Of the total amount authorized to be appropriated by section 301, $15,000,000 is available for carrying out the programs referred to in subsection (a).

(c) ASSISTANCE TO STATES OF THE FORMER SOVIET UNION.—Assistance under programs referred to in subsection (a) may (notwithstanding any provision of law prohibiting the extension of foreign assistance to any of the newly independents state of the former Soviet Union) be extended to include an independent state of the former Soviet Union if the President certifies to Congress that it is in the national interest of the United States to extend assistance under this section to that state.

Subtitle C—Control and Disposition of Weapons of Mass Destruction and Related Materials Threatening the United States

SEC. 1431. COVERAGE OF WEAPONS-USABLE FISSILE MATERIALS IN COOPERATIVE THREAT REDUCTION PROGRAMS ON ELIMINATION OR TRANSPORTATION OF NUCLEAR WEAPONS.

Section 1201(b)(1) of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 469; 22 U.S.C. 5955 note) is amended by inserting ", fissile material suitable for use in nuclear weapons," after "other weapons".

SEC. 1432. ELIMINATION OF PLUTONIUM PRODUCTION.

(a) REPLACEMENT PROGRAM.—The Secretary of Energy, in consultation with the Secretary of Defense, shall develop a cooperative program with the Government of Russia to eliminate the production of weapons grade plutonium by modifying or replacing the reactor cores at Tomsk–7 and Krasnoyarsk–26 with reactor cores that are less suitable for the production of weapons-grade plutonium.

(b) PROGRAM REQUIREMENTS.—(1) The program shall be designed to achieve completion of the modifications or replacements of the reactor cores within three years after the modification or replacement activities under the program are begun.

(2) The plan for the program shall—

(A) specify—

(i) successive steps for the modification or replacement of the reactor cores; and

(ii) clearly defined milestones to be achieved; and

(B) include estimates of the costs of the program.

(c) SUBMISSION OF PROGRAM PLAN TO CONGRESS.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress—

(1) a plan for the program under subsection (a);

(2) an estimate of the United States funding that is necessary for carrying out the activities under the program for each fiscal year covered by the program; and

(3) a comparison of the benefits of the program with the benefits of other nonproliferation programs.

Subtitle D—Coordination of Policy and Countermeasures Against Proliferation of Weapons of Mass Destruction

SEC. 1441. NATIONAL COORDINATOR ON NONPROLIFERATION.

(a) DESIGNATION OF POSITION.—The President shall designate an individual to serve in the Executive Office of the President as the National Coordinator for Nonproliferation Matters.

(b) DUTIES.—The Coordinator, under the direction of the National Security Council, shall advise and assist the President by—

(1) advising the President on nonproliferation of weapons of mass destruction, including issues related to terrorism, arms control, and international organized crime.

(2) chairing the Committee on Nonproliferation established under section 1342; and

(3) taking such actions as are necessary to ensure that there is appropriate emphasis in, cooperation on, and coordination of, nonproliferation research efforts of the United States, including activities of Federal agencies as well as activities of contractors funded by the Federal Government.

(c) ALLOCATION OF FUNDS.—Of the total amount authorized to be appropriated under section 301, $2,000,000 is available to the Department of Defense for carrying out research referred to in subsection (b)(3).

SEC. 1442. NATIONAL SECURITY COUNCIL COMMITTEE ON NONPROLIFERATION.

(a) ESTABLISHMENT.—The Committee on Nonproliferation (in this section referred to as the "Committee") is established as a committee of the National Security Council.

(b) MEMBERSHIP.—(1) The Committee shall be composed of representatives of the following:

(A) The Secretary of State.

(B) The Secretary of Defense.

(C) The Director of Central Intelligence.

(D) The Attorney General.

(E) The Secretary of Energy.

(F) The Administrator of the Federal Emergency Management Agency.

(G) The Secretary of the Treasury.

(H) The Secretary of Commerce.

(I) Such other members as the President may designate.

(2) The National Coordinator for Nonproliferation Matters shall chair the Committee on Nonproliferation.

(c) RESPONSIBILITIES.—The Committee has the following responsibilities:

(1) To review and coordinate Federal programs, policies, and directives relating to the proliferation of weapons of mass destruction and related materials and technologies, including matters relating to terrorism and international organized crime.

(2) To make recommendations through the National Security Council to the President regarding the following:

(A) Integrated national policies for countering the threats posed by weapons of mass destruction.

(B) Options for integrating Federal agency budgets for countering such threats.

(C) Means to ensure that the Federal, State, and local governments have adequate capabilities to manage crises involving nuclear, radiological, biological, or chemical weapons or related materials or technologies, and to manage the consequences of a use of such a weapon or related materials or technologies, and that use of those capabilities is coordinated.

(D) Means to ensure appropriate cooperation on, and coordination of, the following:

(i) Preventing the smuggling of weapons of mass destruction and related materials and technologies.

(ii) Promoting domestic and international law enforcement efforts against proliferation-related efforts.

(iii) Countering the involvement of organized crime groups in proliferation-related activities.

(iv) Safeguarding weapons of mass destruction materials and related technologies.

(v) Improving coordination and cooperation among intelligence activities, law enforcement, and the Departments of Defense, State, Commerce, and Energy in support of nonproliferation and counterproliferation efforts.

(vi) Improving export controls over materials and technologies that can contribute to the acquisition of weapons of mass destruction.

(vii) Reducing proliferation of weapons of mass destruction and related materials and technologies.

SEC. 1443. COMPREHENSIVE PREPAREDNESS PROGRAM.

(a) PROGRAM REQUIRED.—The President, acting through the Committee on Nonproliferation established under section 1442, shall develop a comprehensive program for carrying out this title.

(b) CONTENT OF PROGRAM.—The program set forth in the report shall include specific plans as follows:

(1) Plans for countering proliferation of weapons of mass destruction and related materials and technologies.

(2) Plans for training and equipping Federal, State, and local officials for managing a crisis involving a use or threatened use of a weapon of mass destruction, including the consequences of the use of such a weapon.

(3) Plans for providing for regular sharing of information among intelligence, law enforcement, and customs agencies.

(4) Plans for training and equipping law enforcement units, customs services, and border security personnel to counter the smuggling of weapons of mass destruction and related materials and technologies.

(5) Plans for establishing appropriate centers for analyzing seized nuclear, radiological, biological, and chemical weapons, and related materials and technologies.

(6) Plans for establishing in the United States appropriate legal controls and authorities relating to the exporting of nuclear, radiological, biological, and chemical weapons, and related materials and technologies.

(7) Plans for encouraging and assisting governments of foreign countries to implement and enforce laws that set forth appropriate penalties for offenses regarding the smuggling of weapons of mass destruction and related materials and technologies.

(8) Plans for building the confidence of the United States and Russia in each other's controls over United States and Russian nuclear weapons and fissile materials, including plans for verifying the dismantlement of nuclear weapons.

(9) Plans for reducing United States and Russian stockpiles of excess plutonium, reflecting—

(A) consideration of the desirability and feasibility of a United States-Russian agreement governing fissile material disposition and the specific technologies and approaches to be used for disposition of excess plutonium; and

(B) an assessment of the options for United States cooperation with Russia in the disposition of Russian plutonium.

(10) Plans for studying the merits and costs of establishing a global network of means for detecting and responding to terroristic or other criminal use of biological agents against people or other forms of life in the United States or any foreign country.

(c) REPORT.—(1) At the same time that the President submits the budget for fiscal year 1998 to Congress pursuant to section 1105(a) of title 31, United States Code, the President shall submit to Congress a report that sets forth the comprehensive program developed under subsection (a).

(2) The report shall include the following:

(A) The specific plans for the program that are required under subsection (b).

(B) Estimates of the funds necessary, by agency or department, for carrying out such plans in fiscal year 1998 and the following five fiscal years.

(3) The report shall be in an unclassified form. If there is a classified version of the report, the President shall submit the classified version at the same time.

SEC. 1444. TERMINATION.

After September 30, 1999, the President—

(1) is not required to maintain a National Coordinator for Nonproliferation Matters under section 1341; and

(2) may terminate the Committee on Nonproliferation established under section 1342.

Subtitle E—Miscellaneous

SEC. 1451. SENSE OF CONGRESS CONCERNING CONTRACTING POLICY.

It is the sense of Congress that the Secretary of Defense, the Secretary of Energy, the Secretary of the Treasury, and the Secretary of State, to the extent authorized by law, should—

(1) contract directly with suppliers in independent states of the former Soviet Union when such action would—

(A) result in significant savings of the programs referred to in subtitle C; and

(B) substantially expedite completion of the programs referred to in subtitle C; and

(2) seek means to use innovative contracting approaches to avoid delay and increase the effectiveness of such programs and of the exercise of such authorities.

SEC. 1452. TRANSFERS OF ALLOCATIONS AMONG COOPERATIVE THREAT REDUCTION PROGRAMS.

Congress finds that—

(1) the various Cooperative Threat Reduction programs are being carried out at different rates in the various countries covered by such programs; and

(2) it is necessary to authorize transfers of funding allocations among the various programs in order to maximize the effectiveness of United States efforts under such programs.

SEC. 1453. SENSE OF CONGRESS CONCERNING ASSISTANCE TO STATES OF FORMER SOVIET UNION.

It is the sense of Congress that—

(1) the Cooperative Threat Reduction programs and other United States programs authorized in the National Defense Authorization Act for Fiscal Years 1993 and 1994 should be expanded by offering assistance under those programs to other independent states of the former Soviet Union in addition to Russia, Ukraine, Kazakstan, and Belarus; and

(2) the President should offer assistance to additional independent states of the former Soviet Union in each case in which the participation of such states would benefit national security interests of the United States by improving border controls and safeguards over materials and technology associated with weapons of mass destruction.

SEC. 1454. PURCHASE OF LOW-ENRICHED URANIUM DERIVED FROM RUSSIAN HIGHLY ENRICHED URANIUM.

(a) SENSE OF CONGRESS.—It is the sense of Congress that the allies of the United States and other nations should participate in efforts to ensure that stockpiles of weapons-grade nuclear material are reduced.

(b) ACTIONS BY THE SECRETARY OF STATE.—Congress urges the Secretary of State to encourage, in consultation with the Secretary of Energy, other countries to purchase low-enriched uranium that is derived from highly enriched uranium extracted from Russian nuclear weapons.

SEC. 1455. SENSE OF CONGRESS CONCERNING PURCHASE, PACKAGING, AND TRANSPORTATION OF FISSILE MATERIALS AT RISK OF THEFT.

It is the sense of Congress that—

(1) the Secretary of Defense, the Secretary of Energy, the Secretary of the Treasury, and the Secretary of State should purchase, package, and transport to secure locations weapons-grade nuclear materials from a stockpile of such materials if such officials determine that—

(A) there is a significant risk of theft of such materials; and

(B) there is no reasonable and economically feasible alternative for securing such materials; and

(2) if it is necessary to do so in order to secure the materials, the materials should be imported into the United States, subject to the laws and regulations that are applicable to the importation of such materials into the United States.

TITLE XV—COOPERATIVE THREAT REDUCTION WITH STATES OF FORMER SOVIET UNION

Sec. 1501. Specification of Cooperative Threat Reduction programs.
Sec. 1502. Fiscal year 1997 funding allocations.
Sec. 1503. Prohibition on use of funds for specified purposes.
Sec. 1504. Limitation on use of funds until specified reports are submitted.
Sec. 1505. Availability of funds.

SEC. 1501. SPECIFICATION OF COOPERATIVE THREAT REDUCTION PROGRAMS.

(a) IN GENERAL.—For purposes of section 301 and other provisions of this Act, Cooperative Threat Reduction programs are the programs specified in subsection (b).

(b) SPECIFIED PROGRAMS.—The programs referred to in subsection (a) are the following programs with respect to states of the former Soviet Union:

(1) Programs to facilitate the elimination, and the safe and secure transportation and storage, of nuclear, chemical, and other weapons and their delivery vehicles.

(2) Programs to facilitate the safe and secure storage of fissile materials derived from the elimination of nuclear weapons.

(3) Programs to prevent the proliferation of weapons, weapons components, and weapons-related technology and expertise.

(4) Programs to expand military-to-military and defense contacts.

SEC. 1502. FISCAL YEAR 1997 FUNDING ALLOCATIONS.

(a) IN GENERAL.—Of the amount appropriated pursuant to the authorization of appropriations in section 301 for Cooperative Threat Reduction programs, not more than the following amounts may be obligated for the purposes specified:

(1) For planning and design of a chemical weapons destruction facility in Russia, $78,500,000.

(2) For elimination of strategic offensive arms in Russia, $52,000,000.

(3) For strategic nuclear arms elimination in Ukraine, $47,000,000.

(4) For planning and design of a storage facility for Russian fissile material, $66,000,000.

(5) For fissile material containers in Russia, $38,500,000.

(6) For weapons storage security in Russia, $15,000,000.

(7) For activities designated as Defense and Military-to-Military Contacts in Russia, Ukraine, Belarus, and Kazakhstan, $10,000,000.

(8) For activities designated as Other Assessments/Administrative Support $20,900,000.

(9) For materials protection, control, and accounting assistance or for destruction of nuclear, radiological, biological, or chemical weapons or related materials at any site within the former Soviet Union, $10,000,000.

(10) For transfer to the Secretary of Energy to develop a cooperative program with the Government of Russia to eliminate the production of weapons grade plutonium at Russian reactors, $10,000,000.

(11) For dismantlement of biological and chemical weapons facilities in the former Soviet Union, $15,000,000.

(12) For expanding military-to-military programs of the United States that focus on countering the threat of proliferation of weapons of mass destruction to include the security forces of the independent states of the former Soviet Union, particularly states in the Caucasus region and Central Asia, $2,000,000.

(b) LIMITED AUTHORITY TO VARY INDIVIDUAL AMOUNTS.—(1) If the Secretary of Defense determines that it is necessary to do so in the national interest, the Secretary may, subject to paragraph (2), obligate amounts for the purposes stated in any of the paragraphs of subsection (a) in excess of the amount specified for those purposes in that paragraph, but not in excess of 115 percent of that amount. However, the total amount obligated for the purposes stated in the paragraphs in subsection (a) may not by reason of the use of the authority provided in the preceding sentence exceed the sum of the amounts specified in those paragraphs.

(2) An obligation for the purposes stated in any of the paragraphs in subsection (a) in excess of the amount specified in that paragraph may be made using the authority provided in paragraph (1) only after—

(A) the Secretary submits to Congress a 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.

SEC. 1503. PROHIBITION ON USE OF FUNDS FOR SPECIFIED PURPOSES.

(a) IN GENERAL.—None of the funds appropriated pursuant to the authorization in section 301 for Cooperative Threat Reduction programs, or appropriated for such programs for any prior fiscal

year and remaining available for obligation, may be obligated or expended for any of the following purposes:

(1) Conducting with Russia any peacekeeping exercise or other peacekeeping-related activity.

(2) Provision of housing.

(3) Provision of assistance to promote environmental restoration.

(4) Provision of assistance to promote job retraining.

(b) LIMITATION WITH RESPECT TO DEFENSE CONVERSION ASSISTANCE.—None of the funds appropriated to the Department of Defense for fiscal year 1997 may be obligated or expended for defense conversion.

SEC. 1504. LIMITATION ON USE OF FUNDS UNTIL SPECIFIED REPORTS ARE SUBMITTED.

None of the funds appropriated pursuant to the authorization in section 301 for Cooperative Threat Reduction programs may be obligated or expended until 15 days after the date which is the latest of the following:

(1) The date on which the President submits to Congress the determinations required under subsection (c) of section 211 of Public Law 102–228 (22 U.S.C. 2551 note) with respect to any certification transmitted to Congress under subsection (b) of that section before the date of the enactment of this Act.

(2) The date on which the Secretary of Defense submits to Congress the first report under section 1206(a) of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 471).

(3) The date on which the Secretary of Defense submits to Congress the report for fiscal year 1996 required under section 1205(c) of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 108 Stat. 2883).

SEC. 1505. 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.

TITLE XVI—DEPARTMENT OF DEFENSE CIVILIAN PERSONNEL

Subtitle A—Miscellaneous Matters Relating to Personnel Management, Pay, and Allowances

Sec. 1601. Modification of requirement for conversion of military positions to civilian positions.
Sec. 1602. Retention of civilian employee positions at military training bases transferred to National Guard.
Sec. 1603. Clarification of applicability of certain management constraints on major range and test facility base structure.
Sec. 1604. Travel expenses and health care for civilian employees of the Department of Defense abroad.
Sec. 1605. Travel, transportation, and relocation allowances for certain former nonappropriated fund employees.
Sec. 1606. Employment and salary practices applicable to Department of Defense overseas teachers.
Sec. 1607. Employment and compensation of civilian faculty members at certain Department of Defense schools.

Sec. 1608. Reimbursement of Department of Defense domestic dependent school board members for certain expenses.
Sec. 1609. Modification of authority for civilian employees of Department of Defense to participate voluntarily in reductions in force.
Sec. 1610. Wage-board compensatory time off.
Sec. 1611. Liquidation of restored annual leave that remains unused upon transfer of employee from installation being closed or realigned.
Sec. 1612. Waiver of requirement for repayment of Voluntary Separation Incentive pay by former Department of Defense employees reemployed by the Government without pay.
Sec. 1613. Simplification of rules relating to the observance of certain holidays.
Sec. 1614. Revision of certain travel management authorities.
Sec. 1615. Failure to comply with veterans' preference requirements to be treated as a prohibited personnel practice.
Sec. 1616. Pilot programs for defense employees converted to contractor employees due to privatization at closed military installations.

Subtitle B—Department of Defense Intelligence Personnel Policy

Sec. 1631. Short title.
Sec. 1632. Management of civilian intelligence personnel.
Sec. 1633. Repeal of superseded sections and clerical and conforming amendments.
Sec. 1634. Other personnel management authorities.
Sec. 1635. Effective date.

Subtitle A—Miscellaneous Matters Relating to Personnel Management, Pay, and Allowances

SEC. 1601. MODIFICATION OF REQUIREMENT FOR CONVERSION OF MILITARY POSITIONS TO CIVILIAN POSITIONS.

(a) ELIMINATION OF REQUIREMENT FOR FISCAL YEAR 1997 CONVERSIONS.—Paragraph (1) of section 1032(a) of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 429; 10 U.S.C. 129a note) is amended—

(1) by striking out "September 30, 1997" and inserting in lieu thereof "September 30, 1996"; and

(2) by striking out "10,000" and inserting in lieu thereof "3,000".

(b) CONFORMING AMENDMENTS.—Such section is further amended—

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

(2) by redesignating paragraph (3) as paragraph (2).

(c) EFFECTIVE DATE.—(1) The amendments made by this section shall take effect 30 days after the date on which the Secretary of Defense submits to Congress a certification that at least 3,000 military positions have been converted to civilian positions during fiscal year 1996 as required by section 1032(a) of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 429).

(2) The Secretary shall publish in the Federal Register a notice of the submission of any certification to Congress under paragraph (1), including the date on which the certification was submitted to Congress.

SEC. 1602. RETENTION OF CIVILIAN EMPLOYEE POSITIONS AT MILITARY TRAINING BASES TRANSFERRED TO NATIONAL GUARD.

(a) RETENTION OF EMPLOYEE POSITIONS.—In the case of a military training installation described in subsection (b), the Secretary of Defense shall retain civilian employee positions of the Department of Defense at the installation after transfer to the National Guard to facilitate active and reserve component training at the installation. The Secretary shall determine the extent to which positions at the installation are to be retained as positions of the Department of Defense in consultation with the Adjutant General of the National Guard of the State in which the installation is located.

(b) MILITARY TRAINING INSTALLATIONS AFFECTED.—This section applies with respect to each military training installation that—

(1) was approved for closure in 1995 under 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);

(2) is scheduled for transfer to National Guard operation and control; and

(3) will continue to be used, after such transfer, to provide training support to active and reserve components of the Armed Forces.

(c) MAXIMUM POSITIONS RETAINED.—The number of civilian employee positions retained at an installation under this section may not exceed 20 percent of the Federal civilian workforce employed at the installation as of September 8, 1995.

(d) REMOVAL OF POSITION.—The requirement to maintain a civilian employee position at an installation under this section terminates upon the later of the following:

(1) The date of the departure or retirement from that position by the civilian employee initially employed or retained in the position as a result of this section.

(2) The date on which the Secretary certifies to Congress that the position is no longer required to ensure that effective support is provided at the installation for active and reserve component training.

SEC. 1603. CLARIFICATION OF APPLICABILITY OF CERTAIN MANAGEMENT CONSTRAINTS ON MAJOR RANGE AND TEST FACILITY BASE STRUCTURE.

Section 129 of title 10, United States Code, is amended—

(1) in subsection (c)(1), by inserting ", the Major Range and Test Facility Base," after "industrial-type activities"; and

(2) by adding at the end the following:

"(e) Subsections (a), (b), and (c) apply to the Major Range and Test Facility Base (MRTFB) at the installation level. With respect to the MRTFB structure, the term 'funds made available' includes both direct appropriated funds and funds provided by MRTFB customers.".

SEC. 1604. TRAVEL EXPENSES AND HEALTH CARE FOR CIVILIAN EMPLOYEES OF THE DEPARTMENT OF DEFENSE ABROAD.

(a) IN GENERAL.—Chapter 81 of title 10, United States Code, is amended by adding at the end the following ***new section****:*

"§ 1599b. Employees abroad: travel expenses; health care

"(a) IN GENERAL.—The Secretary of Defense may provide civilian employees, and members of their families, abroad with benefits that are comparable to certain benefits that are provided by the Secretary of State to members of the Foreign Service and their families abroad as described in subsections (b) and (c). The Secretary may designate the employees and members of families who are eligible to receive the benefits.

"(b) TRAVEL AND RELATED EXPENSES.—The Secretary of Defense may pay travel expenses and related expenses for purposes and in amounts that are comparable to the purposes for which, and the amounts in which, travel and related expenses are paid by the Secretary of State under section 901 of the Foreign Service Act of 1980 (22 U.S.C. 4081).

"(c) HEALTH CARE PROGRAM.—The Secretary of Defense may establish a health care program that is comparable to the health care program established by the Secretary of State under section 904 of the Foreign Service Act of 1980 (22 U.S.C. 4084).

"(d) ASSISTANCE.—The Secretary of Defense may enter into agreements with the heads of other departments and agencies of the Government in order to facilitate the payment of expenses authorized by subsection (b) and to carry out a health care program authorized by subsection (c).

"(e) ABROAD DEFINED.—In this section, the term 'abroad' means outside—

"(1) the United States; and

"(2) the territories and possessions of the United States.".

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

"1599b. Employees abroad: travel expenses; health care.".

SEC. 1605. TRAVEL, TRANSPORTATION, AND RELOCATION ALLOWANCES FOR CERTAIN FORMER NONAPPROPRIATED FUND EMPLOYEES.

(a) IN GENERAL.—(1) Subchapter II of chapter 57 of title 5, United States Code, is amended by adding at the end the following new section:

"§ 5736. Travel, transportation, and relocation expenses of certain nonappropriated fund employees

"An employee of a nonappropriated fund instrumentality of the Department of Defense or the Coast Guard described in section 2105(c) of this title who moves, without a break in service of more than 3 days, to a position in the Department of Defense or the Coast Guard, respectively, may be authorized travel, transportation, and relocation expenses and allowances under the same conditions and to the same extent authorized by this subchapter for transferred employees.".

(2) The table of sections at the beginning of chapter 57 of such title is amended by inserting after the item relating to section 5735 the following new item:

"5736. Travel, transportation, and relocation expenses of certain nonappropriated fund employees.".

(b) APPLICABILITY.—Section 5736 of title 5, United States Code (as added by subsection (a)(1)), shall apply to moves between positions as described in such section that are effective on or after October 1, 1996.

SEC. 1606. EMPLOYMENT AND SALARY PRACTICES APPLICABLE TO DEPARTMENT OF DEFENSE OVERSEAS TEACHERS.

(a) EXPANSION OF SCOPE OF EDUCATORS COVERED.—Section 2 of the Defense Department Overseas Teachers Pay and Personnel Practices Act (20 U.S.C. 901) is amended—

(1) in subparagraph (A) of paragraph (1), by inserting ", or are performed by an individual who carried out certain teaching activities identified in regulations prescribed by the Secretary of Defense" after "Defense,"; and

(2) by striking out subparagraph (C) of paragraph (2) and inserting in lieu thereof the following:

"(C) who is employed in a teaching position described in paragraph (1).".

(b) TRANSFER OF RESPONSIBILITY FOR EMPLOYMENT AND SALARY PRACTICES.—Section 5 of such Act (20 U.S.C. 903) is amended—

(1) in subsection (a)—

(A) by striking out "secretary of each military department in the Department of Defense" and inserting in lieu thereof "Secretary of Defense"; and

(B) by striking out "his military department" and inserting in lieu thereof "the Department of Defense";

(2) in subsection (b)—

(A) in the matter preceding paragraph (1), by striking out "secretary of each military department—" and inserting in lieu thereof "Secretary of Defense—"; and

(B) in paragraph (1), by striking out "his military department," and inserting in lieu thereof "the Department of Defense";

(3) in subsection (c)—

(A) by striking out "Secretary of each military department" and inserting in lieu thereof "Secretary of Defense"; and

(B) by striking out "his military department" and inserting in lieu thereof "the Department of Defense"; and

(4) in subsection (d), by striking out "Secretary of each military department" and inserting in lieu thereof "Secretary of Defense".

SEC. 1607. EMPLOYMENT AND COMPENSATION OF CIVILIAN FACULTY MEMBERS AT CERTAIN DEPARTMENT OF DEFENSE SCHOOLS.

(a) FACULTIES.—Subsection (c) of section 1595 of title 10, United States Code, is amended by adding at the end the following new paragraphs:

"(4) The English Language Center of the Defense Language Institute.

"(5) The Asia-Pacific Center for Security Studies.".

(b) CERTAIN ADMINISTRATORS.—Such section is further amended by adding at the end the following new subsection:

"(f) APPLICATION TO DIRECTOR AND DEPUTY DIRECTOR AT ASIA-PACIFIC CENTER FOR SECURITY STUDIES.—In the case of the Asia-Pacific Center for Security Studies, this section also applies with respect to the Director and the Deputy Director.".

SEC. 1608. REIMBURSEMENT OF DEPARTMENT OF DEFENSE DOMESTIC DEPENDENT SCHOOL BOARD MEMBERS FOR CERTAIN EXPENSES.

Section 2164(d) of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(7) The Secretary may provide for reimbursement of a school board member for expenses incurred by the member for travel, transportation, lodging, meals, program fees, activity fees, and other appropriate expenses that the Secretary determines are reasonable and necessary for the performance of school board duties by the member.".

SEC. 1609. MODIFICATION OF AUTHORITY FOR CIVILIAN EMPLOYEES OF DEPARTMENT OF DEFENSE TO PARTICIPATE VOLUNTARILY IN REDUCTIONS IN FORCE.

Subsection (f) of section 3502 of title 5, United States Code, is amended to read as follows:

"(f)(1) The Secretary of Defense or the Secretary of a military department may—

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

"(B) for each employee voluntarily separated under subparagraph (A), retain an employee in a similar position who would otherwise be separated due to a reduction in force.

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

"(3) An employee with critical knowledge and skills (as defined by the Secretary concerned) may not participate in a voluntary separation under paragraph (1)(A) if the Secretary concerned determines that such participation would impair the performance of the mission of the Department of Defense or the military department concerned.

"(4) The regulations prescribed under this section shall incorporate the authority provided in this subsection.

"(5) No authority under paragraph (1) may be exercised after September 30, 2001.".

SEC. 1610. WAGE-BOARD COMPENSATORY TIME OFF.

(a) IN GENERAL.—Section 5543 of title 5, 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) The head of an agency may, on request of an employee, grant the employee compensatory time off from the employee's scheduled tour of duty instead of payment under section 5544 or section 7 of the Fair Labor Standards Act of 1938 for an equal amount of time spent in irregular or occasional overtime work. An agency head may not require an employee to be compensated for overtime work

with an equivalent amount of compensatory time-off from the employee's tour of duty.".

(b) CONFORMING AMENDMENT.—Section 5544(c) of title 5, United States Code, is amended by inserting "and the provisions of section 5543(b)" after "the last two sentences of subsection (a)".

SEC. 1611. LIQUIDATION OF RESTORED ANNUAL LEAVE THAT REMAINS UNUSED UPON TRANSFER OF EMPLOYEE FROM INSTALLATION BEING CLOSED OR REALIGNED.

(a) LUMP-SUM PAYMENT REQUIRED.—Section 5551 of title 5, United States Code, is amended by adding at the end the following:

"(c)(1) Annual leave that is restored to an employee of the Department of Defense under section 6304(d) of this title by reason of the operation of paragraph (3) of such section and remains unused upon the transfer of the employee to a position described in paragraph (2) shall be liquidated by payment of a lump-sum for such leave to the employee upon the transfer.

"(2) A position referred to in paragraph (1) is a position in a department or agency of the Federal Government outside the Department of Defense or a Department of Defense position that is not located at a Department of Defense installation being closed or realigned as described in section 6304(d)(3) of this title.".

(b) APPLICABILITY.—Subsection (c) of section 5551 of title 5, United States Code (as added by subsection (a)), shall apply with respect to transfers described in such subsection (c) that take effect on or after the date of the enactment of this Act.

SEC. 1612. WAIVER OF REQUIREMENT FOR REPAYMENT OF VOLUNTARY SEPARATION INCENTIVE PAY BY FORMER DEPARTMENT OF DEFENSE EMPLOYEES REEMPLOYED BY THE GOVERNMENT WITHOUT PAY.

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

"(5) If the employment is without compensation, the appointing official may waive the repayment.".

(b) APPLICABILITY.—The amendment made by subsection (a) shall apply with respect to employment accepted on or after the date of the enactment of this Act.

SEC. 1613. SIMPLIFICATION OF RULES RELATING TO THE OBSERVANCE OF CERTAIN HOLIDAYS.

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

"(d)(1) For purposes of this subsection—

"(A) the term 'compressed schedule' has the meaning given such term by section 6121(5); and

"(B) the term 'adverse agency impact' has the meaning given such term by section 6131(b).

"(2) An agency may prescribe rules under which employees on a compressed schedule may, in the case of a holiday that occurs on a regularly scheduled non-workday for such employees, and notwithstanding any other provision of law or the terms of any collective bargaining agreement, be required to observe such holiday on a workday other than as provided by subsection (b), if the agency head determines that it is necessary to do so in order to prevent an adverse agency impact.".

SEC. 1614. REVISION OF CERTAIN TRAVEL MANAGEMENT AUTHORITIES.

(a) REPEAL OF REQUIREMENTS RELATING TO FIRE-SAFE ACCOMMODATIONS.—(1) Section 5707 of title 5, United States Code, is amended by striking out subsection (d).

(2) Subsection (b) of section 5 of the Hotel and Motel Fire Safety Act of 1990 (Public Law 101–391; 104 Stat. 751; 5 U.S.C. 5707 note) is repealed.

(b) REPEAL OF PROHIBITION ON PAYMENT OF LODGING EXPENSES OF DEPARTMENT OF DEFENSE EMPLOYEES AND OTHER CIVILIANS WHEN ADEQUATE GOVERNMENT QUARTERS ARE AVAILABLE.—(1) Section 1589 of title 10, United States Code, is repealed.

(2) The table of sections at the beginning of chapter 81 of such title is amended by striking out the item relating to such section.

SEC. 1615. FAILURE TO COMPLY WITH VETERANS' PREFERENCE REQUIREMENTS TO BE TREATED AS A PROHIBITED PERSONNEL PRACTICE.

(a) IN GENERAL.—(1) Chapter 81 of title 10, United States Code, as amended by section 1604, is further amended by adding at the end the following new section:

"§ 1599c. Veterans' preference requirements: Department of Defense failure to comply treated as a prohibited personnel practice

"(a) PROHIBITED PERSONNEL PRACTICE.—It is a prohibited personnel practice for a person referred to in subsection (b) who has authority described in that subsection—

"(1) knowingly to take, recommend, or approve any personnel action with respect to such authority if the taking of such action violates a veterans' preference; or

"(2) knowingly to fail to take, recommend, or approve any personnel action with respect to such authority, if the failure to take such action violates a veterans' preference.

"(b) PERSONS COVERED.—Subsection (a) applies with respect to—

"(1) an officer or employee of the Department of Defense who has authority to take, direct others to take, recommend, or approve a personnel action with respect to an employee of the Department of Defense; and

"(2) a member of the armed forces who has such authority.

"(c) VETERANS' PREFERENCE DEFINED.—(1) In this section, the term 'veterans' preference' means any of the following provisions of law:

"(A) Sections 2108, 3305(b), 3309, 3310, 3311, 3312, 3313, 3314, 3315, 3316, 3317(b), 3318, 3320, 3351, 3352, 3363, 3501, 3502(b), 3504, and 4303(e) of title 5 and (with respect to a preference eligible referred to in section 7511(a)(1)(B) of such title) subchapter II of chapter 75 and section 7701 of such title.

"(B) Sections 943(c)(2) and 1784(c) of this title.

"(C) Section 1308(b) of the Alaska National Interest Lands Conservation Act (16 U.S.C. 3198(b)).

"(D) Section 301(c) of the Foreign Service Act of 1980 (22 U.S.C. 3941(c)).

"(E) Section 3(a)(11) of the Administrative Office of the United States Courts Personnel Act of 1990 (28 U.S.C. 602 note).

"(F) Sections 106(f), 7281(e), and 7802(5) of title 38.

"(G) Section 1005(a) of title 39.

"(H) Any other provision of law that the Director of the Office of Personnel Management designates in regulations as being a veterans' preference for the purposes of this section.

"(2) For the purposes of this section, such term includes any regulation prescribed under subsection (b) or (c) of section 1302 of title 5 and any other regulation that implements a provision of law referred to in paragraph (1).

"(d) PERSONNEL ACTION DEFINED.—In this section, the term 'personnel action' has the meaning given that term in section 2302 of title 5.".

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

"1599c. Veterans' preference requirements: Department of Defense failure to comply treated as a prohibited personnel practice.".

(b) APPLICABILITY OF TITLE 5 PROCEDURES AND SANCTIONS.—Paragraph (1) of section 2302(a) of title 5, United States Code, is amended to read as follows:

"(1) For purposes of this title, 'prohibited personnel practice' means the following:

"(A) Any action described in subsection (b) of this section.

"(B) Any action or failure to act that is designated as a prohibited personnel action under section 1599c(a) of title 10.".

(c) REPORTING REQUIREMENT.—Not later than six months after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a written report on—

(1) the implementation of—

(A) section 1599c of title 10, United States Code, as added by subsection (a); and

(B) subparagraph (B) of section 2302(a)(1) of title 5, United States Code, as added by subsection (b); and

(2) the administration of veterans' preference requirements by the Department of Defense generally.

SEC. 1616. PILOT PROGRAMS FOR DEFENSE EMPLOYEES CONVERTED TO CONTRACTOR EMPLOYEES DUE TO PRIVATIZATION AT CLOSED MILITARY INSTALLATIONS.

(a) PILOT PROGRAMS AUTHORIZED.—(1) The Secretary of Defense, after consultation with the Director of the Office of Personnel Management, may establish one or more pilot programs under which Federal retirement benefits are provided in accordance with this section to persons who convert from Federal employment to employment by a Department of Defense contractor in connection with the privatization of the performance of functions at selected military installations being closed under the base closure and realignment process.

(2) The Secretary of Defense shall select the military installations to be covered by a pilot program under this section.

(b) ELIGIBLE CONVERTED EMPLOYEES.—(1) A person is a converted employee eligible for Federal retirement benefits under this

section if the person is a former employee of the Department of Defense (other than a temporary employee) who—

(A) while employed by the Department of Defense at a military installation selected to participate in a pilot program, performed a function that was recommended, in a report of the Defense Base Closure and Realignment Commission submitted to the President under the Defense Base Closure and Realignment Act of 1990 (title XXIX of Public Law 101–510; 10 U.S.C. 2687 note), to be privatized for performance by a defense contractor at the same installation or in the vicinity of the installation;

(B) while so employed, separated from Federal service after being notified that the employee would be separated in a reduction in force resulting from such privatization;

(C) at the time separated from Federal service, was covered under the Civil Service Retirement System, but was not eligible for an immediate annuity under the Civil Service Retirement System;

(D) does not withdraw retirement contributions under section 8342 of title 5, United States Code;

(E) within 60 days following such separation, is employed by the defense contractor selected to privatize the function to perform substantially the same function performed by the person before the separation; and

(F) remains employed by the defense contractor (or a successor defense contractor) or subcontractor of the defense contractor (or successor defense contractor) until attaining early deferred retirement age (unless the employment is sooner involuntarily terminated for reasons other than performance or conduct of the employee).

(2) A person who, under paragraph (1), would otherwise be eligible for an early deferred annuity under this section shall not be eligible for such benefits if the person received separation pay or severance pay due to a separation described in subparagraph (B) of that paragraph unless the person repays the full amount of such pay with interest (computed at a rate determined appropriate by the Director of the Office of Personnel Management) to the Department of Defense before attaining early deferred retirement age.

(c) RETIREMENT BENEFITS OF CONVERTED EMPLOYEES.—In the case of a converted employee covered by a pilot program, payment of a deferred annuity for which the converted employee is eligible under section 8338(a) of title 5, United States Code, shall commence on the first day of the first month that begins after the date on which the converted employee attains early deferred retirement age, notwithstanding the age requirement under that section. If the employment of a converted employee is involuntarily terminated by the defense contractor or subcontractor as described in subsection (b)(1)(F) and the converted employee resumes Federal service before the converted employee attains early deferred retirement age, the converted employee shall once again be covered under the Civil Service Retirement System instead of the pilot program.

(d) COMPUTATION OF AVERAGE PAY.—(1)(A) This paragraph applies to a converted employee who was employed in a position classified under the General Schedule immediately before the employee's covered separation from Federal service.

(B) Subject to subparagraph (C), for purposes of computing the deferred annuity for a converted employee referred to in subparagraph (A), the average pay of the converted employee, computed under section 8331(4) of title 5, United States Code, as of the date of the employee's covered separation from Federal service, shall be adjusted at the same time and by the same percentage that rates of basic pay are increased under section 5303 of such title during the period beginning on that date and ending on the date on which the converted employee attains early deferred retirement age.

(C) The average pay of a converted employee, as adjusted under subparagraph (B), may not exceed the amount to which an annuity of the converted employee could be increased under section 8340 of title 5, United States Code, in accordance with the limitation in subsection (g)(1) of such section (relating to maximum pay, final pay, or average pay).

(2)(A) This paragraph applies to a converted employee who was a prevailing rate employee (as defined under section 5342(2) of title 5, United States Code) immediately before the employee's covered separation from Federal service.

(B) For purposes of computing the deferred annuity for a converted employee referred to in subparagraph (A), the average pay of the converted employee, computed under section 8331(4) of title 5, United States Code, as of the date of the employee's covered separation from Federal service, shall be adjusted at the same time and by the same percentage that pay rates for positions that are in the same area as, and are comparable to, the last position the converted employee held as a prevailing rate employee, are increased under section 5343(a) of such title during the period beginning on that date and ending on the date on which the converted employee attains early deferred retirement age.

(e) PAYMENT OF UNFUNDED LIABILITY.—(1) The military department concerned shall be liable for that portion of any estimated increase in the unfunded liability of the Civil Service Retirement and Disability Fund established under section 8348 of title 5, United States Code, which is attributable to any benefits payable from such Fund to a converted employee, and any survivor of a converted employee, when the increase results from—

(A) an increase in the average pay of the converted employee under subsection (d) upon which such benefits are computed; and

(B) the commencement of an early deferred annuity in accordance with this section before the attainment of 62 years of age by the converted employee.

(2) The estimated increase in the unfunded liability for each department referred to in paragraph (1) shall be determined by the Director of the Office of Personnel Management. In making the determination, the Director shall consider any savings to the Fund as a result of a pilot program established under this section. The Secretary of the military department concerned shall pay the amount so determined to the Director in 10 equal annual installments with interest computed at the rate used in the most recent valuation of the Civil Service Retirement System, with the first payment thereof due at the end of the fiscal year in which an increase in average pay under subsection (d) becomes effective.

(f) CONTRACTOR SERVICE NOT CREDITABLE.—Service performed by a converted employee for a defense contractor after the employee's covered separation from Federal service is not creditable service for purposes of subchapter III of chapter 83 of title 5, United States Code.

(g) RECEIPT OF BENEFITS WHILE EMPLOYED BY A DEFENSE CONTRACTOR.—A converted employee may commence receipt of an early deferred annuity in accordance with this section while continuing to work for a defense contractor.

(h) LUMP-SUM CREDIT PAYMENT.—If a converted employee dies before attaining early deferred retirement age, such employee shall be treated as a former employee who dies not retired for purposes of payment of the lump-sum credit under section 8342(d) of title 5, United States Code.

(i) CONTINUED FEDERAL HEALTH BENEFITS COVERAGE.—Notwithstanding section 8905a(e)(1)(A) of title 5, United States Code, the continued coverage of a converted employee for health benefits under chapter 89 of such title by reason of the application of section 8905a of such title to such employee shall terminate 90 days after the date of the employee's covered separation from Federal employment. For the purposes of the preceding sentence, a person who, except for subsection (b)(2), would be a converted employee shall be considered a converted employee.

(j) REPORT BY GENERAL ACCOUNTING OFFICE.—The Comptroller General shall conduct a study of each pilot program, if any, established under this section and submit a report on the pilot program to Congress not later than two years after the date on which the program is established. The report shall contain the following:

(1) A review and evaluation of the program, including—

(A) an evaluation of the success of the privatization outcomes of the program;

(B) a comparison and evaluation of such privatization outcomes with the privatization outcomes with respect to facilities at other military installations closed or realigned under the base closure laws;

(C) an evaluation of the impact of the program on the Federal workforce and whether the program results in the maintenance of a skilled workforce for defense contractors at an acceptable cost to the military department concerned; and

(D) an assessment of the extent to which the program is a cost-effective means of facilitating privatization of the performance of Federal activities.

(2) Recommendations relating to the expansion of the program to other installations and employees.

(3) Any other recommendation relating to the program.

(k) IMPLEMENTING REGULATIONS.—Not later than 30 days after the Secretary of Defense notifies the Director of the Office of Personnel Management of a decision to establish a pilot program under this section, the Director shall prescribe regulations to carry out the provisions of this section with respect to that pilot program. Before prescribing the regulations, the Director shall consult with the Secretary.

(l) DEFINITIONS.—In this section:

(1) The term "converted employee" means a person who, pursuant to subsection (b), is eligible for benefits under this section.

(2) The term "covered separation from Federal service" means a separation from Federal service as described under subsection (b)(1)(B).

(3) The term "Civil Service Retirement System" means the retirement system under subchapter III of chapter 83 of title 5, United States Code.

(4) The term "defense contractor" means any entity that—

(A) contracts with the Department of Defense to perform a function previously performed by Department of Defense employees;

(B) performs that function at the same installation at which such function was previously performed by Department of Defense employees or in the vicinity of that installation; and

(C) is the employer of one or more converted employees.

(5) The term "early deferred retirement age" means the first age at which a converted employee would have been eligible for immediate retirement under subsection (a) or (b) of section 8336 of title 5, United States Code, if such converted employee had remained an employee within the meaning of section 8331(1) of such title continuously until attaining such age.

(6) The term "severance pay" means severance pay payable under section 5595 of title 5, United States Code.

(7) The term "separation pay" means separation pay payable under section 5597 of title 5, United States Code.

(m) APPLICATION OF PILOT PROGRAM.—In the event that a pilot program is established for a military installation, the pilot program shall apply to a covered separation from Federal service by an employee of the Department of Defense at the installation occurring on or after August 1, 1996.

Subtitle B—Department of Defense Intelligence Personnel Policy

SEC. 1631. SHORT TITLE.

This subtitle may be cited as the "Department of Defense Civilian Intelligence Personnel Policy Act of 1996".

SEC. 1632. MANAGEMENT OF CIVILIAN INTELLIGENCE PERSONNEL.

(a) CONSOLIDATION AND STANDARDIZATION OF CIVILIAN PERSONNEL POLICY.—Chapter 83 of title 10, United States Code, is amended—

(1) by redesignating section 1602 as section 1621 and transferring that section so as to appear after section 1605;

(2) by redesignating sections 1606 and 1608 as section 1622 and 1623, respectively; and

(3) by striking out the chapter heading, the table of sections, and sections 1601, 1603, and 1604 and inserting in lieu thereof the following:

"CHAPTER 83—CIVILIAN DEFENSE INTELLIGENCE EMPLOYEES

"Subchapter *Sec.*
"I. Defense-Wide Intelligence Personnel Policy *1601*
"II. Defense Intelligence Agency Personnel *1621*

"SUBCHAPTER I—DEFENSE-WIDE INTELLIGENCE PERSONNEL POLICY

"Sec.
"1601. Civilian intelligence personnel: general authority to establish excepted positions, appoint personnel, and fix rates of pay.
"1602. Basic pay.
"1603. Additional compensation, incentives, and allowances.
"1605. Benefits for certain employees assigned outside the United States.
"1606. Defense Intelligence Senior Executive Service.
"1607. Intelligence Senior Level positions.
"1608. Time-limited appointments.
"1609. Termination of defense intelligence employees.
"1610. Reductions and other adjustments in force.
"1611. Postemployment assistance: certain terminated intelligence employees.
"1612. Merit system principles and civil service protections: applicability.
"1613. Miscellaneous provisions.
"1614. Definitions.

"§ 1601. Civilian intelligence personnel: general authority to establish excepted positions, appoint personnel, and fix rates of pay

"(a) GENERAL AUTHORITY.—The Secretary of Defense may—

"(1) establish, as positions in the excepted service, such defense intelligence positions in the intelligence components of the Department of Defense and the military departments as the Secretary determines necessary to carry out the intelligence functions of those components and departments, including—

"(A) Intelligence Senior Level positions designated under section 1607 of this title; and

"(B) positions in the Defense Intelligence Senior Executive Service;

"(2) appoint individuals to those positions (after taking into consideration the availability of preference eligibles for appointment to those positions); and

"(3) fix the compensation of such individuals for service in those positions.

"(b) CONSTRUCTION WITH OTHER LAWS.—The authority of the Secretary of Defense under subsection (a) applies without regard to the provisions of any other law relating to the appointment, number, classification, or compensation of employees.

"§ 1602. Basic pay

"(a) AUTHORITY TO FIX RATES OF BASIC PAY.—The Secretary of Defense (subject to the provisions of this section) shall fix the rates of basic pay for positions established under section 1601 of this title in relation to the rates of basic pay provided in subpart D of part III of title 5 for positions subject to that subpart which have corresponding levels of duties and responsibilities.

"(b) MAXIMUM RATES.—A rate of basic pay fixed under subsection (a) for a position established under section 1601 of this title may not (except as otherwise provided by law) exceed—

"(1) in the case of a Defense Intelligence Senior Executive Service position, the maximum rate provided in section 5382 of title 5;

"(2) in the case of an Intelligence Senior Level position, the maximum rate provided in section 5382 of title 5; and

"(3) in the case of any other position, the maximum rate provided in section 5306(e) of title 5.

"(c) PREVAILING RATE SYSTEMS.—The Secretary of Defense may, consistent with section 5341 of title 5, adopt such provisions of that title as provide for prevailing rate systems of basic pay and may apply those provisions to positions for civilian employees in or under which the Department of Defense may employ individuals described by section 5342(a)(2)(A) of that title.

"§ 1603. Additional compensation, incentives, and allowances

"(a) ADDITIONAL COMPENSATION BASED ON TITLE 5 AUTHORITIES.—The Secretary of Defense may provide employees in defense intelligence positions compensation (in addition to basic pay), including benefits, incentives, and allowances, consistent with, and not in excess of the level authorized for, comparable positions authorized by title 5.

"(b) ALLOWANCES BASED ON LIVING COSTS AND ENVIRONMENT.—(1) In addition to basic pay, employees in defense intelligence positions who are citizens or nationals of the United States and are stationed outside the continental United States or in Alaska may be paid an allowance, in accordance with regulations prescribed by the Secretary of Defense, while they are so stationed.

"(2) An allowance under this subsection shall be based on—

"(A) living costs substantially higher than in the District of Columbia;

"(B) conditions of environment which (i) differ substantially from conditions of environment in the continental United States, and (ii) warrant an allowance as a recruitment incentive; or

"(C) both of the factors specified in subparagraphs (A) and (B).

"(3) An allowance under this subsection may not exceed the allowance authorized to be paid by section 5941(a) of title 5 for employees whose rates of basic pay are fixed by statute.".

(b) MATTERS OTHER THAN PAY AND BENEFITS.—Such chapter is further amended by inserting after section 1605 the following new sections:

"§ 1606. Defense Intelligence Senior Executive Service

"(a) ESTABLISHMENT.—The Secretary of Defense may establish a Defense Intelligence Senior Executive Service for defense intelligence positions established pursuant to section 1601(a) of this title that are equivalent to Senior Executive Service positions. The number of positions in the Defense Intelligence Senior Executive Service may not exceed 492.

"(b) REGULATIONS CONSISTENT WITH TITLE 5 PROVISIONS.—The Secretary of Defense shall prescribe regulations for the Defense Intelligence Senior Executive Service which are consistent with the requirements set forth in sections 3131, 3132(a)(2), 3396(c), 3592, 3595(a), 5384, and 6304 of title 5, subsections (a), (b), and (c) of section 7543 of such title (except that any hearing or appeal to which a member of the Defense Intelligence Senior Executive Service is entitled shall be held or decided pursuant to those regulations), and subchapter II of chapter 43 of such title. To the extent that the Secretary determines it practicable to apply to members of, or applicants for, the Defense Intelligence Senior Executive Service other provisions of title 5 that apply to members of, or applicants for, the Senior Executive Service, the Secretary shall also prescribe regulations to implement those provisions with respect to the Defense Intelligence Senior Executive Service.

"(c) AWARD OF RANK TO MEMBERS OF THE DEFENSE INTELLIGENCE SENIOR EXECUTIVE SERVICE.—The President, based on the recommendations of the Secretary of Defense, may award a rank referred to in section 4507 of title 5 to members of the Defense Intelligence Senior Executive Service. The award of such rank shall be made in a manner consistent with the provisions of that section.

"§ 1607. Intelligence Senior Level positions

"(a) DESIGNATION OF POSITIONS.—The Secretary of Defense may designate as an Intelligence Senior Level position any defense intelligence position that, as determined by the Secretary—

"(1) is classifiable above grade GS–15 of the General Schedule;

"(2) does not satisfy functional or program management criteria for being designated a Defense Intelligence Senior Executive Service position; and

"(3) has no more than minimal supervisory responsibilities.

"(b) REGULATIONS.—Subsection (a) shall be carried out in accordance with regulations prescribed by the Secretary of Defense.

"§ 1608. Time-limited appointments

"(a) AUTHORITY FOR TIME-LIMITED APPOINTMENTS.—The Secretary of Defense may by regulation authorize appointing officials to make time-limited appointments to defense intelligence positions specified in the regulations.

"(b) REVIEW OF USE OF AUTHORITY.—The Secretary of Defense shall review each time-limited appointment in a defense intelligence position at the end of the first year of the period of the appointment and determine whether the appointment should be continued for the remainder of the period. The continuation of a time-limited appointment after the first year shall be subject to the approval of the Secretary.

"(c) CONDITION ON PERMANENT APPOINTMENT TO DEFENSE INTELLIGENCE SENIOR EXECUTIVE SERVICE.—An employee serving in a defense intelligence position pursuant to a time-limited appointment is not eligible for a permanent appointment to a Defense Intelligence Senior Executive Service position (including a position in which the employee is serving) unless the employee is selected for the permanent appointment on a competitive basis.

"(d) TIME-LIMITED APPOINTMENT DEFINED.—In this section, the term 'time-limited appointment' means an appointment (subject to the condition in subsection (b)) for a period not to exceed two years.

"§ 1609. Termination of defense intelligence employees

"(a) TERMINATION AUTHORITY.—Notwithstanding any other provision of law, the Secretary of Defense may terminate the employment of any employee in a defense intelligence position if the Secretary—

"(1) considers that action to be in the interests of the United States; and

"(2) determines that the procedures prescribed in other provisions of law that authorize the termination of the employment of such employee cannot be invoked in a manner consistent with the national security.

"(b) FINALITY.—A decision by the Secretary of Defense to terminate the employment of an employee under this section is final and may not be appealed or reviewed outside the Department of Defense.

"(c) NOTIFICATION TO CONGRESSIONAL COMMITTEES.—Whenever the Secretary of Defense terminates the employment of an employee under the authority of this section, the Secretary shall promptly notify the congressional oversight committees of such termination.

"(d) PRESERVATION OF RIGHT TO SEEK OTHER EMPLOYMENT.—Any termination of employment under this section does not affect the right of the employee involved to seek or accept employment with any other department or agency of the United States if that employee is declared eligible for such employment by the Director of the Office of Personnel Management.

"(e) LIMITATION ON DELEGATION.—The authority of the Secretary of Defense under this section may be delegated only to the Deputy Secretary of Defense, the head of an intelligence component of the Department of Defense (with respect to employees of that component), or the Secretary of a military department (with respect to employees of that department). An action to terminate employment of such an employee by any such official may be appealed to the Secretary of Defense.

"§ 1610. Reductions and other adjustments in force

"(a) IN GENERAL.—The Secretary of Defense shall prescribe regulations for the separation of employees in defense intelligence positions, including members of the Defense Intelligence Senior Executive Service and employees in Intelligence Senior Level positions, during a reduction in force or other adjustment in force. The regulations shall apply to such a reduction in force or other adjustment in force notwithstanding sections 3501(b) and 3502 of title 5.

"(b) MATTERS TO BE GIVEN EFFECT.—The regulations shall give effect to the following:

"(1) Tenure of employment.

"(2) Military preference, subject to sections 3501(a)(3) and 3502(b) of title 5.

"(3) The veteran's preference under section 3502(b) of title 5.

"(4) Performance.

"(5) Length of service computed in accordance with the second sentence of section 3502(a) of title 5.

"(c) REGULATIONS RELATING TO DEFENSE INTELLIGENCE SES.—The regulations relating to removal from the Defense Intelligence Senior Executive Service in a reduction in force or other adjustment in force shall be consistent with section 3595(a) of title 5.

"(d) RIGHT OF APPEAL.—(1) The regulations shall provide a right of appeal regarding a personnel action under the regulations. The appeal shall be determined within the Department of Defense. An appeal determined at the highest level provided in the regulations shall be final and not subject to review outside the Department of Defense. A personnel action covered by the regulations is not subject to any other provision of law that provides appellate rights or procedures.

"(2) Notwithstanding paragraph (1), a preference eligible referred to in section 7511(a)(1)(B) of title 5 may elect to have an appeal of a personnel action taken against the preference eligible under the regulation determined by the Merit Systems Protection Board instead of having the appeal determined within the Department of Defense. Section 7701 of title 5 shall apply to any such appeal to the Merit Systems Protection Board.

"(e) CONSULTATION WITH OPM.—Regulations under this section shall be prescribed in consultation with the Director of the Office of Personnel Management.".

(c) TRANSFER OF SECTION 1599.—Subtitle A of title 10, United States Code, is amended by transferring section 1599 to chapter 83 of such title, inserting such section after section 1610 (as added by subsection (b)), redesignating such section as section 1611, and in subsection (f) striking out "means" and all that follows and inserting in lieu thereof "includes the National Reconnaissance Office and any intelligence component of a military department.".

(d) ADDITIONAL PROVISIONS.—Such chapter is further amended by inserting after section 1611 (as so transferred and redesignated) the following new sections:

"§ 1612. Merit system principles and civil service protections: applicability

"(a) APPLICABILITY OF MERIT SYSTEM PRINCIPLES.—Section 2301 of title 5 shall apply to the exercise of authority under this subchapter (other than sections 1605 and 1611).

"(b) CIVIL SERVICE PROTECTIONS.—(1) If, in the case of a position established under authority other than section 1601(a)(1) of this title that is reestablished as an excepted service position under that section, the provisions of law referred to in paragraph (2) applied to the person serving in that position immediately before the position is so reestablished and such provisions of law would not otherwise apply to the person while serving in the position as so reestablished, then such provisions of law shall, subject to paragraph (3), continue to apply to the person with respect to service in that position for as long as the person continues to serve in the position without a break in service.

"(2) The provisions of law referred to in paragraph (1) are the following provisions of title 5:

"(A) Section 2302, relating to prohibited personnel practices.

"(B) Chapter 75, relating to adverse actions.

"(3)(A) Notwithstanding any provision of chapter 75 of title 5, an appeal of an adverse action by an individual employee covered by paragraph (1) shall be determined within the Department of Defense if the employee so elects.

"(B) The Secretary of Defense shall prescribe the procedures for initiating and determining appeals of adverse actions pursuant to elections made under subparagraph (A).

"§ 1613. Miscellaneous provisions

"(a) COLLECTIVE BARGAINING AGREEMENTS.—Nothing in sections 1601 through 1604 and 1606 through 1610 may be construed to impair the continued effectiveness of a collective bargaining agreement with respect to an agency or office that is a successor to an agency or office covered by the agreement before the succession.

"(b) NOTICE TO CONGRESS OF REGULATIONS.—The Secretary of Defense shall notify Congress of any regulations prescribed to carry out this subchapter (other than sections 1605 and 1611). Such notice shall be provided by submitting a copy of the regulations to the congressional oversight committees not less than 60 days before such regulations take effect.

"§ 1614. Definitions

"In this subchapter:

"(1) The term 'defense intelligence position' means a civilian position as an intelligence officer or intelligence employee of an intelligence component of the Department of Defense or of a military department.

"(2) The term 'intelligence component of the Department of Defense' means any of the following:

"(A) The National Security Agency.

"(B) The Defense Intelligence Agency.

"(C) The National Imagery and Mapping Agency.

"(D) Any other component of the Department of Defense that performs intelligence functions and is designated by the Secretary of Defense as an intelligence component of the Department of Defense.

"(E) Any successor to a component specified in, or designated pursuant to, this paragraph.

"(3) The term 'congressional oversight committees' means—

"(A) the Committee on Armed Services and the Select Committee on Intelligence of the Senate; and

"(B) the Committee on National Security and the Permanent Select Committee on Intelligence of the House of Representatives.

"(4) The term 'excepted service' has the meaning given such term in section 2103 of title 5.

"(5) The term 'preference eligible' has the meaning given such term in section 2108(3) of title 5.

"(6) The term 'Senior Executive Service position' has the meaning given such term in section 3132(a)(2) of title 5.

"(7) The term 'collective bargaining agreement' has the meaning given such term in section 7103(8) of title 5.".

(e) DESIGNATION OF NEW SUBCHAPTER II.—Chapter 83 of such title is further amended by inserting after section 1614 (as added by subsection (d)) the following:

"SUBCHAPTER II—DEFENSE INTELLIGENCE AGENCY PERSONNEL

"Sec.
"1621. Defense Intelligence Agency merit pay system.
"1622. Uniform allowance: civilian employees.
"1623. Financial assistance to certain employees in acquisition of critical skills.".

SEC. 1633. REPEAL OF SUPERSEDED SECTIONS AND CLERICAL AND CONFORMING AMENDMENTS.

(a) REPEAL OF SEPARATE MILITARY DEPARTMENT AUTHORITIES.—Section 1590 of title 10, United States Code, is repealed.

(b) REPEAL OF SEPARATE NATIONAL SECURITY AGENCY AUTHORITIES.—The following provisions of law are repealed:

(1) Sections 2 and 4 of the National Security Agency Act of 1959 (50 U.S.C. 402 note).

(2) Section 303 of the Internal Security Act of 1950 (50 U.S.C. 833).

(c) CLERICAL AMENDMENTS.—Title 10, United States Code, is amended as follows:

(1) The heading for section 1605 is amended to read as follows:

"§ 1605. Benefits for certain employees assigned outside the United States".

(2) The table of sections at the beginning of chapter 81 is amended by striking out the items relating to sections 1590 and 1599.

(3) The tables of chapters at the beginning of subtitle A, and at the beginning of part II of subtitle A, are amended by striking out the item relating to chapter 83 and inserting in lieu thereof the following:

"83. Civilian Defense Intelligence Employees ..... 1601".

(d) CONFORMING AMENDMENT.—Section 1621 of such title, as transferred and redesignated by section 1632(a)(1), is amended by striking out "and Central Imagery Office".

(e) CROSS REFERENCE AMENDMENTS.—Chapter 81 of title 10, United States Code, is amended as follows:

(1) Section 1593(a)(3) is amended by striking out "section 1606" and inserting in lieu thereof "section 1622".

(2) Section 1596(c) is amended by striking out "section 1604(b)" and inserting in lieu thereof "section 1602".

SEC. 1634. OTHER PERSONNEL MANAGEMENT AUTHORITIES.

(a) APPLICABILITY OF FEDERAL LABOR-MANAGEMENT RELATIONS SYSTEM.—Section 7103(a)(3) of title 5, United States Code is amended—

(1) by inserting "or" at the end of subparagraph (F);

(2) by striking out "; or" at the end of subparagraph (G) and inserting in lieu thereof a period; and

(3) by striking out subparagraph (H).

(b) APPLICABILITY OF AUTHORITY AND PROCEDURES FOR IMPOSING CERTAIN ADVERSE ACTIONS.—Section 7511(b)(8) of such title is amended by striking out "the National Security Agency" and all that follows through "title 10" and inserting in lieu thereof "an intelligence component of the Department of Defense (as defined in section 1614 of title 10), or an intelligence activity of a military department covered under subchapter I of chapter 83 of title 10".

SEC. 1635. EFFECTIVE DATE.

This subtitle and the amendments made by this subtitle shall take effect on October 1, 1996.

TITLE XVII—FEDERAL EMPLOYEE TRAVEL REFORM

Sec. 1701. Short title.

Subtitle A—Relocation Benefits

Sec. 1711. Allowance for seeking permanent residence quarters.
Sec. 1712. Temporary quarters subsistence expenses allowance.
Sec. 1713. Modification of residence transaction expenses allowance.
Sec. 1714. Authority to pay for property management services.
Sec. 1715. Authority to transport a privately owned motor vehicle within the continental United States.
Sec. 1716. Authority to pay limited relocation allowances to an employee who is performing an extended assignment.
Sec. 1717. Authority to pay a home marketing incentive.
Sec. 1718. Revision and reenactment of additional provisions relating to relocation expenses.

Subtitle B—Miscellaneous Provisions

Sec. 1721. Repeal of the long-distance telephone call certification requirement.
Sec. 1722. Transfer of authority to prescribe regulations.
Sec. 1723. Conforming and clerical amendments.
Sec. 1724. Assessment of cost savings.
Sec. 1725. Effective date and issuance of regulations.

SEC. 1701. SHORT TITLE.

This title may be cited as the "Federal Employee Travel Reform Act of 1996".

Subtitle A—Relocation Benefits

SEC. 1711. ALLOWANCE FOR SEEKING PERMANENT RESIDENCE QUARTERS.

Section 5724a of title 5, United States Code, is amended to read as follows:

"§ 5724a. Relocation expenses of employees transferred or reemployed

"(a) An agency shall pay to or on behalf of an employee who transfers in the interest of the Government, a per diem allowance or the actual subsistence expenses, or a combination thereof, of the immediate family of the employee for en route travel of the immediate family between the employee's old and new official stations.

"(b)(1) An agency may pay to or on behalf of an employee who transfers in the interest of the Government between official stations located within the United States—

"(A) the expenses of transportation of the employee and the employee's spouse for travel to seek permanent residence quarters at a new official station; and

"(B) either—

"(i) a per diem allowance or the actual subsistence expenses (or a combination of both); or

"(ii) an amount for subsistence expenses.

"(2) Expenses may be allowed under paragraph (1) only for one round trip in connection with each change of station of the employee.".

SEC. 1712. TEMPORARY QUARTERS SUBSISTENCE EXPENSES ALLOWANCE.

Section 5724a of title 5, United States Code, as amended by section 1712, is further amended by adding at the end the following new subsection:

"(c)(1) An agency may pay to or on behalf of an employee who transfers in the interest of the Government—

"(A) actual subsistence expenses of the employee and the employee's immediate family for a period of up to 60 days while the employee or family is occupying temporary quarters when the new official station is located within the United States; or

"(B) an amount for subsistence expenses instead of the actual subsistence expenses authorized in subparagraph (A) of this paragraph.

"(2) The period authorized in paragraph (1) of this subsection for payment of expenses for residence in temporary quarters may be extended up to an additional 60 days if the head of the agency concerned or the designee of such head of the agency determines that there are compelling reasons for the continued occupancy of temporary quarters.

"(3) The regulations implementing paragraph (1)(A) shall prescribe daily rates and amounts for subsistence expenses per individual.".

SEC. 1713. MODIFICATION OF RESIDENCE TRANSACTION EXPENSES ALLOWANCE.

(a) EXPENSES OF SALE.—Section 5724a of title 5, United States Code, as amended by section 1712, is further amended by adding at the end the following new subsection:

"(d)(1) An agency shall pay to or on behalf of an employee who transfers in the interest of the Government, expenses of the sale of the residence (or the settlement of an unexpired lease) of the employee at the old official station and purchase of a residence at the new official station that are required to be paid by the employee, when the old and new official stations are located within the United States.

"(2) An agency shall pay to or on behalf of an employee who transfers in the interest of the Government from a post of duty located outside the United States to an official station within the United States (other than the official station within the United States from which the employee was transferred when assigned to the foreign tour of duty)—

"(A) expenses required to be paid by the employee for the sale of the residence (or the settlement of an unexpired lease) of the employee at the old official station from which the employee was transferred when the employee was assigned to the post of duty located outside the United States; and

"(B) expenses required to be paid by the employee for the purchase of a residence at the new official station within the United States.

"(3) Reimbursement of expenses under paragraph (2) of this subsection shall not be allowed for any sale (or settlement of an unexpired lease) or purchase transaction that occurs prior to official notification that the employee's return to the United States would be to an official station other than the official station from which the employee was transferred when assigned to the post of duty outside the United States.

"(4) Reimbursement for brokerage fees on the sale of the residence and other expenses under this subsection may not exceed those customarily charged in the locality where the residence is located.

"(5) Reimbursement may not be made under this subsection for losses incurred by the employee on the sale of the residence.

"(6) This subsection applies regardless of whether title to the residence or the unexpired lease is—

"(A) in the name of the employee alone;

"(B) in the joint names of the employee and a member of the employee's immediate family; or

"(C) in the name of a member of the employee's immediate family alone.

"(7)(A) In connection with the sale of the residence at the old official station, reimbursement under this subsection shall not exceed 10 percent of the sale price.

"(B) In connection with the purchase of a residence at the new official station, reimbursement under this subsection shall not exceed 5 percent of the purchase price.".

(b) RELOCATION SERVICES.—Section 5724c of title 5, United State Code, is amended to read as follows:

"§ 5724c. Relocation services

"Under regulations prescribed under section 5738 of this title, each agency may enter into contracts to provide relocation services to agencies and employees for the purpose of carrying out this subchapter. An agency may pay a fee for such services. Such services include arranging for the purchase of a transferred employee's residence.".

SEC. 1714. AUTHORITY TO PAY FOR PROPERTY MANAGEMENT SERVICES.

Section 5724a of title 5, United States Code, as amended by section 1713, is further amended—

(1) in subsection (d), by adding at the end the following:

"(8) An agency may pay to or on behalf of an employee who transfers in the interest of the Government expenses of property management services, instead of expenses under paragraph (2) or (3) of this subsection for sale of the employee's residence, when the agency determines that such transfer is advantageous and cost-effective for the Government."; and

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

"(e) An agency may pay to or on behalf of an employee who transfers in the interest of the Government, the expenses of property management services when the employee transfers to a post of duty outside the United States. Such payment shall terminate upon return of the employee to an official station within the United States.".

SEC. 1715. AUTHORITY TO TRANSPORT A PRIVATELY OWNED MOTOR VEHICLE WITHIN THE CONTINENTAL UNITED STATES.

(a) IN GENERAL.—Section 5727 of title 5, United States Code, is amended—

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

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

"(c) Under regulations prescribed under section 5738 of this title, the privately owned motor vehicle or vehicles of an employee, including a new appointee or a student trainee for whom travel and transportation expenses are authorized under section 5723 of this title, may be transported at Government expense to a new official station of the employee when the agency determines that such transport is advantageous and cost-effective to the Government."; and

(3) in subsection (e) (as so redesignated), by inserting "or (c)" after "subsection (b)".

(b) AVAILABILITY OF APPROPRIATIONS.—(1) Section 5722(a) of title 5, United States Code, is amended—

(A) by striking out "and" at the end of paragraph (1);

(B) by striking out the period at the end of paragraph (2) and inserting in lieu thereof "; and"; and

(C) by adding at the end the following:

"(3) the expenses of transporting a privately owned motor vehicle as authorized under section 5727(c) of this title.".

(2) Section 5723(a) of title 5, United States Code, is amended—

(A) by striking out "and" at the end of paragraph (1);

(B) by inserting "and" after the semicolon at the end of paragraph (2); and

(C) by adding at the end the following:

"(3) the expenses of transporting a privately owned motor vehicle as authorized under section 5727(c) of this title;".

SEC. 1716. AUTHORITY TO PAY LIMITED RELOCATION ALLOWANCES TO AN EMPLOYEE WHO IS PERFORMING AN EXTENDED ASSIGNMENT.

Subchapter II of chapter 57 of title 5, United States Code, as amended by section 1605, is further amended by adding at the end the following new section:

"§ 5737. Relocation expenses of an employee who is performing an extended assignment

"(a) Under regulations prescribed under section 5738 of this title, an agency may pay to or on behalf of an employee assigned from the employee's official station to a duty station for a period of not less than six months and not greater than 30 months, the following expenses in lieu of payment of expenses authorized under subchapter I of this chapter:

"(1) Travel expenses to and from the assignment location in accordance with section 5724 of this title.

"(2) Transportation expenses of the immediate family and household goods and personal effects to and from the assignment location in accordance with section 5724 of this title.

"(3) A per diem allowance for en route travel of the employee's immediate family to and from the assignment location in accordance with section 5724a(a) of this title.

"(4) Travel and transportation expenses of the employee and spouse to seek new residence quarters at the assignment location in accordance with section 5724a(b) of this title.

"(5) Subsistence expenses of the employee and the employee's immediate family while occupying temporary quarters upon commencement and termination of the assignment in accordance with section 5724a(c) of this title.

"(6) An amount, in accordance with section 5724a(f), to be used by the employee for miscellaneous expenses of this title.

"(7) The expenses of transporting a privately owned motor vehicle or vehicles to the assignment location in accordance with section 5727 of this title.

"(8) An allowance as authorized under section 5724b of this title for Federal, State, and local income taxes incurred on reimbursement of expenses paid under this section or on services provided in kind under this section.

"(9) Expenses of nontemporary storage of household goods and personal effects as defined in section 5726(a) of this title, subject to the limitation that the weight of the household goods and personal effects stored, together with the weight of property transported under section 5724(a) of this title, may not exceed the total maximum weight which could be transported in accordance with section 5724(a) of this title.

"(10) Expenses of property management services.

"(b) An agency shall not make payment under this section to or on behalf of the employee for expenses incurred after termination of the temporary assignment.".

SEC. 1717. AUTHORITY TO PAY A HOME MARKETING INCENTIVE.

Subchapter IV of chapter 57 of title 5, United States Code, is amended by adding at the end the following new section:

"§ 5756. Home marketing incentive payment

"(a) Under regulations prescribed under subsection (b), an agency may pay to an employee who transfers in the interest of the Government an amount to encourage the employee to aggressively market the employee's residence at the official station from which transferred when—

"(1) the residence is entered into a relocation services program established under a contract in accordance with section 5724c of this title to arrange for the purchase of the residence;

"(2) the employee finds a buyer who completes the purchase of the residence through the program; and

"(3) the sale of the residence results in a reduced cost to the Government.

"(b)(1) The Administrator of General Services shall prescribe regulations to carry out this section.

"(2) The regulations shall include a limitation on the maximum amount payable with respect to an employee's residence. The Administrator shall establish the limitation in consultation with the Director of the Office of Management and Budget. For fiscal years 1997 and 1998, the maximum amount shall be the amount equal to five percent of the sale price of the residence.".

SEC. 1718. REVISION AND REENACTMENT OF ADDITIONAL PROVISIONS RELATING TO RELOCATION EXPENSES.

Section 5724a of title 5, United States Code, as amended by section 1714, is further amended by adding at the end the following new subsections:

"(f)(1) Subject to paragraph (2), an employee who is reimbursed under subsections (a) through (e) of this section or section 5724(a) of this title is entitled to an amount for miscellaneous expenses—

"(A) not to exceed two weeks' basic pay, if such employee has an immediate family; or

"(B) not to exceed one week's basic pay, if such employee does not have an immediate family.

"(2) Amounts paid under paragraph (1) may not exceed amounts determined at the maximum rate payable for a position at GS–13 of the General Schedule.

"(g) A former employee separated by reason of reduction in force or transfer of function who within one year after the separation is reemployed by a nontemporary appointment at a different geographical location from that where the separation occurred, may be allowed and paid the expenses authorized by sections 5724, 5725, 5726(b), and 5727 of this title, and may receive the benefits authorized by subsections (a) through (f) of this section, in the same manner as though the employee had been transferred in the interest of the Government without a break in service to the location of reemployment from the location where separated.

"(h) Payments for subsistence expenses, including amounts in lieu of per diem or actual subsistence expenses or a combination thereof, authorized under this section may not exceed the maximum payment allowed under regulations which implement section 5702 of this title.

"(i) Subsections (a), (b), and (c) shall be implemented under regulations issued under section 5738 of this title.

"(j) For purposes of subsections (c), (d), and (e), the term 'United States' includes the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, the territories and possessions of the United States, and the areas and installations in the Republic of Panama that are made available to the United States pursuant to the Panama Canal Treaty of 1977 and related agreements (as described in section 3(a) of the Panama Canal Act of 1979 (22 U.S.C. 3602(a))).".

Subtitle B—Miscellaneous Provisions

SEC. 1721. REPEAL OF THE LONG-DISTANCE TELEPHONE CALL CERTIFICATION REQUIREMENT.

Section 1348 of title 31, United States Code, is amended—

(1) by striking the last sentence of subsection (a)(2);

(2) by striking subsection (b); and

(3) by redesignating subsections (c) and (d) as subsections (b) and (c), respectively.

SEC. 1722. TRANSFER OF AUTHORITY TO PRESCRIBE REGULATIONS.

Subchapter II of chapter 57 of title 5, United States Code, as amended by section 1716, is further amended by adding at the end the following new section:

"§ 5738. Regulations

"(a)(1) Except as specifically provided in this subchapter, the Administrator of General Services shall prescribe regulations necessary for the administration of this subchapter.

"(2) The Administrator of General Services shall include in the regulations authority for the head of an agency or his designee to waive any limitation of this subchapter or in any implementing regulation for any employee relocating to or from a remote or isolated location who would suffer hardship if the limitation were not waived. A waiver of a limitation under authority provided in the regulations pursuant to this paragraph shall be effective notwithstanding any other provision of this subchapter.

"(b) In prescribing regulations for the implementation of section 5724b of this title, the Administrator of General Services shall consult with the Secretary of the Treasury.

"(c) The Secretary of Defense shall prescribe regulations necessary for the implementation of section 5735 of this title.".

SEC. 1723. CONFORMING AND CLERICAL AMENDMENTS.

(a) CROSS REFERENCES.—(1) Title 5, United States Code, is amended as follows:

(A) Section 3375 is amended—

(i) in subsection (a)(3), by striking out "section 5724a(a)(1)" and inserting in lieu thereof "section 5724a(a)";

(ii) in subsection (a)(4), by striking out "section 5724a(a)(3)" and inserting in lieu thereof "section 5724a(c)"; and

(iii) in subsection (a)(5), by striking out "section 5724a(b)" and inserting in lieu thereof "section 5724a(g)"; and

(B) Section 5724(e) is amended by striking out "section 5724a(a), (b)" and inserting in lieu thereof "section 5724a(a) through (f)".

(2) Section 707 of title 38, United States Code, is amended—

(A) in subsection (a)(6), by striking out "Section 5724a(a)(3)" and inserting in lieu thereof "Section 5724a(c)"; and

(B) in subsection (a)(7), by striking out "Section 5724a(a)(4)" and inserting in lieu thereof "Section 5724a(d)".

(3) The Public Health Service Act is amended as follows:

(A) Section 501(g)(2)(A) (42 U.S.C. 290aa(g)(2)(A)) is amended by striking out "5724a(a)(1), 5724a(a)(3)" and inserting in lieu thereof "5724a(a), 5724a(c)".

(B) Section 925(f)(2)(A) (42 U.S.C. 299c–4(f)(2)(A)) is amended by striking out "5724a(a)(1), 5724a(a)(3)" and inserting in lieu thereof "5724a(a), 5724a(c)".

(b) REGULATIONS.—Title 5, United States Code, is amended as follows:

(1) Sections 5722, 5723, 5724, (in subsections (a), (b), and (c)), 5724b, 5726 (in subsections (b) and (c)), 5727(b), 5728 (in subsections (a), (b), and (c)(1)), and 5729 (in subsections (a) and (b)) of title 5, United States Code, are amended by striking out "Under such regulations as the President may prescribe", and inserting in lieu thereof "Under regulations prescribed under section 5738 of this title".

(2) Section 5724 of title 5, United States Code, is amended—

(A) by striking out "under regulations prescribed by the President" each place it appears in subsections (c) and (e) and inserting in lieu thereof "under regulations prescribed under section 5738 of this title"; and

(B) in subsection (f), by striking out "under the regulations of the President" and inserting in lieu thereof "under regulations prescribed under section 5738 of this title".

(3) Section 5726(a) of title 5, United States Code, is amended by striking out "as the President may by regulation authorize" and inserting in lieu thereof "as authorized under regulations prescribed under section 5738 of this title".

(4) Section 5731(a) of title 5, United States Code, is amended by striking out "in accordance with regulations prescribed by the President" and inserting in lieu thereof "in accordance with regulations prescribed under section 5738 of this title".

(c) CLERICAL AMENDMENTS.—The table of sections at the beginning of chapter 57 of title 5, United States Code, as amended by section 1605, is further amended—

(1) by inserting after the item relating to section 5736 the following:

"5737. Relocation expenses of an employee who is performing an extended assignment.
"5738. Regulations.";

and

(2) by inserting at the end the following:

"5756. Home marketing incentive payment.".

SEC. 1724. ASSESSMENT OF COST SAVINGS.

No later than one year after the effective date set forth in section 1725(a), the Comptroller General shall submit to the Committee on Governmental Affairs of the Senate and the Committee on Government Reform and Oversight of the House of Representatives an assessment of the costs of Federal travel administration that are saved as a result of the amendments made by this title and the regulations prescribed to carry out the amendments.

SEC. 1725. EFFECTIVE DATE AND ISSUANCE OF REGULATIONS.

(a) EFFECTIVE DATE.—The amendments made by this title shall take effect 180 days after the date of the enactment of this Act.

(b) REGULATIONS.—The Administrator of General Services shall, not later than the effective date set forth under subsection (a),

issue final regulations implementing the amendments made by this title.

TITLE XVIII—FEDERAL CHARTER FOR THE FLEET RESERVE ASSOCIATION

Sec. 1801. Recognition and grant of Federal charter.
Sec. 1802. Powers.
Sec. 1803. Purposes.
Sec. 1804. Service of process.
Sec. 1805. Membership.
Sec. 1806. Board of directors.
Sec. 1807. Officers.
Sec. 1808. Restrictions.
Sec. 1809. Liability.
Sec. 1810. Maintenance and inspection of books and records.
Sec. 1811. Audit of financial transactions.
Sec. 1812. Annual report.
Sec. 1813. Reservation of right to alter, amend, or repeal charter.
Sec. 1814. Tax-exempt status required as condition of charter.
Sec. 1815. Termination.
Sec. 1816. Definition of State.

SEC. 1801. RECOGNITION AND GRANT OF FEDERAL CHARTER.

The Fleet Reserve Association, a nonprofit corporation organized under the laws of the State of Delaware, is recognized as such and granted a Federal charter.

SEC. 1802. POWERS.

The Fleet Reserve Association (in this title referred to as the "association") shall have only those powers granted to it through its bylaws and articles of incorporation filed in the State of Delaware and subject to the laws of that State.

SEC. 1803. PURPOSES.

The purposes of the association are those provided in its bylaws and articles of incorporation and shall include the following:

(1) Upholding and defending the Constitution of the United States.

(2) Aiding and maintaining an adequate naval defense for the United States.

(3) Assisting the recruitment of the best personnel available for the United States Navy, United States Marine Corps, and United States Coast Guard.

(4) Providing for the welfare of the personnel who serve in the United States Navy, United States Marine Corps, and United States Coast Guard.

(5) Continuing to serve loyally the United States Navy, United States Marine Corps, and United States Coast Guard.

(6) Preserving the spirit of shipmanship by providing assistance to shipmates and their families.

(7) Instilling love of the United States and the flag and promoting soundness of mind and body in the youth of the United States.

SEC. 1804. SERVICE OF PROCESS.

With respect to service of process, the association shall comply with the laws of the State of Delaware and those States in which it carries on its activities in furtherance of its corporate purposes.

SEC. 1805. MEMBERSHIP.

Except as provided in section 1808(g), eligibility for membership in the association and the rights and privileges of members shall be as provided in the bylaws and articles of incorporation of the association.

SEC. 1806. BOARD OF DIRECTORS.

Except as provided in section 1808(g), the composition of the board of directors of the association and the responsibilities of the board shall be as provided in the bylaws and articles of incorporation of the association and in conformity with the laws of the State of Delaware.

SEC. 1807. OFFICERS.

Except as provided in section 1808(g), the positions of officers of the association and the election of members to such positions shall be as provided in the bylaws and articles of incorporation of the association and in conformity with the laws of the State of Delaware.

SEC. 1808. RESTRICTIONS.

(a) INCOME AND COMPENSATION.—No part of the income or assets of the association may inure to the benefit of any member, officer, or director of the association or be distributed to any such individual during the life of this charter. Nothing in this subsection may be construed to prevent the payment of reasonable compensation to the officers and employees of the association or reimbursement for actual and necessary expenses in amounts approved by the board of directors.

(b) LOANS.—The association may not make any loan to any member, officer, director, or employee of the association.

(c) ISSUANCE OF STOCK AND PAYMENT OF DIVIDENDS.—The association may not issue any shares of stock or declare or pay any dividends.

(d) DISCLAIMER OF CONGRESSIONAL OR FEDERAL APPROVAL.—The association may not claim the approval of the Congress or the authorization of the Federal Government for any of its activities by virtue of this title.

(e) CORPORATE STATUS.—The association shall maintain its status as a corporation organized and incorporated under the laws of the State of Delaware.

(f) CORPORATE FUNCTION.—The association shall function as an educational, patriotic, civic, historical, and research organization under the laws of the State of Delaware.

(g) NONDISCRIMINATION.—In establishing the conditions of membership in the association and in determining the requirements for serving on the board of directors or as an officer of the association, the association may not discriminate on the basis of race, color, religion, sex, handicap, age, or national origin.

SEC. 1809. LIABILITY.

The association shall be liable for the acts of its officers, directors, employees, and agents whenever such individuals act within the scope of their authority.

SEC. 1810. MAINTENANCE AND INSPECTION OF BOOKS AND RECORDS.

(a) BOOKS AND RECORDS OF ACCOUNT.—The association shall keep correct and complete books and records of account and minutes of any proceeding of the association involving any of its members, the board of directors, or any committee having authority under the board of directors.

(b) NAMES AND ADDRESSES OF MEMBERS.—The association shall keep at its principal office a record of the names and addresses of all members having the right to vote in any proceeding of the association.

(c) RIGHT TO INSPECT BOOKS AND RECORDS.—All books and records of the association may be inspected by any member having the right to vote in any proceeding of the association, or by any agent or attorney of such member, for any proper purpose at any reasonable time.

(d) APPLICATION OF STATE LAW.—This section may not be construed to contravene any applicable State law.

SEC. 1811. AUDIT OF FINANCIAL TRANSACTIONS.

The first section of the Act entitled "An Act to provide for audit of accounts of private corporations established under Federal law", approved August 30, 1964 (36 U.S.C. 1101), is amended by adding at the end the following:

"(77) Fleet Reserve Association.".

SEC. 1812. ANNUAL REPORT.

The association shall annually submit to Congress a report concerning the activities of the association during the preceding fiscal year. The annual report shall be submitted on the same date as the report of the audit required by reason of the amendment made in section 1811. The annual report shall not be printed as a public document.

SEC. 1813. RESERVATION OF RIGHT TO ALTER, AMEND, OR REPEAL CHARTER.

The right to alter, amend, or repeal this title is expressly reserved to Congress.

SEC. 1814. TAX-EXEMPT STATUS REQUIRED AS CONDITION OF CHARTER.

If the association fails to maintain its status as an organization exempt from taxation as provided in the Internal Revenue Code of 1986 the charter granted in this title shall terminate.

SEC. 1815. TERMINATION.

The charter granted in this title shall expire if the association fails to comply with any of the provisions of this title.

SEC. 1816. DEFINITION OF STATE.

For purposes of this title, the term "State" includes the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, and the territories and possessions of the United States.

DIVISION B—MILITARY CONSTRUCTION AUTHORIZATIONS

SEC. 2001. SHORT TITLE.

This division may be cited as the "Military Construction Authorization Act for Fiscal Year 1997".

TITLE XXI—ARMY

Sec. 2101. Authorized Army construction and land acquisition projects.
Sec. 2102. Family housing.
Sec. 2103. Improvements to military family housing units.
Sec. 2104. Authorization of appropriations, Army.
Sec. 2105. Land acquisition, National Ground Intelligence Center, Charlottesville, Virginia.

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), and, in the case of the projects described in paragraphs (2) and (3) of section 2104(b), other amounts appropriated pursuant to authorizations enacted after this Act for the projects, the Secretary of the Army may acquire real property and carry out military construction projects for the installations and locations inside the United States, and in the amounts, set forth in the following table:

ARMY: INSIDE THE UNITED STATES

State	Installation or location	Total
Alabama	Fort Rucker	$3,250,000
California	Army project, Naval Weapons Station, Concord	$27,000,000
	Camp Roberts	$5,500,000
Colorado	Fort Carson	$17,550,000
District of Columbia	Fort McNair	$6,900,000
Georgia	Fort Benning	$53,400,000
	Fort McPherson	$3,500,000
	Fort Stewart, Hunter Army Air Field	$6,000,000
Hawaii	Schofield Barracks	$16,500,000
Kansas	Fort Riley	$26,000,000
Kentucky	Fort Campbell	$51,100,000
	Fort Knox	$45,000,000
New Jersey	Picatinny Arsenal	$5,000,000
New Mexico	White Sands Missile Range	$41,000,000
New York	Fort Drum	$11,400,000
North Carolina	Fort Bragg	$14,000,000
Texas	Fort Hood	$47,300,000
	Fort Sam Houston	$3,100,000
Virginia	Fort Eustis	$3,550,000
	National Ground Intelligence Center, Charlottesville	$1,000,000
Washington	Fort Lewis	$54,600,000
CONUS Classified	Classified Locations	$4,600,000
	Total:	$447,250,000

(b) OUTSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(2), the Secretary of the Army may 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	Total
Germany	Lincoln Village, Darmstadt	$7,300,000
	Spinelli Barracks, Mannheim	$8,100,000
	Taylor Barracks, Mannheim	$9,300,000
Italy	Camp Ederle	$3,100,000
Korea	Camp Casey	$16,000,000
	Camp Red Cloud	$14,000,000
Overseas Classified	Classified Locations	$64,000,000
	Total:	$121,800,000

SEC. 2102. FAMILY HOUSING.

(a) CONSTRUCTION AND ACQUISITION.—Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(5)(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	Installation	Purpose	Total
Hawaii	Schofield Barracks	54 Units	$10,000,000
North Carolina	Fort Bragg	88 Units	$9,800,000
Pennsylvania	Tobyhanna Army Depot	200 Units	$890,000
Texas	Fort Bliss	64 Units	$11,000,000
	Fort Hood	140 Units	$18,500,000
		Total:	$50,190,000

(b) PLANNING AND DESIGN.—Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(5)(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 $2,963,000.

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)(5)(A), the Secretary of the Army may improve existing military family housing units in an amount not to exceed $105,350,000.

SEC. 2104. AUTHORIZATION OF APPROPRIATIONS, ARMY.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1996, for military construction, land acquisition, and military family housing functions of the Department of the Army in the total amount of $1,942,557,000 as follows:

(1) For military construction projects inside the United States authorized by section 2101(a), $394,250,000.

(2) For military construction projects outside the United States authorized by section 2101(b), $121,800,000.

(3) For unspecified minor military construction projects authorized by section 2805 of title 10, United States Code, $5,000,000.

(4) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $50,538,000.

(5) For military family housing functions:

(A) For construction and acquisition, planning and design, and improvement of military family housing and facilities, $158,503,000.

(B) For support of military family housing (including the functions described in section 2833 of title 10, United States Code), $1,212,466,000.

(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 2101 of this Act may not exceed—

(1) the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a);

(2) $31,000,000 (the balance of the amount authorized under section 2101(a) for the construction of the National Range Control Center at White Sands Missile Range, New Mexico); and

(3) $22,000,000 (the balance of the amount authorized under section 2101(a) for the whole barracks complex renewal at Fort Knox, Kentucky).

SEC. 2105. LAND ACQUISITION, NATIONAL GROUND INTELLIGENCE CENTER, CHARLOTTESVILLE, VIRGINIA.

(a) ACQUISITION AUTHORIZED.—Subject to subsection (b), the Secretary of the Army may acquire real property for the National Ground Intelligence Center, Charlottesville, Virginia.

(b) REQUIREMENT RELATING TO ACQUISITION.—The Secretary may not acquire real property pursuant to the authorization in subsection (a) until the Secretary certifies to the congressional defense committees, based on the results of an assessment of property currently owned or operated by the Federal Government in the vicinity of Charlottesville, Virginia, that the acquisition of the property would provide the most cost-effective means of securing a location for the National Ground Intelligence Center that satisfies the mission requirements of the center.

(c) FUNDING.—Of the amounts authorized to be appropriated by section 2104(a)(1), $1,000,000 shall be available for the acquisition of real property pursuant to the authorization in subsection (a).

TITLE XXII—NAVY

Sec. 2201. Authorized Navy construction and land acquisition projects.
Sec. 2202. Family housing.
Sec. 2203. Improvements to military family housing units.
Sec. 2204. Authorization of appropriations, Navy.
Sec. 2205. Beach replenishment, Naval Air Station, North Island, California.

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), and, in the case of the projects described in paragraphs (2) and (3) of section 2204(b), other amounts appropriated pursuant to authorizations enacted after this Act for the projects, the Secretary of the Navy may acquire real property and carry out military construction projects for the installations and locations inside the United States, and in the amounts, set forth in the following table:

NAVY: INSIDE THE UNITED STATES

State	Installation or location	Amount
Arizona	Navy Detachment, Camp Navajo	$3,920,000
California	Marine Corps Air-Ground Combat Center, Twentynine Palms	$4,020,000
	Marine Corps Air Station, Camp Pendleton	$6,240,000
	Marine Corps Base, Camp Pendleton	$51,630,000
	Marine Corps Recruit Detachment, San Diego	$8,150,000
	Naval Air Station, North Island	$86,502,000
	Naval Command Control & Ocean Surveillance Center, San Diego	$1,960,000
	Naval Facility, San Clemente Island	$17,000,000
	Naval Station, San Diego	$7,050,000
Connecticut	Naval Submarine Base, New London	$13,830,000
District of Columbia	Naval District, Washington	$19,300,000
Florida	Naval Air Station, Key West	$2,250,000
	Naval Station, Mayport	$2,800,000
Georgia	Naval Submarine Base, Kings Bay	$1,550,000
Hawaii	Marine Corps, Air Station, Kaneohe Bay	$20,080,000
	Naval Station, Pearl Harbor	$19,600,000
	Naval Submarine Base, Pearl Harbor	$35,890,000
Idaho	Naval Surface Warfare Center, Bayview	$7,150,000
Illinois	Naval Hospital, Great Lakes	$15,200,000
	Naval Training Center, Great Lakes	$22,900,000
Indiana	Naval Surface Warfare Center, Crane	$5,000,000
Maryland	Naval Air Warfare Center, Patuxent River	$1,270,000
	United States Naval Academy	$10,480,000
Mississippi	Navy Project, Stennis Space Center	$7,960,000
Nevada	Naval Air Station, Fallon	$21,630,000
North Carolina	Marine Corps Air Station, Cherry Point	$1,630,000
	Marine Corps Air Station, New River	$20,290,000
	Marine Corps Base, Camp Lejeune	$20,750,000
Pennsylvania	Philadelphia Naval Shipyard	$8,300,000
South Carolina	Marine Corps Recruit Depot, Parris Island	$2,540,000
Texas	Naval Air Station, Kingsville	$1,810,000
	Naval Station, Ingleside	$16,850,000
Virginia	Armed Forces Staff College, Norfolk	$12,900,000
	Marine Corps Combat Development Command, Quantico	$14,570,000
	Naval Station, Norfolk	$56,120,000
	Naval Surface Warfare Center, Dahlgren	$8,030,000
Washington	Naval Station, Everett	$25,740,000
	Naval Undersea Warfare Center, Keyport	$6,800,000
CONUS Various	Defense access roads	$300,000
	Total:	$589,992,000

(b) OUTSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(2), and, in the case of the project described in section 2204(b)(4), other amounts appropriated pursuant to authorizations enacted after this Act for the project, the Secretary of the Navy 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:

NAVY: OUTSIDE THE UNITED STATES

Country	Installation or location	Amount
Bahrain	Administrative Support Unit, Bahrain	$5,980,000
Greece	Naval Support Activity, Souda Bay	$7,050,000
Italy	Naval Air Station, Sigonella	$15,700,000
	Naval Support Activity, Naples	$8,620,000
Puerto Rico	Naval Station, Roosevelt Roads	$23,600,000
United Kingdom	Joint Maritime Communications Center, St. Mawgan	$4,700,000
	Total:	$65,650,000

SEC. 2202. FAMILY HOUSING.

(a) CONSTRUCTION AND ACQUISITION.—Using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(5)(A), the Secretary of the Navy 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:

NAVY: FAMILY HOUSING

State	Installation	Purpose	Amount
Arizona	Marine Corps Air Station, Yuma	Ancillary Facility	$709,000
California	Marine Corps Air-Ground Combat Center, Twentynine Palms	Ancillary Facilities	$2,938,000
	Marine Corps Base, Camp Pendleton	202 Units	$29,483,000
	Naval Air Station, Lemoore	276 Units	$39,837,000
	Navy Public Works Center, San Diego	366 Units	$48,719,000
Florida	Naval Station, Mayport	100 Units	$10,000,000
Hawaii	Marine Corps Air Station, Kaneohe Bay	54 Units	$11,676,000
	Navy Public Works Center, Pearl Harbor	264 Units	$52,586,000
Maine	Naval Air Station Brunswick	92 Units	$10,925,000
Maryland	Naval Air Warfare Center, Patuxent River	Ancillary Facility	$1,233,000
North Carolina	Marine Corps Base, Camp Lejeune	Ancillary Facility	$845,000
	Marine Corps Base, Camp Lejeune	94 Units	$10,110,000
South Carolina	Marine Corps Air Station, Beaufort	140 Units	$14,000,000
Texas	Corpus Christi Naval Complex	104 Units	$11,675,000
	Naval Air Station, Kingsville	48 Units	$7,550,000
Virginia	AEGIS Combat Systems Center, Wallops Island	20 Units	$2,975,000
	Naval Security Group Activity, Northwest	Ancillary Facility	$741,000
Washington	Naval Station, Everett	100 Units	$15,015,000
	Naval Submarine Base, Bangor	Ancillary Facility	$934,000
		Total:	$281,951,000

(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 $22,552,000.

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 $205,383,000.

SEC. 2204. AUTHORIZATION OF APPROPRIATIONS, NAVY.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1996, for military construction, land acquisition, and military family housing functions of the Department of the Navy in the total amount of $2,213,731,000 as follows:

(1) For military construction projects inside the United States authorized by section 2201(a), $579,312,000.

(2) For military construction projects outside the United States authorized by section 2201(b), $51,550,000.

(3) For unspecified minor construction projects authorized by section 2805 of title 10, United States Code, $5,115,000.

(4) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $49,927,000.

(5) For military family housing functions:

(A) For construction and acquisition, planning and design, and improvement of military family housing and facilities, $499,886,000.

(B) For support of military housing (including functions described in section 2833 of title 10, United States Code), $1,014,241,000.

(6) For the construction of a bachelor enlisted quarters at the Naval Construction Battalion Center, Port Hueneme, California, authorized by section 2201(a) of the Military Construction Authorization Act for Fiscal Year 1996 (division B of Public Law 104–106; 110 Stat. 525), $7,700,000.

(7) For the construction of a Strategic Maritime Research Center at the Naval War College, Newport, Rhode Island, authorized by section 2201(a) of the Military Construction Authorization Act for Fiscal Year 1995 (division B of Public Law 103–337; 108 Stat. 3031), $8,000,000.

(8) For the construction of the large anachoic chamber facility at the Patuxent River Naval Warfare Center, Aircraft Division, Maryland, authorized by section 2201(a) of the Military Construction Authorization Act for Fiscal Year 1993 (division B of Public Law 102–484; 106 Stat. 2590), $10,000,000.

(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) $5,200,000 (the balance of the amount authorized under section 2201(a) for the construction of a bachelors enlisted quarters at Naval Hospital, Great Lakes, Illinois);

(3) $5,480,000 (the balance of the amount authorized under section 2201(a) for the construction of a chiller system upgrade at the United States Naval Academy, Maryland); and

(4) $14,100,000 (the balance of the amount authorized under section 2201(b) for the construction of a bachelor enlisted quarters at Naval Station, Roosevelt Roads, Puerto Rico).

(c) ADJUSTMENT.—The total amount authorized to be appropriated pursuant to paragraphs (1) through (8) of subsection (a) is the sum of the amounts authorized to be appropriated in such paragraphs, reduced by $12,000,000, which represents the combination of project savings resulting from favorable bids, reduced overhead costs, and cancellations due to force structure changes.

SEC. 2205. BEACH REPLENISHMENT, NAVAL AIR STATION, NORTH ISLAND, CALIFORNIA.

(a) COST-SHARING AGREEMENT.—With regard to the portion of the military construction project for Naval Air Station, North Island, California, authorized by section 2201(a) and involving onshore and near-shore beach replenishment, the Secretary of the Navy shall enter into an agreement with the State of California and local governments in the vicinity of the project, under which the State and local governments agree to cover not less than 50 percent of the cost incurred by the Secretary to carry out the beach replenishment portion of the project. Within amounts appropriated for the project, Federal expenditures may not exceed $9,630,000 for beach replenishment.

(b) ACTIVITIES PENDING AGREEMENT.—The Secretary shall not delay commencement of, or activities under, the construction project described in subsection (a), including the beach replenishment portion of the project, pending the execution of the cost-sharing agreement.

TITLE XXIII—AIR FORCE

Sec. 2301. Authorized Air Force construction and land acquisition projects.
Sec. 2302. Family housing.
Sec. 2303. Improvements to military family housing units.
Sec. 2304. Authorization of appropriations, Air Force.
Sec. 2305. Elimination of authority to carry out fiscal year 1995 project, Spangdahlem Air Force Base, Germany.

SEC. 2301. AUTHORIZED AIR FORCE CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(1), the Secretary of the Air Force may acquire real property and carry out military construction projects for the installations and locations inside the United States, and in the amounts, set forth in the following table:

AIR FORCE: INSIDE THE UNITED STATES

State	Installation or location	Amount
Alabama	Maxwell Air Force Base	$7,875,000
Alaska	Elmendorf Air Force Base	$21,530,000
	Eielson Air Force Base	$3,900,000
	King Salmon Air Force Base	$5,700,000

AIR FORCE: INSIDE THE UNITED STATES—Continued

State	Installation or location	Amount
Arizona	Davis-Monthan Air Force Base	$9,920,000
	Luke Air Force Base	$6,700,000
Arkansas	Little Rock Air Force Base	$18,105,000
California	Beale Air Force Base	$14,425,000
	Edwards Air Force Base	$20,080,000
	Travis Air Force Base	$14,980,000
	Vandenberg Air Force Base	$3,290,000
Colorado	Buckley Air National Guard Base	$17,960,000
	Falcon Air Force Station	$2,095,000
	Peterson Air Force Base	$20,720,000
	United States Air Force Academy	$12,165,000
Delaware	Dover Air Force Base	$19,980,000
Florida	Eglin Air Force Base	$4,590,000
	Eglin Auxiliary Field 9	$6,825,000
	Patrick Air Force Base	$2,595,000
	Tyndall Air Force Base	$3,600,000
Georgia	Moody Air Force Base	$3,350,000
	Robins Air Force Base	$25,045,000
Idaho	Mountain Home Air Force Base	$15,945,000
Kansas	McConnell Air Force Base	$19,130,000
Louisiana	Barksdale Air Force Base	$4,890,000
Maryland	Andrews Air Force Base	$8,140,000
Mississippi	Keesler Air Force Base	$14,465,000
Montana	Malstrom Air Force Base	$6,300,000
Nevada	Indian Springs Air Force Auxiliary Air Field	$4,690,000
	Nellis Air Force Base	$9,900,000
New Mexico	Cannon Air Force Base	$7,100,000
	Kirtland Air Force Base	$10,000,000
New Jersey	McGuire Air Force Base	$8,080,000
North Carolina	Pope Air Force Base	$5,915,000
	Seymour Johnson Air Force Base	$11,280,000
North Dakota	Grand Forks Air Force Base	$12,470,000
	Minot Air Force Base	$3,940,000
Ohio	Wright-Patterson Air Force Base	$7,400,000
Oklahoma	Tinker Air Force Base	$9,880,000
South Carolina	Charleston Air Force Base	$37,410,000
	Shaw Air Force Base	$14,465,000
South Dakota	Ellsworth Air Force Base	$4,150,000
Tennessee	Arnold Engineering Development Center	$12,481,000
Texas	Brooks Air Force Base	$5,400,000
	Dyess Air Force Base	$12,295,000
	Kelly Air Force Base	$3,250,000
	Lackland Air Force Base	$9,413,000
	Sheppard Air Force Base	$9,400,000
Utah	Hill Air Force Base	$3,690,000
Virginia	Langley Air Force Base	$8,005,000
Washington	Fairchild Air Force Base	$18,155,000
	McChord Air Force Base	$57,065,000
Wyoming	F.E. Warren Air Force Base	$3,700,000
	Total:	$603,834,000

(b) OUTSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations 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	$5,370,000
	Spangdahlem Air Base	$1,890,000
Italy	Aviano Air Base	$10,060,000
Korea	Osan Air Base	$9,780,000
Turkey	Incirlik Air Base	$7,160,000
United Kingdom	Croughton Royal Air Force Base	$1,740,000
	Lakenheath Royal Air Force Base	$17,525,000
	Mildenhall Royal Air Force Base	$6,195,000
Overseas Classified	Classified Locations	$18,395,000
	Total:	$78,115,000

SEC. 2302. FAMILY HOUSING.

(a) CONSTRUCTION AND ACQUISITION.—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(5)(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	Purpose	Amount
Alaska	Eielson Air Force Base	72 units	$21,127,000
	Eielson Air Force Base	Ancillary Facility	$2,950,000
California	Beale Air Force Base	56 Units	$8,893,000
	Los Angeles Air Force Base	25 units	$6,425,000
	Travis Air Force Base	70 Units	$8,631,000
	Vandenberg Air Force Base	112 Units	$20,891,000
District of Columbia	Bolling Air Force Base	40 units	$5,000,000
Florida	Eglin Auxiliary Field 9	1 Unit	$249,000
	MacDill Air Force Base	56 Units	$8,822,000
	Patrick Air Force Base	Ancillary Facility	$2,430,000
	Tyndall Air Force Base	42 Units	$6,000,000
Georgia	Robins Air Force Base	46 Units	$5,252,000
Louisiana	Barksdale Air Force Base	80 Units	$9,570,000
Massachusetts	Hanscom Air Force Base	32 Units	$5,100,000
Missouri	Whiteman Air Force Base	68 Units	$9,600,000
Montana	Malstrom Air Force Base	98 Units	$15,688,000
Nevada	Nellis Air Force Base	50 Units	$7,955,000
New Mexico	Kirtland Air Force Base	50 Units	$5,450,000
North Dakota	Grand Forks Air Force Base	66 Units	$7,784,000
	Minot Air Force Base	46 Units	$8,740,000
Texas	Lackland Air Force Base	82 Units	$11,500,000
	Lackland Air Force Base	Ancillary Facility	$800,000
Washington	McChord Air Force Base	50 Units	$5,659,000
		Total:	$184,516,000

(b) PLANNING AND DESIGN.—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(5)(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 $9,590,000.

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 appro-

priations in section 2304(a)(5)(A), the Secretary of the Air Force may improve existing military family housing units in an amount not to exceed $123,650,000.

SEC. 2304. AUTHORIZATION OF APPROPRIATIONS, AIR FORCE.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1996, for military construction, land acquisition, and military family housing functions of the Department of the Air Force in the total amount of $1,894,594,000 as follows:

(1) For military construction projects inside the United States authorized by section 2301(a), $603,834,000.

(2) For military construction projects outside the United States authorized by section 2301(b), $78,115,000.

(3) For unspecified minor construction projects authorized by section 2805 of title 10, United States Code, $9,328,000.

(4) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $50,687,000.

(5) For military housing functions:

(A) For construction and acquisition, planning and design, and improvement of military family housing and facilities, $317,756,000.

(B) For support of military family housing (including the functions described in section 2833 of title 10, United States Code), $829,474,000.

(6) For the construction of a corrosion control facility at Tinker Air Force Base, Oklahoma, authorized by section 2301(a) of the Military Construction Authorization Act for Fiscal Year 1996 (division B of Public Law 104–106; 110 Stat. 530), $5,400,000.

(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 2301 of this Act may not exceed the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a).

SEC. 2305. ELIMINATION OF AUTHORITY TO CARRY OUT FISCAL YEAR 1995 PROJECT, SPANGDAHLEM AIR FORCE BASE, GERMANY.

(a) ELIMINATION OF PROJECT.—The table in section 2301(b) of the Military Construction Authorization Act for Fiscal Year 1995 (division B of Public Law 103–337; 108 Stat. 3037) is amended in the item relating to Spangdahlem Air Base, Germany, by striking out "$9,473,000" in the amount column and inserting in lieu thereof "$7,373,000", such reduction corresponding to the project to upgrade the sewage and storm water system at the installation.

(b) CONFORMING AMENDMENT TO AUTHORIZATION OF APPROPRIATIONS.—Section 2304(a) of the Military Construction Authorization Act for Fiscal Year 1995 (division B of Public Law 103–337; 108 Stat. 3038) is amended—

(1) in the matter preceding paragraph (1), by striking out "$1,601,602,000" and inserting in lieu thereof "$1,599,502,000"; and

(2) in paragraph (2), by striking out "$38,273,000" and inserting in lieu thereof "$36,173,000".

TITLE XXIV—DEFENSE AGENCIES

Sec. 2401. Authorized Defense Agencies construction and land acquisition projects.
Sec. 2402. Military housing planning and design.
Sec. 2403. Improvements to military family housing units.
Sec. 2404. Military housing improvement program.
Sec. 2405. Energy conservation projects.
Sec. 2406. Authorization of appropriations, Defense Agencies.
Sec. 2407. Reduction in amounts authorized to be appropriated for fiscal year 1996 Defense Agencies military construction, land acquisition, and military family housing functions.

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 2406(a)(1), and, in the case of the projects described in paragraphs (2) and (3) of section 2406(b), other amounts appropriated pursuant to authorizations enacted after this Act for the projects, 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 Program	Pueblo Chemical Activity, Colorado	$179,000,000
Defense Finance & Accounting Service	Charleston, South Carolina	$6,200,000
	Fort Sill, Oklahoma	$12,864,000
	Gentile Air Force Station, Ohio	$11,400,000
	Griffiss Air Force Base, New York	$10,200,000
	Loring Air Force Base, Maine	$6,900,000
	Naval Training Center, Orlando, Florida	$2,600,000
	Norton Air Force Base, California	$13,800,000
	Offutt Air Force Base, Nebraska	$7,000,000
	Rock Island Arsenal, Illinois	$14,400,000
Defense Intelligence Agency	Bolling Air Force Base, District of Columbia	$6,790,000
Defense Logistics Agency	Altus Air Force Base, Oklahoma	$3,200,000
	Andrews Air Force Base, Maryland	$12,100,000
	Barksdale Air Force Base, Louisiana	$4,300,000
	Defense Construction Supply Center, Columbus, Ohio	$600,000
	Defense Distribution, San Diego, California	$15,700,000
	Elmendorf Air Force Base, Alaska	$21,000,000
	McConnell Air Force Base, Kansas	$2,200,000
	Naval Air Facility, El Centro, California	$5,700,000
	Naval Air Station, Fallon, Nevada	$2,100,000
	Naval Air Station, Oceana, Virginia	$1,500,000
	Shaw Air Force Base, South Carolina	$2,900,000
	Travis Air Force Base, California	$15,200,000
Defense Medical Facility Office	Andrews Air Force Base, Maryland	$15,500,000
	Charleston Air Force Base, South Carolina	$1,800,000
	Fort Bliss, Texas	$6,600,000
	Fort Bragg, North Carolina	$11,400,000
	Fort Hood, Texas	$1,950,000
	Marine Corps Base, Camp Pendleton, California	$3,300,000
	Maxwell Air Force Base, Alabama	$25,000,000
	Naval Air Station, Key West, Florida	$15,200,000
	Naval Air Station, Norfolk, Virginia	$1,250,000
	Naval Air Station, Lemoore, California	$38,000,000
Special Operations Command	Fort Bragg, North Carolina	$14,000,000

DEFENSE AGENCIES: INSIDE THE UNITED STATES—Continued

Agency	Installation or location	Amount
	Fort Campbell, Kentucky	$4,200,000
	MacDill Air Force Base, Florida	$9,600,000
	Naval Amphibious Base, Coronado, California	$7,700,000
	Naval Station, Ford Island, Pearl Harbor, Hawaii	$12,800,000
	Total	$525,454,000

(b) OUTSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2406(a)(2), the Secretary of Defense 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:

DEFENSE AGENCIES: OUTSIDE THE UNITED STATES

Agency	Installation or location	Amount
Defense Logistics Agency	Moron Air Base, Spain	$12,958,000
	Naval Air Station, Sigonella, Italy	$6,100,000
Defense Medical Facility Office	Administrative Support Unit, Bahrain, Bahrain	$4,600,000
	Total	$23,658,000

SEC. 2402. MILITARY HOUSING PLANNING AND DESIGN.

Using amounts appropriated pursuant to the authorization of appropriation in section 2406(a)(14)(A), the Secretary of Defense 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 $500,000.

SEC. 2403. 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 appropriation in section 2406(a)(14)(A), the Secretary of Defense may improve existing military family housing units in an amount not to exceed $3,871,000.

SEC. 2404. MILITARY HOUSING IMPROVEMENT PROGRAM.

(a) AVAILABILITY OF FUNDS FOR CREDIT TO FAMILY HOUSING IMPROVEMENT FUND.—(1) Of the amount authorized to be appropriated pursuant to section 2406(a)(14)(C), $25,000,000 shall be available for credit to the Department of Defense Family Housing Improvement Fund established by section 2883(a)(1) of title 10, United States Code.

(2) Of the amount authorized to be appropriated pursuant to section 2406(a)(14)(D), $5,000,000 shall be available for credit to the Department of Defense Military Unaccompanied Housing Improvement Fund established by section 2883(a)(2) of such title.

(b) USE OF FUNDS.—(1) The Secretary of Defense may use funds credited to the Department of Defense Family Housing Improvement Fund under subsection (a)(1) to carry out any activities authorized by subchapter IV of chapter 169 of such title with respect to military family housing.

(2) The Secretary of Defense may use funds credited to the Department of Defense Military Unaccompanied Housing Improvement Fund under subsection (a)(2) to carry out any activities authorized by subchapter IV of chapter 169 of such title with respect to military unaccompanied housing.

SEC. 2405. ENERGY CONSERVATION PROJECTS.

Using amounts appropriated pursuant to the authorization of appropriations in section 2406(a)(12), the Secretary of Defense may carry out energy conservation projects under section 2865 of title 10, United States Code.

SEC. 2406. AUTHORIZATION OF APPROPRIATIONS, DEFENSE AGENCIES.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1996, 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 $3,379,703,000 as follows:

(1) For military construction projects inside the United States authorized by section 2401(a), $344,854,000.

(2) For military construction projects outside the United States authorized by section 2401(b), $23,658,000.

(3) For military construction projects at Naval Hospital, Portsmouth, Virginia, hospital replacement, authorized by section 2401(a) of the Military Construction Authorization Act for Fiscal Years 1990 and 1991 (division B of Public Law 101–189; 103 Stat. 1640), $24,000,000.

(4) For military construction projects at Walter Reed Army Institute of Research, Maryland, hospital replacement, authorized by section 2401(a) of the Military Construction Authorization Act for Fiscal Year 1993 (division B of Public Law 102–484; 106 Stat. 2599), $72,000,000.

(5) For military construction projects at Fort Bragg, North Carolina, hospital replacement, authorized by section 2401(a) of the Military Construction Authorization Act for Fiscal Year 1993 (106 Stat. 2599), $89,000,000.

(6) For military construction projects at Pine Bluff Arsenal, Arkansas, authorized by section 2401(a) of the Military Construction Authorization Act for Fiscal Year 1995 (division B of the Public Law 103–337; 108 Stat. 3040), $46,000,000.

(7) For military construction projects at Umatilla Army Depot, Oregon, authorized by section 2401(a) of the Military Construction Authorization Act for Fiscal Year 1995 (108 Stat. 3040), $64,000,000.

(8) For military construction projects at the Defense Finance and Accounting Service, Columbus, Ohio, authorized by section 2401(a) of the Military Construction Authorization Act of Fiscal Year 1996 (division B of Public Law 104–106; 110 Stat. 535), $20,822,000.

(9) For contingency construction projects of the Secretary of Defense under section 2804 of title 10, United States Code, $4,500,000.

(10) For unspecified minor construction projects under section 2805 of title 10, United States Code, $21,874,000.

(11) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $12,239,000.

(12) For energy conservation projects under section 2865 of title 10, United States Code, $47,765,000.

(13) 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), $2,507,476,000.

(14) For military family housing functions:

(A) For improvement and planning of military family housing and facilities, $4,371,000.

(B) For support of military housing (including functions described in section 2833 of title 10, United States Code), $30,963,000, of which not more than $25,637,000 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 as authorized by section 2404(a)(1) of this Act, $25,000,000.

(D) For credit to the Department of Defense Military Unaccompanied Housing Improvement Fund as authorized by section 2404(a)(2) of this Act, $5,000,000.

(E) For the Homeowners Assistance Program as authorized by section 2832 of title 10, United States Code, $36,181,000, to remain available until expended.

(b) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variation authorized by section 2853 of title 10, United States Code, and any other cost variations authorized by law, the total cost of all projects carried out under section 2401 of this Act may not exceed—

(1) the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a);

(2) $179,000,000 (the balance of the amount authorized under section 2401(a) of this Act for the construction of a chemical demilitarization facility at Pueblo Army Depot, Colorado); and

(3) $1,600,000 (the balance of the amount authorized under section 2401(a) of this Act for the construction of a replacement facility for the medical and dental clinic, Key West Naval Air Station, Florida).

SEC. 2407. REDUCTION IN AMOUNTS AUTHORIZED TO BE APPROPRIATED FOR FISCAL YEAR 1996 DEFENSE AGENCIES MILITARY CONSTRUCTION, LAND ACQUISITION, AND MILITARY FAMILY HOUSING FUNCTIONS.

Section 2405 of the Military Construction Authorization Act for Fiscal Year 1996 (division B of Public Law 104–106; 110 Stat. 537) is amended by adding at the end the following new subsection:

"(c) ADJUSTMENT.—The total amount authorized to be appropriated pursuant to paragraphs (1) through (11) of subsection (a) is the sum of the amounts authorized to be appropriated in such paragraphs, reduced by $7,000,000, which represents the combination of project savings resulting from favorable bids, reduced overhead costs, and cancellations due to force structure changes.".

TITLE XXV—NORTH ATLANTIC TREATY ORGANIZATION SECURITY INVESTMENT PROGRAM

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

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, 1996, 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 Security Investment program as authorized by section 2501, in the amount of $172,000,000.

TITLE XXVI—GUARD AND RESERVE FORCES FACILITIES

Sec. 2601. Authorized Guard and Reserve construction and land acquisition projects.
Sec. 2602. Authorization and funding for construction and improvement of Naval Reserve Centers.
Sec. 2603. Upgrade Air National Guard facilities, Bangor International Airport, Maine.

SEC. 2601. AUTHORIZED GUARD AND RESERVE CONSTRUCTION AND LAND ACQUISITION PROJECTS.

There are authorized to be appropriated for fiscal years beginning after September 30, 1996, for the costs of acquisition, architectural and engineering services, and construction of facilities for the Guard and Reserve Forces, and for contributions therefor, under chapter 1803 of title 10, United States Code (including the cost of acquisition of land for those facilities), the following amounts:

(1) For the Department of the Army—

(A) for the Army National Guard of the United States, $59,194,000; and

(B) for the Army Reserve, $55,543,000.

(2) For the Department of the Navy, for the Naval and Marine Corps Reserve, $32,779,000.

(3) For the Department of the Air Force—

(A) for the Air National Guard of the United States, $188,505,000; and

(B) for the Air Force Reserve, $52,805,000.

SEC. 2602. AUTHORIZATION AND FUNDING FOR CONSTRUCTION AND IMPROVEMENT OF NAVAL RESERVE CENTERS.

(a) ARMY RESERVE CENTERS.—Using amounts appropriated under the heading "MILITARY CONSTRUCTION, NAVAL RESERVE" in the Military Construction Appropriations Act, 1995 (Public Law 103–307; 108 Stat. 1661), for the construction of a Naval Reserve Center in Seattle, Washington, the Secretary of the Army may carry out a military construction project for the construction of an Army Reserve Center at Fort Lawton, Washington, in the total amount of $5,200,000, of which $700,000 may be used for program and design activities relating to such construction.

(b) NAVAL RESERVE FACILITIES.—Using amounts appropriated under the heading "MILITARY CONSTRUCTION, NAVAL RESERVE" in the Military Construction Appropriations Act, 1995 (Public Law 103–307; 108 Stat. 1661), for the construction of a Naval Reserve Center in Seattle, Washington, the Secretary of the Navy may carry out—

(1) a military construction project for the construction of an addition to the Naval Reserve Center in Tacoma, Washington, in the total amount of $4,200,000;

(2) unspecified minor construction at Naval Reserve facilities in the total amount of $500,000; and

(3) planning and design activities with respect to improvements at Naval Reserve facilities in the total amount of $500,000.

SEC. 2603. UPGRADE AIR NATIONAL GUARD FACILITIES, BANGOR INTERNATIONAL AIRPORT, MAINE.

(a) PROJECT AUTHORIZED.—Using amounts appropriated pursuant to the authorization of appropriations in section 2601(3)(A) and amounts appropriated pursuant to authorizations of appropriations enacted after the date of the enactment of this Act, the Secretary of the Air Force may carry out a construction project to upgrade Air National Guard base and support facilities at Bangor International Airport, Maine. The Secretary may contract for architectural and engineering services and construction design services in connection with the construction project.

(b) LIMITATION ON TOTAL COST OF PROJECT.—The total cost of the construction project authorized by subsection (a) may not exceed $13,000,000.

(c) FISCAL YEAR 1997 FUNDING.—Of the amount authorized to be appropriated in section 2601(3)(A), $7,000,000 shall be available to carry out the construction project authorized by subsection (a).

TITLE XXVII—EXPIRATION AND EXTENSION OF AUTHORIZATIONS

Sec. 2701. Expiration of authorizations and amounts required to be specified by law.
Sec. 2702. Extension of authorizations of certain fiscal year 1994 projects.
Sec. 2703. Extension of authorizations of certain fiscal year 1993 projects.
Sec. 2704. Extension of authorizations of certain fiscal year 1992 projects.
Sec. 2705. Effective date.

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, 1999; or

(2) the date of the enactment of an Act authorizing funds for military construction for fiscal year 2000.

(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, 1999; or

(2) the date of the enactment of an Act authorizing funds for fiscal year 2000 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 1994 PROJECTS.

(a) EXTENSIONS.—Notwithstanding section 2701 of the Military Construction Authorization Act for Fiscal Year 1994 (division B of Public Law 103–160; 107 Stat. 1880), authorizations for the projects set forth in the tables in subsection (b), as provided in section 2101, 2102, 2201, 2301, or 2601 of that Act, shall remain in effect until October 1, 1997, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 1998, whichever is later.

(b) TABLES.—The tables referred to in subsection (a) are as follows:

ARMY: EXTENSION OF 1994 PROJECT AUTHORIZATIONS

State	Installation or location	Project	Amount
New Jersey	Picatinny Arsenal	Advance Warhead Development Facility	$4,400,000
North Carolina	Fort Bragg	Land Acquisition	$15,000,000
Wisconsin	Fort McCoy	Family Housing Construction (16 units)	$2,950,000

NAVY: EXTENSION OF 1994 PROJECT AUTHORIZATIONS

State or Location	Installation or location	Project	Amount
California	Camp Pendleton Marine Corps Base	Sewage Facility	$7,930,000
Connecticut	New London Naval Submarine Base	Hazardous Waste Transfer Facility	$1,450,000
New Jersey	Earle Naval Weapons Station	Explosives Holding Yard	$1,290,000

NAVY: EXTENSION OF 1994 PROJECT AUTHORIZATIONS—Continued

State or Location	Installation or location	Project	Amount
Virginia	Oceana Naval Air Station	Jet Engine Test Cell Replacement	$5,300,000
Various Locations	Various Locations	Land Acquisition Inside the United States	$540,000
Various Locations	Various Locations	Land Acquisition Outside the United States	$800,000

AIR FORCE: EXTENSION OF 1994 PROJECT AUTHORIZATIONS

State	Installation or Location	Project	Amount
Alaska	Eielson Air Force Base	Upgrade Water Treatment Plant	$3,750,000
	Elmendorf Air Force Base	Corrosion Control Facility	$5,975,000
California	Beale Air Force Base	Educational Center	$3,150,000
Florida	Tyndall Air Force Base	Base Supply Logistics Center	$2,600,000
Mississippi	Keesler Air Force Base	Upgrade Student Dormitory	$4,500,000
North Carolina	Pope Air Force Base	Add To and Alter Dormitories	$4,300,000
Virginia	Langley Air Force Base	Fire Station	$3,850,000

ARMY NATIONAL GUARD: EXTENSION OF 1994 PROJECT AUTHORIZATIONS

State	Installation or Location	Project	Amount
Alabama	Birmingham	Aviation Support Facility	$4,907,000
Arizona	Marana	Organizational Maintenance Shop	$553,000
	Marana	Dormitory/Dining Facility	$2,919,000
California	Fresno	Organizational Maintenance Shop Modification	$905,000
	Van Nuys	Armory Addition	$6,518,000
New Mexico	White Sands Missile Range	Organizational Maintenance Shop	$2,940,000
		Tactical Site	$1,995,000
		MATES	$3,570,000
Pennsylvania	Indiantown Gap	State Military Building	$9,200,000
	Johnstown	Armory Addition/Flight Facility	$5,004,000
	Johnstown	Armory	$3,000,000
South Carolina	Summerville	Organizational Maintenance Shop	$834,000

SEC. 2703. EXTENSION OF AUTHORIZATIONS OF CERTAIN FISCAL YEAR 1993 PROJECTS.

(a) EXTENSIONS.—Notwithstanding section 2701 of the Military Construction Authorization Act for Fiscal Year 1993 (division B of Public Law 102–484; 106 Stat. 2602), authorizations for the projects set forth in the tables in subsection (b), as provided in section 2101, 2301, or 1601 of that Act and extended by section 2702 of the Military Construction Authorization Act for Fiscal Year 1996 (division B of Public Law 104–106; 110 Stat. 541), shall remain in effect until October 1, 1997, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 1998, whichever is later.

(b) TABLES.—The tables referred to in subsection (a) are as follows:

ARMY: EXTENSION OF 1993 PROJECT AUTHORIZATION

State	Installation or location	Project	Amount
Arkansas	Pine Bluff Arsenal	Ammunition Demilitarization Support Facility	$15,000,000

AIR FORCE: EXTENSION OF 1993 PROJECT AUTHORIZATION

Country	Installation or location	Project	Amount
Portugal	Lajes Field	Water Wells	$865,000

ARMY NATIONAL GUARD: EXTENSION OF 1993 PROJECT AUTHORIZATIONS

State	Installation or Location	Project	Amount
Alabama	Tuscaloosa	Armory	$2,273,000
	Union Springs	Armory	$813,000
New Mexico	Clayton	Armory	$1,400,000

SEC. 2704. EXTENSION OF AUTHORIZATIONS OF CERTAIN FISCAL YEAR 1992 PROJECTS.

(a) EXTENSIONS.—Notwithstanding section 2701 of the Military Construction Authorization Act for Fiscal Year 1992 (division B of Public Law 102–190; 105 Stat. 1535), authorizations for the projects set forth in the table in subsection (b), as provided in section 2201 of that Act and extended by section 2702(a) of the Military Construction Authorization Act for Fiscal Year 1995 (division B of Public Law 103–337; 108 Stat. 3047) and section 2703(a) of the Military Construction Authorization Act for Fiscal Year 1996 (division B of Public Law 104–106; 110 Stat. 543), shall remain in effect until October 1, 1997, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 1998, whichever is later.

(b) TABLE.—The table referred to in subsection (a) is as follows:

ARMY: EXTENSION OF 1992 PROJECT AUTHORIZATIONS

State	Installation or location	Project	Amount
Oregon	Umatilla Army Depot	Ammunition Demilitarization Support Facility	$3,600,000
	Umatilla Army Depot	Ammunition Demilitarization Utilities	$7,500,000

SEC. 2705. EFFECTIVE DATE.

Titles XXI, XXII, XXIII, XXIV, XXV, and XXVI shall take effect on the later of—

(1) October 1, 1996; or

(2) the date of the enactment of this Act.

TITLE XXVIII—GENERAL PROVISIONS

Subtitle A—Military Construction Program and Military Family Housing Changes

Sec. 2801. Increase in certain thresholds for unspecified minor construction projects.
Sec. 2802. Redesignation of North Atlantic Treaty Organization Infrastructure program.

Sec. 2803. Improvements to family housing units.
Sec. 2804. Availability of funds for planning, execution, and administration of contracts for family housing and unaccompanied housing.

Subtitle B—Defense Base Closure and Realignment

Sec. 2811. Restoration of authority for certain intragovernment transfers under 1988 base closure law.
Sec. 2812. Contracting for certain services at facilities remaining on closed installations.
Sec. 2813. Authority to compensate owners of manufactured housing.
Sec. 2814. Additional purpose for which adjustment and diversification assistance is authorized.
Sec. 2815. Payment of stipulated penalties assessed under CERCLA in connection with Loring Air Force Base, Maine.
Sec. 2816. Plan for utilization, reutilization, or disposal of Mississippi Army Ammunition Plant.

Subtitle C—Land Conveyances

PART I—ARMY CONVEYANCES

Sec. 2821. Transfer of lands, Arlington National Cemetery, Arlington, Virginia.
Sec. 2822. Land transfer, Fort Sill, Oklahoma.
Sec. 2823. Land conveyance, Army Reserve Center, Rushville, Indiana.
Sec. 2824. Land conveyance, Army Reserve Center, Anderson, South Carolina.
Sec. 2825. Land conveyance, Army Reserve Center, Montpelier, Vermont.
Sec. 2826. Land conveyance, Crafts Brothers Reserve Training Center, Manchester, New Hampshire.
Sec. 2827. Land conveyance, Pine Bluff Arsenal, Arkansas.
Sec. 2828. Reaffirmation of land conveyances, Fort Sheridan, Illinois.

PART II—NAVY CONVEYANCES

Sec. 2831. Land transfer, Potomac Annex, District of Columbia.
Sec. 2832. Land exchange, St. Helena Annex, Norfolk Naval Shipyard, Virginia.
Sec. 2833. Land conveyance, Calverton Pine Barrens, Naval Weapons Industrial Reserve Plant, Calverton, New York.
Sec. 2834. Land conveyance, former naval reserve facility, Lewes, Delaware.
Sec. 2835. Modification of land conveyance authority, Naval Reserve Center, Seattle, Washington.
Sec. 2836. Release of condition on reconveyance of transferred land, Guam.
Sec. 2837. Lease to facilitate construction of reserve center, Naval Air Station, Meridian, Mississippi.

PART III—AIR FORCE CONVEYANCES

Sec. 2841. Land conveyance, Radar Bomb Scoring Site, Belle Fourche, South Dakota.
Sec. 2842. Conveyance of primate research complex and Air Force-owned chimpanzees, Holloman Air Force Base, New Mexico.

PART IV—OTHER CONVEYANCES

Sec. 2851. Land conveyance, Tatum Salt Dome Test Site, Mississippi.
Sec. 2852. Land conveyance, William Langer Jewel Bearing Plant, Rolla, North Dakota.
Sec. 2853. Land conveyance, Air Force Plant No. 85, Columbus, Ohio.
Sec. 2854. Modification of boundaries of White Sands National Monument and White Sands Missile Range.

Subtitle D—Other Matters

Sec. 2861. Authority to grant easements for rights-of-way.
Sec. 2862. Authority to enter into cooperative agreements for the management of cultural resources on military installations.
Sec. 2863. Demonstration project for installation and operation of electric power distribution system at Youngstown Air Reserve Station, Ohio.
Sec. 2864. Renovation of the Pentagon reservation.
Sec. 2865. Plan for repairs and stabilization of the historic district at the Forest Glen Annex of Walter Reed Medical Center, Maryland.
Sec. 2866. Naming of range at Camp Shelby, Mississippi.
Sec. 2867. Designation of Michael O'Callaghan military hospital.

Sec. 2868. Naming of building at the Uniformed Services University of the Health Sciences.

Subtitle A—Military Construction Program and Military Family Housing Changes

SEC. 2801. INCREASE IN CERTAIN THRESHOLDS FOR UNSPECIFIED MINOR CONSTRUCTION PROJECTS.

(a) O&M FUNDING FOR PROJECTS.—Section 2805(c)(1)(B) of title 10, United States Code, is amended by striking out "$300,000" and inserting in lieu thereof "$500,000".

(b) O&M FUNDING FOR RESERVE COMPONENT FACILITIES.—Subsection (b) of section 18233a of such title is amended by striking out "$300,000" and inserting in lieu thereof "$500,000".

(c) NOTIFICATION FOR EXPENDITURES AND CONTRIBUTIONS FOR RESERVE COMPONENT FACILITIES.—Subsection (a)(1) of such section 18233a is amended by striking out "$400,000" and inserting in lieu thereof "$1,500,000".

SEC. 2802. REDESIGNATION OF NORTH ATLANTIC TREATY ORGANIZATION INFRASTRUCTURE PROGRAM.

(a) REDESIGNATION.—Subsection (b) of section 2806 of title 10, United States Code, is amended by striking out "North Atlantic Treaty Organization Infrastructure program" and inserting in lieu thereof "North Atlantic Treaty Organization Security Investment program".

(b) REFERENCES.—Any reference to the North Atlantic Treaty Organization Infrastructure program in any Federal law, Executive order, regulation, delegation of authority, or document of or pertaining to the Department of Defense shall be deemed to refer to the North Atlantic Treaty Organization Security Investment program.

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

"§ 2806. Contributions for North Atlantic Treaty Organizations Security Investment".

(2) The table of sections at the beginning of subchapter I of chapter 169 of title 10, United States Code, is amended by striking out the item relating to section 2806 and inserting in lieu thereof the following new item:

"2806. Contributions for North Atlantic Treaty Organizations Security Investment.".

(d) CONFORMING AMENDMENTS.—(1) Section 2861(b)(3) of title 10, United States Code, is amended by striking out "North Atlantic Treaty Organization Infrastructure program" and inserting in lieu thereof "North Atlantic Treaty Organization Security Investment program".

(2) Section 21(h)(1)(B) of the Arms Export Control Act (22 U.S.C. 2761(h)(1)(B)) is amended by striking out "North Atlantic Treaty Organization Infrastructure Program" and inserting in lieu thereof "North Atlantic Treaty Organization Security Investment program".

SEC. 2803. IMPROVEMENTS TO FAMILY HOUSING UNITS.

(a) AUTHORIZED IMPROVEMENTS.—Subsection (a)(2) of section 2825 of title 10, United States Code, is amended—

(1) by inserting "major" before "maintenance"; and

(2) by adding at the end the following: "Such term does not include day-to-day maintenance and repair work.".

(b) LIMITATION.—Subsection (b) of such section is amended by striking out paragraph (2) and inserting in lieu thereof the following new paragraph:

"(2) In determining the applicability of the limitation contained in paragraph (1), the Secretary concerned shall include as part of the cost of the improvement of the unit or units concerned the following:

"(A) The cost of major maintenance or repair work undertaken in connection with the improvement.

"(B) Any cost, other than the cost of activities undertaken beyond a distance of five feet from the unit or units concerned, in connection with—

"(i) the furnishing of electricity, gas, water, and sewage disposal;

"(ii) the construction or repair of roads, drives, and walks; and

"(iii) grading and drainage work.".

SEC. 2804. AVAILABILITY OF FUNDS FOR PLANNING, EXECUTION, AND ADMINISTRATION OF CONTRACTS FOR FAMILY HOUSING AND UNACCOMPANIED HOUSING.

(a) CONTRACTS FOR FAMILY HOUSING.—Paragraph (1) of section 2883(d) of title 10, United States Code, is amended by adding at the end the following: "The Secretary may also use for expenses of activities required in connection with the planning, execution, and administration of such contracts funds that are otherwise available to the Department of Defense for such types of expenses.".

(b) CONTRACTS FOR UNACCOMPANIED HOUSING.—Paragraph (2) of such section is amended by adding at the end the following: "The Secretary may also use for expenses of activities required in connection with the planning, execution, and administration of such contracts funds that are otherwise available to the Department of Defense for such types of expenses.".

Subtitle B—Defense Base Closure and Realignment

SEC. 2811. RESTORATION OF AUTHORITY FOR CERTAIN INTRAGOVERNMENT TRANSFERS UNDER 1988 BASE CLOSURE LAW.

Section 204(b)(2) of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100–526; 10 U.S.C. 2687 note), is amended—

(1) by redesignating subparagraphs (D) and (E) as subparagraphs (E) and (F), respectively; and

(2) by inserting after subparagraph (C) the following new subparagraph (D):

"(D) The Secretary of Defense may transfer real property or facilities located at a military installation to be closed or realigned under this title, with or without reimbursement, to a military department or other entity (including a nonappropriated fund instrumentality) within the Department of Defense or the Coast Guard.".

SEC. 2812. CONTRACTING FOR CERTAIN SERVICES AT FACILITIES REMAINING ON CLOSED INSTALLATIONS.

(a) 1988 LAW.—Section 204(b)(8)(A) of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100–526; 10 U.S.C. 2687 note) is amended by inserting ", or at facilities not yet transferred or otherwise disposed of in the case of installations closed under this title," after "under this title".

(b) 1990 LAW.—Section 2905(b)(8)(A) 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 inserting ", or at facilities not yet transferred or otherwise disposed of in the case of installations closed under this part," after "under this part".

SEC. 2813. AUTHORITY TO COMPENSATE OWNERS OF MANUFACTURED HOUSING.

(a) 1988 LAW.—Section 204 of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100–526; 10 U.S.C. 2687 note), is amended by adding at the end the following new subsection:

"(f) ACQUISITION OF MANUFACTURED HOUSING.—(1) In closing or realigning any military installation under this title, the Secretary may purchase any or all right, title, and interest of a member of the Armed Forces and any spouse of the member in manufactured housing located at a manufactured housing park established at an installation closed or realigned under this title, or make a payment to the member to relocate the manufactured housing to a suitable new site, if the Secretary determines that—

"(A) it is in the best interests of the Federal Government to eliminate or relocate the manufactured housing park; and

"(B) the elimination or relocation of the manufactured housing park would result in an unreasonable financial hardship to the owners of the manufactured housing.

"(2) Any payment made under this subsection shall not exceed 90 percent of the purchase price of the manufactured housing, as paid by the member or any spouse of the member, plus the cost of any permanent improvements subsequently made to the manufactured housing by the member or spouse of the member.

"(3) The Secretary shall dispose of manufactured housing acquired under this subsection through resale, donation, trade or otherwise within one year of acquisition.".

(b) 1990 LAW.—Section 2905 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 subsection:

"(g) ACQUISITION OF MANUFACTURED HOUSING.—(1) In closing or realigning any military installation under this part, the Secretary may purchase any or all right, title, and interest of a member of the Armed Forces and any spouse of the member in manufactured housing located at a manufactured housing park established at an installation closed or realigned under this part, or make a payment

to the member to relocate the manufactured housing to a suitable new site, if the Secretary determines that—

"(A) it is in the best interests of the Federal Government to eliminate or relocate the manufactured housing park; and

"(B) the elimination or relocation of the manufactured housing park would result in an unreasonable financial hardship to the owners of the manufactured housing.

"(2) Any payment made under this subsection shall not exceed 90 percent of the purchase price of the manufactured housing, as paid by the member or any spouse of the member, plus the cost of any permanent improvements subsequently made to the manufactured housing by the member or spouse of the member.

"(3) The Secretary shall dispose of manufactured housing acquired under this subsection through resale, donation, trade or otherwise within one year of acquisition.".

SEC. 2814. ADDITIONAL PURPOSE FOR WHICH ADJUSTMENT AND DIVERSIFICATION ASSISTANCE IS AUTHORIZED.

Section 2391(b)(5) of title 10, United States Code, is amended—

(1) by inserting "(A)" after "(5)"; and

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

"(B) The Secretary of Defense may also make grants, conclude cooperative agreements, and supplement other Federal funds in order to assist a State in enhancing its capacities—

"(i) to assist communities, businesses, and workers adversely affected by an action described in paragraph (1);

"(ii) to support local adjustment and diversification initiatives; and

"(iii) to stimulate cooperation between statewide and local adjustment and diversification efforts.".

SEC. 2815. PAYMENT OF STIPULATED PENALTIES ASSESSED UNDER CERCLA IN CONNECTION WITH LORING AIR FORCE BASE, MAINE.

From amounts in the Department of Defense Base Closure Account 1990 established by section 2906(a)(1) 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), the Secretary of Defense may expend not more than $50,000 to pay stipulated civil penalties assessed under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.) against Loring Air Force Base, Maine.

SEC. 2816. PLAN FOR UTILIZATION, REUTILIZATION, OR DISPOSAL OF MISSISSIPPI ARMY AMMUNITION PLANT.

Not later than 180 days after the date of the enactment of this Act, the Secretary of the Army shall submit to the congressional defense committees a plan for the utilization, reutilization, or disposal of the Mississippi Army Ammunition Plant, Hancock County, Mississippi.

Subtitle C—Land Conveyances

PART I—ARMY CONVEYANCES

SEC. 2821. TRANSFER OF LANDS, ARLINGTON NATIONAL CEMETERY, ARLINGTON, VIRGINIA.

(a) REQUIREMENT FOR SECRETARY OF INTERIOR TO TRANSFER CERTAIN SECTION 29 LANDS.—(1) Subject to paragraph (2), the Secretary of the Interior shall transfer to the Secretary of the Army administrative jurisdiction over the following lands located in section 29 of the National Park System at Arlington National Cemetery, Virginia:

(A) The lands known as the Arlington National Cemetery Interment Zone.

(B) All lands in the Robert E. Lee Memorial Preservation Zone, other than those lands in the Preservation Zone that the Secretary of the Interior determines must be retained because of the historical significance of such lands or for the maintenance of nearby lands or facilities.

(2)(A) The Secretary of the Interior may not make the transfer referred to in paragraph (1)(B) until 60 days after the date on which the Secretary submits to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives—

(i) a summary of the document entitled "Cultural Landscape and Archaeological Study, Section 29, Arlington House, The Robert E. Lee Memorial";

(ii) a summary of any environmental analysis required with respect to the transfer under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.);

(iii) an accounting of the effect of the transfer that satisfies the requirements of section 106 of the National Historic Preservation Act (16 U.S.C. 470f); and

(iv) the proposal of the Secretary and the Secretary of the Army setting forth the lands to be transferred and the general manner in which the Secretary of the Army will develop such lands after transfer.

(B) The Secretary of the Interior shall submit the information required under subparagraph (A) not later than October 31, 1997.

(3) The transfer of lands under paragraph (1) shall be carried out in accordance with the Interagency Agreement Between the Department of the Interior, the National Park Service, and the Department of the Army, dated February 22, 1995.

(4) The exact acreage and legal descriptions of the lands to be transferred under paragraph (1) shall be determined by surveys satisfactory to the Secretary of the Interior and the Secretary of the Army.

(b) REQUIREMENT FOR ADDITIONAL TRANSFERS.—(1) The Secretary of the Interior shall transfer to the Secretary of the Army administrative jurisdiction over a parcel of land, including any improvements thereon, consisting of approximately 2.43 acres, located in the Memorial Drive entrance area to Arlington National Cemetery.

(2)(A) The Secretary of the Army shall transfer to the Secretary of the Interior administrative jurisdiction over a parcel of land, including any improvements thereon, consisting of approximately 0.17 acres, located at Arlington National Cemetery, and known as the Old Administrative Building site. The site is part of the original reservation of Arlington National Cemetery.

(B) In connection with the transfer under subparagraph (A), the Secretary of the Army shall grant to the Secretary of the Interior a perpetual right of ingress and egress to the parcel transferred under that subparagraph.

(3) The exact acreage and legal descriptions of the lands to be transferred pursuant to this subsection shall be determined by surveys satisfactory to the Secretary of the Interior and the Secretary of the Army. The costs of such surveys shall be borne by the Secretary of the Army.

SEC. 2822. LAND TRANSFER, FORT SILL, OKLAHOMA.

(a) TRANSFER OF LAND FOR NATIONAL CEMETERY.—The Secretary of the Army may transfer, without reimbursement, to the administrative jurisdiction of the Secretary of Veterans Affairs a parcel of real property, including any improvements thereon, consisting of approximately 400 acres and comprising a portion of Fort Sill, Oklahoma.

(b) USE OF PROPERTY.—The Secretary of Veterans Affairs shall use the real property transferred under subsection (a) as a national cemetery under chapter 24 of title 38, United States Code.

(c) RETURN OF UNUSED PORTION.—If the Secretary of Veterans Affairs determines that any portion of the real property transferred under subsection (a) is not needed for use as a national cemetery, the Secretary shall return such portion to the administrative jurisdiction of the Secretary of the Army.

(d) 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 Army. The cost of the survey shall be borne by the Secretary of Veterans Affairs.

SEC. 2823. LAND CONVEYANCE, ARMY RESERVE CENTER, RUSHVILLE, INDIANA.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey, without consideration, to the City of Rushville, Indiana (in this section referred to as the "City"), all right, title, and interest of the United States in and to a parcel of excess real property, including improvements thereon, that is located in Rushville, Indiana, and contains the Rushville Army Reserve Center.

(b) CONDITION OF CONVEYANCE.—The conveyance authorized under subsection (a) shall be subject to the condition that the City retain the conveyed property for the use and benefit of the Rushville Police Department.

(c) 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 City.

(d) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the

conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2824. LAND CONVEYANCE, ARMY RESERVE CENTER, ANDERSON, SOUTH CAROLINA.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey, without consideration, to the County of Anderson, South Carolina (in this section referred to as the "County"), all right, title, and interest of the United States in and to a parcel of real property, including improvements thereon, that is located at 805 East Whitner Street in Anderson, South Carolina, and contains an Army Reserve Center.

(b) CONDITION OF CONVEYANCE.—The conveyance authorized under subsection (a) shall be subject to the condition that the County retain the conveyed property for the use and benefit of the Anderson County Department of Education.

(c) 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 County.

(d) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2825. LAND CONVEYANCE, ARMY RESERVE CENTER, MONTPELIER, VERMONT.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey, without consideration, to the City of Montpelier, Vermont (in this section referred to as the "City"), all right, title, and interest of the United States in and to a parcel of real property, including improvements thereon, consisting of approximately 4.3 acres and located on Route 2 in Montpelier, Vermont, the site of the Army Reserve Center, Montpelier, Vermont.

(b) CONDITION.—The conveyance authorized under subsection (a) shall be subject to the condition that the City agree to lease to the Civil Air Patrol, at no rental charge to the Civil Air Patrol, the portion of the real property and improvements located on the parcel to be conveyed that the Civil Air Patrol leases from the Secretary as of the date of the enactment of this Act.

(c) 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 City.

(d) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under this section as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2826. LAND CONVEYANCE, CRAFTS BROTHERS RESERVE TRAINING CENTER, MANCHESTER, NEW HAMPSHIRE.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey, without consideration, to Saint Anselm College, Manchester, New Hampshire, all right, title, and interest of the United States in and to a parcel of real property, including improvements thereon, consisting of approximately 3.5 acres and located on Rockland Ave-

nue in Manchester, New Hampshire, the site of the Crafts Brothers Reserve Training Center.

(b) REQUIREMENT RELATING TO CONVEYANCE.—The Secretary may not make the conveyance authorized by subsection (a) until the Army Reserve units currently housed at the Crafts Brothers Reserve Training Center are relocated to the Joint Service Reserve Center to be constructed at the Manchester Airport, New Hampshire.

(c) REQUIREMENT FOR FEDERAL SCREENING OF PROPERTY.—The Secretary may not carry out the conveyance of property authorized by subsection (a) unless the Secretary determines that no department or agency of the Federal Government will accept the transfer of the property.

(d) 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.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under this section as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2827. LAND CONVEYANCE, PINE BLUFF ARSENAL, ARKANSAS.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey, without consideration, to the Economic Development Alliance of Jefferson County, Arkansas (in this section referred to as the "Alliance"), all right, title, and interest of the United States in and to a parcel of real property, together with any improvements thereon, consisting of approximately 1,500 acres and comprising a portion of the Pine Bluff Arsenal, Arkansas.

(b) REQUIREMENTS RELATING TO CONVEYANCE.—The Secretary may not carry out the conveyance of property authorized under subsection (a) until—

(1) the completion by the Secretary of any environmental restoration and remediation that is required with the respect to the property under applicable law;

(2) the Secretary secures all permits required under law applicable regarding the conduct of the proposed chemical demilitarization mission at the arsenal; and

(3) the Secretary of Defense submits to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a certification that the conveyance will not adversely affect the ability of the Department of Defense to conduct that chemical demilitarization mission.

(c) CONDITIONS OF CONVEYANCE.—The conveyance authorized under subsection (a) shall be subject to the following conditions:

(1) That the Alliance agree not to carry out any activities on the property to be conveyed that interfere with the construction, operation, and decommissioning of the chemical demilitarization facility to be constructed at Pine Bluff Arsenal. If the Alliance fails to comply with its agreement in paragraph (1) the property conveyed under this section, all rights, title, and interest in and to the property shall revert to the United States, and the United States shall have immediate rights of entry thereon.

(2) That the property be used during the 25-year period beginning on the date of the conveyance only as the site of the facility known as the "Bioplex", and for activities related thereto.

(d) COSTS OF CONVEYANCE.—The Alliance shall be responsible for any costs of the Army associated with the conveyance of property under this section, including administrative costs, the costs of an environmental baseline survey with respect to the property, and the cost of any protection services required by the Secretary in order to secure operations of the chemical demilitarization facility from activities on the property after the conveyance.

(e) REVERSIONARY INTERESTS.—If the Secretary determines at any time during the 25-year period referred to in subsection (c)(2) that the property conveyed under this section is not being used in accordance with that subsection, all right, title, and interest in and to the property shall revert to the United States, and the United States shall have immediate right of entry thereon.

(f) SALE OF PROPERTY BY ALLIANCE.—If at any time during the 25-year period referred to in subsection (c)(2) the Alliance sells all or a portion of the property conveyed under this section, the Alliance shall pay the United States an amount equal to the lesser of—

(1) the amount of the sale of the property sold; or

(2) the fair market value of the property sold at the time of the sale, excluding the value of any improvements to the property sold that have been made by the Alliance.

(g) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the property conveyed under this section shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the Alliance.

(h) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with conveyance under this section as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2828. REAFFIRMATION OF LAND CONVEYANCES, FORT SHERIDAN, ILLINOIS.

As soon as practicable after the date of the enactment of this Act, the Secretary of the Army shall complete the land conveyances involving Fort Sheridan, Illinois, required or authorized under section 125 of the Military Construction Appropriations Act, 1996 (Public Law 104–32; 109 Stat. 290).

PART II—NAVY CONVEYANCES

SEC. 2831. LAND TRANSFER, POTOMAC ANNEX, DISTRICT OF COLUMBIA.

(a) TRANSFER AUTHORIZED.—The Secretary of the Navy may transfer, without consideration other than the reimbursement provided for in subsection (d), to the United States Institute of Peace (in this section referred to as the "Institute") administrative jurisdiction over a parcel of real property, including any improvements thereon, consisting of approximately 3 acres, at the northwest corner of Twenty-third Street and Constitution Avenue, Northwest, District of Columbia, the site of the Potomac Annex.

(b) CONDITION.—The Secretary may not make the transfer specified in subsection (a) unless the Institute agrees to provide the Navy

a number of parking spaces at or in the vicinity of the headquarters to be constructed on the parcel transferred equal to the number of parking spaces available to the Navy on the parcel as of the date of the transfer.

(c) REQUIREMENT RELATING TO TRANSFER.—The transfer specified in subsection (a) may not occur until the Institute obtains all permits, approvals, and site plan reviews required by law with respect to the construction on the parcel of a headquarters for operations of the Institute.

(d) COSTS.—The Institute shall reimburse the Secretary for the costs incurred by the Secretary in carrying out the transfer specified in subsection (a).

(e) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the property to be transferred under subsection (a) shall be determined by a survey that is satisfactory to the Secretary. The cost of the survey shall be borne by the Institute.

SEC. 2832. LAND EXCHANGE, ST. HELENA ANNEX, NORFOLK NAVAL SHIPYARD, VIRGINIA.

(a) CONVEYANCE AUTHORIZED.—(1) The Secretary of the Navy may convey to such private person as the Secretary considers appropriate (in this section referred to as the "transferee") all right, title, and interest of the United States in and to a parcel of real property that is located at the Norfolk Naval Shipyard, Virginia, and, as of the date of the enactment of this Act, is a portion of the property leased to the Norfolk Shipbuilding and Drydock Company pursuant to the Department of the Navy lease N00024–84–L–0004, effective October 1, 1984, as extended.

(2) Pending completion of the conveyance authorized by paragraph (1), the Secretary may lease the real property to the transferee upon such terms as the Secretary considers appropriate.

(b) CONSIDERATION.—As consideration for the conveyance under subsection (a), including any interim lease authorized by such subsection, the transferee shall—

(1) convey to the United States all right, title, and interest to a parcel or parcels of real property, together with any improvements thereon, located in the area of Portsmouth, Virginia, which are determined to be acceptable to the Secretary; and

(2) pay to the Secretary an amount equal to the amount, if any, by which the fair market value of the parcel conveyed by the Secretary under subsection (a) exceeds the fair market value of the parcel conveyed to the United States under paragraph (1).

(c) USE OF RENTAL AMOUNTS.—The Secretary may use the amounts received as rent from any lease entered into under the authority of subsection (a)(2) to fund environmental studies of the parcels of real property to be conveyed under this section.

(d) IN-KIND CONSIDERATION.—The Secretary and the transferee may agree that, in lieu of all or any part of the consideration required by subsection (b)(2), the transferee may provide and the Secretary may accept the improvement, maintenance, protection, repair, or restoration of real property under the control of the Secretary in the area of Hampton Roads, Virginia.

(e) DETERMINATION OF FAIR MARKET VALUE AND PROPERTY DESCRIPTION.—The Secretary shall determine the fair market value of the parcels of real property to be conveyed under subsections (a) and (b)(1). The exact acreage and legal description of the parcels shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the transferee.

(f) 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. 2833. LAND CONVEYANCE, CALVERTON PINE BARRENS, NAVAL WEAPONS INDUSTRIAL RESERVE PLANT, CALVERTON, NEW YORK.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Navy may convey, without consideration, to the Department of Environmental Conservation of the State of New York (in this section referred to as the "Department"), all right, title, and interest of the United States in and to the Calverton Pine Barrens located at the Naval Weapons Industrial Reserve Plant, Calverton, New York.

(b) EFFECT ON OTHER CONVEYANCE AUTHORITY.—The conveyance authorized by this subsection shall not affect the transfer of jurisdiction of a portion of the Calverton Pine Barrens authorized by section 2865 of the Military Construction Authorization Act for Fiscal Year 1996 (division B of Public Law 104–106; 110 Stat. 576).

(c) CONDITION OF CONVEYANCE.—The conveyance under subsection (a) shall be subject to the condition that the Department agree—

(1) to maintain the conveyed property as a nature preserve, as required by section 2854 of the Military Construction Authorization Act for Fiscal Year 1993 (division B of Public Law 102–484; 106 Stat. 2626), as amended by section 2823 of the Military Construction Authorization Act for Fiscal Year 1995 (division B of Public Law 103–337; 108 Stat. 3058);

(2) to designate the conveyed property as the "Otis G. Pike Preserve"; and

(3) to continue to allow the level of sporting activities on the conveyed property as permitted at the time of the conveyance.

(d) 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 Department.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

(f) CALVERTON PINE BARRENS DEFINED.—In this section, the term "Calverton Pine Barrens" has the meaning given that term in section 2854(d)(1) of the Military Construction Authorization Act for Fiscal Year 1993 (division B of Public Law 102–484; 106 Stat. 2626).

SEC. 2834. LAND CONVEYANCE, FORMER NAVAL RESERVE FACILITY, LEWES, DELAWARE.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Navy may convey, without consideration, to the State of Delaware (in this sec-

tion referred to as the "State"), all right, title, and interest of the United States in and to a parcel of real property, including any improvements thereon, consisting of approximately 16.8 acres at the site of the former Naval Reserve Facility, Lewes, Delaware.

(b) CONDITION OF CONVEYANCE.—The conveyance under subsection (a) shall be subject to the condition that the State use the real property conveyed under that subsection in perpetuity solely for public park or recreational purposes.

(c) REVERSION.—If the Secretary of the Navy determines at any time that the real property conveyed pursuant to this section is not being used for a purpose specified in subsection (b), all right, title, and interest in and to such real property, including any improvements thereon, shall revert to the United States, and the United States shall have the right of immediate entry thereon.

(d) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed pursuant to this section shall be determined by a survey satisfactory to the Secretary of the Navy. The cost of such survey shall be borne by the State.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary of the Navy may require such additional terms and conditions in connection with the conveyance under this section as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2835. MODIFICATION OF LAND CONVEYANCE AUTHORITY, NAVAL RESERVE CENTER, SEATTLE, WASHINGTON.

Paragraph (2) of section 127(d) of the Military Construction Appropriations Act, 1995 (Public Law 103–307; 108 Stat. 1666), is amended to read as follows:

"(2) Before commencing construction of a facility to be the replacement facility for the Naval Reserve Center under paragraph (1), the Secretary shall comply with the requirements of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) with respect to such facility.".

SEC. 2836. RELEASE OF CONDITION ON RECONVEYANCE OF TRANSFERRED LAND, GUAM.

(a) IN GENERAL.—Section 818(b)(2) of the Military Construction Authorization Act, 1981 (Public Law 96–418; 94 Stat. 1782), relating to a condition on disposal by Guam of lands conveyed to Guam by the United States, shall have no force or effect and is repealed.

(b) EXECUTION OF INSTRUMENTS.—The Secretary of the Navy and the Administrator of General Services shall execute all instruments necessary to implement this section.

SEC. 2837. LEASE TO FACILITATE CONSTRUCTION OF RESERVE CENTER, NAVAL AIR STATION, MERIDIAN, MISSISSIPPI.

(a) LEASE OF PROPERTY FOR CONSTRUCTION OF RESERVE CENTER.—(1) The Secretary of the Navy may lease, without reimbursement, to the State of Mississippi (in this section referred to as the "State"), approximately five acres of real property located at Naval Air Station, Meridian, Mississippi. The State shall use the property to construct a reserve center of approximately 22,000 square feet and ancillary supporting facilities.

(2) The term of the lease under this subsection shall expire on the same date that the lease authorized by subsection (b) expires.

(b) LEASEBACK OF RESERVE CENTER.—(1) The Secretary may lease from the State the property and improvements constructed pursuant to subsection (a) for a five-year period. The term of the lease shall begin on the date on which the improvements are available for occupancy, as determined by the Secretary.

(2) Rental payments under the lease under paragraph (1) may not exceed $200,000 per year, and the total amount of the rental payments for the entire period may not exceed 20 percent of the total cost of constructing the reserve center and ancillary supporting facilities.

(3) Subject to the availability of appropriations for this purpose, the Secretary may use funds appropriated pursuant to an authorization of appropriations for the operation and maintenance of the Naval Reserve to make rental payments required under this subsection.

(c) EFFECT OF TERMINATION OF LEASES.—At the end of the lease term under subsection (b), the State shall convey, without reimbursement, to the United States all right, title, and interest of the State in the reserve center and ancillary supporting facilities subject to the lease.

(d) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the leases under this section as the Secretary considers appropriate to protect the interests of the United States.

PART III—AIR FORCE CONVEYANCES

SEC. 2841. LAND CONVEYANCE, RADAR BOMB SCORING SITE, BELLE FOURCHE, SOUTH DAKOTA.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Air Force may convey, without consideration, to the Belle Fourche School District, Belle Fourche, South Dakota (in this section referred to as the "District"), all right, title, and interest of the United States in and to a parcel of real property, together with any improvements thereon, consisting of approximately 37 acres located in Belle Fourche, South Dakota, which has served as the location of a support complex and housing facilities for Detachment 21 of the 554th Range Squadron, an Air Force Radar Bomb Scoring Site located in Belle Fourche, South Dakota. The conveyance may not include any portion of the radar bomb scoring site located in the State of Wyoming.

(b) CONDITION OF CONVEYANCE.—The conveyance authorized under subsection (a) shall be subject to the condition that the District—

(1) use the property and facilities conveyed under such subsection for education, economic development, and housing purposes; or

(2) enter into an agreement with an appropriate public or private entity to sell or lease the property and facilities to such entity for such purposes.

(c) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the property conveyed under this section shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the District.

(d) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under this section as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2842. CONVEYANCE OF PRIMATE RESEARCH COMPLEX AND AIR FORCE-OWNED CHIMPANZEES, HOLLOMAN AIR FORCE BASE, NEW MEXICO.

(a) DISPOSAL AUTHORIZED.—Notwithstanding any provision of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 471 et seq.), or any regulations prescribed thereunder, the Secretary of the Air Force may dispose of all right, title, and interest of the United States in and to the primate research complex at Holloman Air Force Base, New Mexico. The disposal may include the chimpanzees owned by the Air Force that are housed at or managed from the primate research complex. The disposal shall not include the underlying real property on which the primate research complex is located. The disposal of the primate research complex shall be at no cost to the Air Force.

(b) COMPETITIVE, NEGOTIATED DISPOSAL PROCESS REQUIRED.—The Secretary shall select the persons or entities to which the primate research complex and chimpanzees are to be disposed of under subsection (a) using a competitive, negotiated process.

(c) STANDARDS TO BE USED IN SOLICITATION OF BIDS.—The Secretary shall develop standards for the care and use of the primate research complex, and of the chimpanzees, to be used in soliciting bids for the disposal authorized by subsection (a). The Secretary shall develop such standards in consultation with the Secretary of Agriculture and the Director of the National Institutes of Health.

(d) CONDITIONS OF DISPOSAL.—The disposal authorized by subsection (a) shall be subject to the followings conditions:

(1) That a recipient of any chimpanzees—

(A) utilize such chimpanzees only for scientific research or medical research purposes; or

(B) retire and provide adequate care for such chimpanzees.

(2) That any recipient of chimpanzees, or the primate research complex, take such chimpanzees, or the primate research complex, subject to any existing leases or other encumbrances at the time of the disposal.

(e) DESCRIPTION OF COMPLEX AND CHIMPANZEES.—The exact legal description of the primate research complex and chimpanzees to be disposed of under subsection (a) shall be determined by a survey or other means satisfactory to the Secretary. The cost of any survey or other services performed at the direction of the Secretary under the authority in the preceding sentence shall be borne by the recipient of the property concerned.

(f) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the disposal under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

PART IV—OTHER CONVEYANCES

SEC. 2851. LAND CONVEYANCE, TATUM SALT DOME TEST SITE, MISSISSIPPI.

(a) CONVEYANCE AUTHORIZED.—The Secretary of Energy may convey, without compensation, to the State of Mississippi (in this section referred to as the "State") the property known as the Tatum Salt Dome Test Site, as generally depicted on the map of the Department of Energy numbered 301913.104.02 and dated June 25, 1993.

(b) CONDITION ON CONVEYANCE.—The conveyance under this section shall be subject to the condition that the State use the conveyed property as a wildlife refuge and working demonstration forest.

(c) DESIGNATION.—The property to be conveyed is hereby designated as the "Jamie Whitten Forest Management Area".

(d) RETAINED RIGHTS.—The conveyance under this section shall be subject to each of the following rights to be retained by the United States:

(1) Retention by the United States of subsurface estates below the property conveyed.

(2) Retention by the United States of rights of access, by easement or otherwise, for such purposes as the Secretary considers appropriate, including access to monitoring wells for sampling.

(3) Retention by the United States of the right to install wells additional to those identified in the remediation plan for the property to the extent such additional wells are considered necessary by the Secretary to monitor potential pathways of contaminant migration. Such wells shall be in such locations as specified by the Secretary.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under this section as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2852. LAND CONVEYANCE, WILLIAM LANGER JEWEL BEARING PLANT, ROLLA, NORTH DAKOTA.

(a) CONVEYANCE AUTHORIZED.—The Administrator of General Services may convey, without consideration, to the Job Development Authority of the City of Rolla, North Dakota (in this section referred to as the "Authority"), all right, title, and interest of the United States in and to a parcel of real property, with improvements thereon and all associated personal property, consisting of approximately 9.77 acres and comprising the William Langer Jewel Bearing Plant in Rolla, North Dakota.

(b) CONDITION OF CONVEYANCE.—The conveyance authorized under subsection (a) shall be subject to the condition that the Authority—

(1) use the real and personal property and improvements conveyed under that subsection for economic development relating to the jewel bearing plant;

(2) enter into an agreement with an appropriate public or private entity or person to lease such property and improve-

ments to that entity or person for such economic development; or

(3) enter into an agreement with an appropriate public or private entity or person to sell such property and improvements to that entity or person for such economic development.

(c) PREFERENCE FOR DOMESTIC DISPOSAL OF JEWEL BEARINGS.—(1) In offering to enter into agreements pursuant to any provision of law for the disposal of jewel bearings from the National Defense Stockpile, the President shall give a right of first refusal on all such offers to the Authority or to the appropriate public or private entity or person with which the Authority enters into an agreement under subsection (b).

(2) For the purposes of this section, 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. 98(c)).

(d) AVAILABILITY OF FUNDS FOR MAINTENANCE AND CONVEYANCE OF PLANT.—Notwithstanding any other provision of law, funds available under the Department of Defense Appropriations Act, 1995 (Public Law 103–335), in fiscal year 1995 for the maintenance of the William Langer Jewel Bearing Plant shall be available for the maintenance of the plant pending the conveyance of the plant and for the conveyance of the plant under this section.

(e) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the property conveyed under this section shall be determined by a survey satisfactory to the Administrator. The cost of the survey shall be borne by the Administrator.

(f) ADDITIONAL TERMS AND CONDITIONS.—The Administrator may require such additional terms and conditions in connection with the conveyance under this section as the Administrator determines appropriate to protect the interests of the United States.

SEC. 2853. LAND CONVEYANCE, AIR FORCE PLANT NO. 85, COLUMBUS, OHIO.

(a) CONVEYANCE AUTHORIZED.—Notwithstanding any other provision of law, the Secretary of the Air Force may instruct the Administrator of General Services to convey, without consideration, to the Columbus Municipal Airport Authority (in this section referred to as the "Authority") all right, title, and interest of the United States in and to a parcel of real property, together with improvements thereon, at Air Force Plant No. 85, Columbus, Ohio, consisting of approximately 240 acres that—

(1) contains the land and buildings referred to as the "airport parcel" in the correspondence from the General Services Administration to the Authority dated April 30, 1996; and

(2) is located adjacent to the Port Columbus International Airport.

(b) EFFECT OF CHANGE IN ADMINISTRATIVE JURISDICTION.—If, on the date of the enactment of this Act, the Secretary of the Air Force does not have administrative jurisdiction over the property to be conveyed, the conveyance shall be made by the Federal official who has administrative jurisdiction over the parcel as of that date.

(c) REQUIREMENT FOR FEDERAL SCREENING.—The Federal official responsible for making the conveyance authorized in subsection (a) may not convey the property unless the Federal official determines, in consultation with the Administrator of General Services,

that no department or agency of the Federal Government will accept the transfer of the property.

(d) CONDITION OF CONVEYANCE.—The conveyance authorized under subsection (a) shall be subject to the condition that the Authority use the conveyed property for public airport purposes.

(e) REVERSION.—If the Federal official making the conveyance under subsection (a) determines that any portion of the conveyed property is not being utilized in accordance with the condition in subsection (d), all right, title, and interest in and to such portion shall revert to the United States, and the United States shall have immediate right of entry thereon.

(f) 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 Federal official responsible for making the conveyance. The cost of the survey shall be borne by the Authority.

(g) ADDITIONAL TERMS AND CONDITIONS.—The Federal official responsible for making the conveyance of property under subsection (a) may require such additional terms and conditions in connection with the conveyance as such official considers appropriate to protect the interests of the United States.

SEC. 2854. MODIFICATION OF BOUNDARIES OF WHITE SANDS NATIONAL MONUMENT AND WHITE SANDS MISSILE RANGE.

(a) TRANSFER OF LANDS BY SECRETARY OF ARMY.—The Secretary of the Army may transfer to the administrative jurisdiction of the Secretary of the Interior the following lands as generally depicted on the map entitled "White Sands National Monument, Boundary Proposal", numbered 142/80,061, and dated January 1994:

(1) Lands consisting of approximately 2,524 acres located within White Sands National Monument, New Mexico.

(2) Lands consisting of approximately 5,758 acres located within White Sands Missile Range, New Mexico, and abutting White Sands National Monument.

(b) TRANSFER OF LANDS BY SECRETARY OF INTERIOR.—The Secretary of the Interior may transfer to the administrative jurisdiction of the Secretary of the Army lands consisting of approximately 4,277 acres located in White Sands National Monument, which lands are generally depicted on the map referred to in subsection (a).

(c) BOUNDARY MODIFICATIONS.—(1) The Secretary of the Army and the Secretary of the Interior shall jointly modify the boundary of White Sands National Monument so as to include within the national monument the lands transferred under subsection (a) and to exclude from the national monument the lands transferred under subsection (b).

(2) The Secretary of the Army and the Secretary of the Interior shall jointly modify the boundary of White Sands Missile Range as to include within the missile range the lands transferred under subsection (b) and exclude from the missile range the lands transferred under subsection (a).

(d) ADMINISTRATION OF TRANSFERRED LANDS.—(1) The Secretary of the Interior shall administer the lands transferred to that Secretary under subsection (a) in accordance with the laws applicable to the White Sands National Monument.

(2) The Secretary of the Army shall administer the lands transferred to that Secretary under subsection (b) as part of White Sands Missile Range.

(3) The Secretary of the Army shall maintain control of the airspace above the lands transferred to that Secretary under subsection (b) and administer that airspace in a manner consistent with the use of such lands as part of White Sands Missile Range.

(e) PUBLIC AVAILABILITY OF MAP OF MONUMENT.—The Secretary of the Interior and the Secretary of the Army shall jointly prepare, and the Secretary of the Interior shall keep on file for public inspection in the headquarters of White Sands National Monument, a map showing the boundary of White Sands National Monument as modified by this section.

(f) WAIVER OF LIMITATION UNDER PRIOR LAW.—Notwithstanding section 303(b)(1) of the National Parks and Recreation Act of 1978 (Public Law 95–625; 92 Stat. 3476), land or an interest in land that was deleted from White Sands National Monument by section 301(19) of the Act (92 Stat. 3475) may, at the election of the Secretary of the Interior, be—

(1) exchanged for land owned by the State of New Mexico within the boundaries of any unit of the National Park System in the State of New Mexico;

(2) transferred to the jurisdiction of any other Federal agency without monetary consideration; or

(3) administered as public land.

Subtitle D—Other Matters

SEC. 2861. AUTHORITY TO GRANT EASEMENTS FOR RIGHTS-OF-WAY.

(a) EASEMENTS FOR ELECTRIC POLES AND LINES AND FOR COMMUNICATIONS LINES AND FACILITIES.—Section 2668(a) of title 10, United States Code, is amended—

(1) by striking out "and" at the end of paragraph (9);

(2) by redesignating paragraph (10) as paragraph (13); and

(3) by inserting after paragraph (9) the following new paragraphs:

"(10) poles and lines for the transmission or distribution of electric power;

"(11) poles and lines for the transmission or distribution of communications signals (including telephone and telegraph signals);

"(12) structures and facilities for the transmission, reception, and relay of such signals; and".

(b) CONFORMING AMENDMENTS.—Such section is further amended—

(1) in paragraph (3), by striking out ", telephone lines, and telegraph lines,"; and

(2) in paragraph (13), as redesignated by subsection (a)(2), by striking out "or by the Act of March 4, 1911 (43 U.S.C. 961)".

SEC. 2862. AUTHORITY TO ENTER INTO COOPERATIVE AGREEMENTS FOR THE MANAGEMENT OF CULTURAL RESOURCES ON MILITARY INSTALLATIONS.

(a) AGREEMENTS AUTHORIZED.—Chapter 159 of title 10, United States Code, is amended by inserting after section 2683 the following new section:

"§ 2684. Cooperative agreements for management of cultural resources

"(a) AUTHORITY.—The Secretary of Defense or the Secretary of a military department may enter into a cooperative agreement with a State or local government or other entity for the preservation, management, maintenance, and improvement of cultural resources on military installations and for the conduct of research regarding the cultural resources. Activities under the cooperative agreement shall be subject to the availability of funds to carry out the cooperative agreement.

"(b) APPLICATION OF OTHER LAWS.—Section 1535 and chapter 63 of title 31 shall not apply to a cooperative agreement entered into under this section.

"(c) CULTURAL RESOURCE DEFINED.—In this section, the term 'cultural resource' means any of the following:

"(1) A building, structure, site, district, or object eligible for or included in the National Register of Historic Places maintained under section 101(a) of the National Historic Preservation Act (16 U.S.C. 470a(a)).

"(2) Cultural items, as that term is defined in section 2(3) of the Native American Graves Protection and Repatriation Act (25 U.S.C. 3001(3)).

"(3) An archaeological resource, as that term is defined in section 3(1) of the Archaeological Resources Protection Act of 1979 (16 U.S.C. 470bb(1)).

"(4) An archaeological artifact collection and associated records covered by section 79 of title 36, Code of Federal Regulations.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2683 the following new item:

"2684. Cooperative agreements for management of cultural resources.".

SEC. 2863. DEMONSTRATION PROJECT FOR INSTALLATION AND OPERATION OF ELECTRIC POWER DISTRIBUTION SYSTEM AT YOUNGSTOWN AIR RESERVE STATION, OHIO.

(a) AUTHORITY.—The Secretary of the Air Force may carry out a demonstration project to assess the feasibility and advisability of permitting private entities to install, operate, and maintain electric power distribution systems at military installations. The Secretary shall carry out the demonstration project through an agreement under subsection (b).

(b) AGREEMENT.—(1) In order to carry out the demonstration project, the Secretary shall enter into an agreement with an electric utility or other company in the Youngstown, Ohio, area, consistent with State law, under which the utility or company installs, operates, and maintains (in a manner satisfactory to the Secretary and

the utility or company) an electric power distribution system at Youngstown Air Reserve Station, Ohio.

(2) The Secretary may not enter into an agreement under this subsection until—

(A) the Secretary submits to Congress a report on the agreement to be entered into, including the costs to be incurred by the United States under the agreement; and

(B) a period of 30 days has elapsed from the date of the receipt of the report by the committees.

(c) LICENSES AND EASEMENTS.—In order to facilitate the installation, operation, and maintenance of the electric power distribution system under the agreement under subsection (b), the Secretary may grant the utility or company with which the Secretary enters into the agreement such licenses, easements, and rights-of-way, consistent with State law, as the Secretary and the utility or company jointly determine necessary for such purposes.

(d) OWNERSHIP OF SYSTEM.—The agreement between the Secretary and the utility or company under subsection (b) may provide that the utility or company shall own the electric power distribution system installed under the agreement.

(e) RATE.—The rate charged by the utility or company for providing or distributing electric power at Youngstown Air Reserve Station through the electric power distribution system installed under the agreement under subsection (b) shall be the rate established by the appropriate Federal or State regulatory authority.

(f) REPORTS.—Not later than February 1, 1997, and February 1 of each year following a year in which the Secretary carries out the demonstration project under this section, the Secretary shall submit to Congress a report on the project. The report shall include the Secretary's current assessment of the project and the recommendations, if any, of the Secretary of extending the authority with respect to the project to other facilities and installations of the Department of Defense.

(g) FUNDING.—In order to pay the costs of the United States under the agreement under subsection (b), the Secretary may use funds authorized to be appropriated by section 2601(3)(B) of the Military Construction Authorization Act for Fiscal Year 1996 (division B of Public Law 104–106; 110 Stat. 540) for the purpose of rebuilding the electric power distribution system at the Youngstown Air Reserve Station that were appropriated for that purpose by the Military Construction Appropriations Act, 1996 (Public Law 104–32; 109 Stat. 283), and that remain available for obligation for that purpose as of the date of the enactment of this Act.

(h) APPLICATION OF OTHER LAW.—Nothing in this section shall authorize actions which are inconsistent with Federal or State law.

(i) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in the agreement under subsection (b) as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2864. RENOVATION OF THE PENTAGON RESERVATION.

The Secretary of Defense shall take such actions as are necessary to ensure that the total cost of the renovation of the Pentagon Reservation does not exceed $1,118,000,000.

SEC. 2865. PLAN FOR REPAIRS AND STABILIZATION OF THE HISTORIC DISTRICT AT THE FOREST GLEN ANNEX OF WALTER REED MEDICAL CENTER, MARYLAND.

Not later than 120 days after the date of the enactment of this Act, the Secretary of the Army shall submit to the congressional defense committees a comprehensive plan for basic repairs and stabilization measures throughout the historic district at the Forest Glen Annex of Walter Reed Army Medical Center, Maryland, together with funding options for the implementation of the plan.

SEC. 2866. NAMING OF RANGE AT CAMP SHELBY, MISSISSIPPI.

(a) NAME.—The Multi Purpose Range Complex (Heavy) at Camp Shelby, Mississippi, shall after the date of the enactment of this Act be known and designated as the "G.V. (Sonny) Montgomery Range". Any reference to such range in any law, regulation, map, document, record, or other paper of the United States shall be considered to be a reference to the G. V. (Sonny) Montgomery Range.

(b) EFFECTIVE DATE.—Subsection (a) shall take effect at noon on January 3, 1997, or the first day on which G. V. (Sonny) Montgomery otherwise ceases to be a Member of the House of Representatives.

SEC. 2867. DESIGNATION OF MICHAEL O'CALLAGHAN MILITARY HOSPITAL.

(a) DESIGNATION.—The Nellis Federal Hospital, a Federal building located at 4700 North Las Vegas Boulevard, Las Vegas, Nevada, shall be known and designated as the "Michael O'Callaghan Military Hospital".

(b) REFERENCES.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the Federal building referred to in subsection (a) shall be deemed to be a reference to the "Michael O'Callaghan Military Hospital".

SEC. 2868. NAMING OF BUILDING AT THE UNIFORMED SERVICES UNIVERSITY OF THE HEALTH SCIENCES.

It is the sense of Congress that the Secretary of Defense should name Building A at the Uniformed Services University of the Health Sciences as the "David Packard Building".

TITLE XXIX—MILITARY LAND WITHDRAWALS

Subtitle A—Fort Carson-Pinon Canyon Military Lands Withdrawal

Sec. 2901. Short title.
Sec. 2902. Withdrawal and reservation of lands at Fort Carson Military Reservation.
Sec. 2903. Withdrawal and reservation of lands at Pinon Canyon Maneuver Site.
Sec. 2904. Maps and legal descriptions.
Sec. 2905. Management of withdrawn lands.
Sec. 2906. Management of withdrawn and acquired mineral resources.
Sec. 2907. Hunting, fishing, and trapping.
Sec. 2908. Termination of withdrawal and reservation.
Sec. 2909. Determination of presence of contamination and effect of contamination.
Sec. 2910. Delegation.
Sec. 2911. Hold harmless.
Sec. 2912. Amendment to Military Lands Withdrawal Act of 1986.
Sec. 2913. Authorization of appropriations.

Subtitle B—El Centro Naval Air Facility Ranges Withdrawal

Sec. 2921. Short title and definitions.
Sec. 2922. Withdrawal and reservation of lands for El Centro.
Sec. 2923. Maps and legal descriptions.
Sec. 2924. Management of withdrawn lands.
Sec. 2925. Duration of withdrawal and reservation.
Sec. 2926. Continuation of ongoing decontamination activities.
Sec. 2927. Requirements for extension.
Sec. 2928. Early relinquishment of withdrawal.
Sec. 2929. Delegation of authority.
Sec. 2930. Hunting, fishing, and trapping.
Sec. 2931. Hold harmless.

Subtitle A—Fort Carson-Pinon Canyon Military Lands Withdrawal

SEC. 2901. SHORT TITLE.

This subtitle may be cited as the "Fort Carson-Pinon Canyon Military Lands Withdrawal Act".

SEC. 2902. WITHDRAWAL AND RESERVATION OF LANDS AT FORT CARSON MILITARY RESERVATION.

(a) WITHDRAWAL.—Subject to valid existing rights and except as otherwise provided in this subtitle, the lands at the Fort Carson Military Reservation, Colorado, that are described in subsection (c) are hereby withdrawn from all forms of appropriation under the public land laws, including the mining laws, the mineral and geothermal leasing laws, and the mineral materials disposal laws.

(b) RESERVATION.—The lands withdrawn under subsection (a) are reserved for use by the Secretary of the Army—

(1) for military maneuvering, training and weapons firing; and

(2) for other defense related purposes consistent with the uses specified in paragraph (1).

(c) LAND DESCRIPTION.—The lands referred to in subsection (a) comprise 3,133.02 acres of public land and 11,415.16 acres of federally-owned minerals in El Paso, Pueblo, and Fremont Counties, Colorado, as generally depicted on the map entitled "Fort Carson Proposed Withdrawal—Fort Carson Base", dated February 6, 1992, and published in accordance with section 2904.

SEC. 2903. WITHDRAWAL AND RESERVATION OF LANDS AT PINON CANYON MANEUVER SITE.

(a) WITHDRAWAL.—Subject to valid existing rights and except as otherwise provided in this subtitle, the lands at the Pinon Canyon Maneuver Site, Colorado, that are described in subsection (c) are hereby withdrawn from all forms of appropriation under the public land laws, including the mining laws, the mineral and geothermal leasing laws, and the mineral materials disposal laws.

(b) RESERVATION.—The lands withdrawn under subsection (a) are reserved for use by the Secretary of the Army—

(1) for military maneuvering and training; and

(2) for other defense related purposes consistent with the uses specified in paragraph (1).

(c) LAND DESCRIPTION.—The lands referred to in subsection (a) comprise 2,517.12 acres of public lands and 130,139 acres of federally-owned minerals in Las Animas County, Colorado, as generally

depicted on the map entitled "Fort Carson Proposed Withdrawal—Fort Carson Maneuver Area—Pinon Canyon site", dated February 6, 1992, and published in accordance with section 2904.

SEC. 2904. MAPS AND LEGAL DESCRIPTIONS.

(a) PREPARATION OF MAPS AND LEGAL DESCRIPTION.—As soon as practicable after the date of the enactment of this subtitle, the Secretary of the Interior shall prepare maps depicting the lands withdrawn and reserved by this subtitle and publish in the Federal Register a notice containing the legal description of such lands.

(b) LEGAL EFFECT.—Such maps and legal descriptions shall have the same force and effect as if they were included in this subtitle, except that the Secretary of the Interior may correct clerical and typographical errors in such maps and legal descriptions.

(c) AVAILABILITY OF MAPS AND LEGAL DESCRIPTION.—Copies of such maps and legal descriptions shall be available for public inspection in the offices of the Colorado State Director and the Canon City District Manager of the Bureau of Land Management and in the offices of the Commander of Fort Carson, Colorado.

(d) COSTS.—The Secretary of the Army shall reimburse the Secretary of the Interior for the costs of implementing this section.

SEC. 2905. MANAGEMENT OF WITHDRAWN LANDS.

(a) MANAGEMENT GUIDELINES.—

(1) MANAGEMENT BY SECRETARY OF THE ARMY.—Except as provided in section 2906, during the period of withdrawal, the Secretary of the Army shall manage for military purposes the lands covered by this subtitle and may authorize use of the lands by the other military departments and agencies of the Department of Defense, and the National Guard, as appropriate.

(2) ACCESS RESTRICTIONS.—When military operations, public safety, or national security, as determined by the Secretary of the Army, require the closure of roads and trails on the lands withdrawn by this subtitle commonly in public use, the Secretary of the Army is authorized to take such action, except that such closures shall be limited to the minimum areas and periods required for the purposes specified in this subsection. Appropriate warning notices shall be kept posted during closures.

(3) SUPPRESSION OF FIRES.—The Secretary of the Army shall take necessary precautions to prevent and suppress brush and range fires occurring within and outside the lands as a result of military activities and may seek assistance from the Bureau of Land Management in suppressing such fires. The memorandum of understanding required by this section shall provide for Bureau of Land Management assistance in the suppression of such fires, and for a transfer of funds from the Department of the Army to the Bureau of Land Management as compensation for such assistance.

(b) MANAGEMENT PLAN.—

(1) DEVELOPMENT REQUIRED.—The Secretary of the Army, with the concurrence of the Secretary of the Interior, shall develop a plan for the management of acquired lands and lands withdrawn under sections 2902 and 2903 for the period of withdrawal. The plan shall—

(A) be consistent with applicable law;

(B) include such provisions as may be necessary for proper resource management and protection of the natural, cultural, and other resources and values of such lands; and

(C) identify those withdrawn and acquired lands, if any, which are to be open to mining or mineral and geothermal leasing, including mineral materials disposal.

(2) TIME FOR DEVELOPMENT.—The management plan required by this subsection shall be developed not later than 5 years after the date of the enactment of this subtitle.

(c) IMPLEMENTATION OF MANAGEMENT PLAN.—

(1) MEMORANDUM OF UNDERSTANDING REQUIRED.—The Secretary of the Army and the Secretary of the Interior shall enter into a memorandum of understanding to implement the management plan developed under subsection (b).

(2) DURATION.—The duration of any such memorandum of understanding shall be the same as the period of withdrawal specified in section 2908(a).

(3) AMENDMENT.—The memorandum of understanding may be amended by agreement of both Secretaries.

(d) USE OF CERTAIN RESOURCES.—The Secretary of the Army is authorized to utilize sand, gravel, or similar mineral or mineral material resources from the lands withdrawn by this subtitle when the use of such resources is required for construction needs of the Fort Carson Reservation or Pinon Canyon Maneuver Site.

SEC. 2906. MANAGEMENT OF WITHDRAWN AND ACQUIRED MINERAL RESOURCES.

Except as provided in section 2905(d), the Secretary of the Interior shall manage all withdrawn and acquired mineral resources within the boundaries of the Fort Carson Military Reservation and Pinon Canyon Maneuver Site in the same manner as provided in section 12 of the Military Lands Withdrawal Act of 1986 (Public Law 99–606; 100 Stat. 3466) for mining and mineral leasing on certain lands withdrawn by that Act from all forms of appropriation under the public land laws.

SEC. 2907. HUNTING, FISHING, AND TRAPPING.

All hunting, fishing, and trapping on the lands withdrawn and reserved by this subtitle shall be conducted in accordance with section 2671 of title 10, United States Code.

SEC. 2908. TERMINATION OF WITHDRAWAL AND RESERVATION.

(a) TERMINATION DATE.—The withdrawal and reservation made by this subtitle shall terminate 15 years after the date of the enactment of this subtitle.

(b) DETERMINATION OF CONTINUING MILITARY NEED.—

(1) DETERMINATION REQUIRED.—At least three years before the termination under subsection (a) of the withdrawal and reservation established by this subtitle, the Secretary of the Army shall advise the Secretary of the Interior as to whether or not the Department of the Army will have a continuing military need for any of the lands after the termination date.

(2) METHOD OF MAKING DETERMINATION.—If the Secretary of the Army concludes under paragraph (1) that there will be a continuing military need for any of the lands after the termi-

nation date established by subsection (a), the Secretary of the Army, in accordance with applicable law, shall—

(A) evaluate the environmental effects of renewal of such withdrawal and reservation;

(B) hold at least one public hearing in Colorado concerning such evaluation; and

(C) file, after completing the requirements of subparagraphs (A) and (B), an application for extension of the withdrawal and reservation of such lands in accordance with the regulations and procedures of the Department of the Interior applicable to the extension of withdrawals for military uses.

(3) NOTIFICATION.—The Secretary of the Interior shall notify the Congress concerning a filing under paragraph (3)(C).

(c) EARLY RELINQUISHMENT OF WITHDRAWAL.—If the Secretary of the Army concludes under subsection (b) that before the termination date established by subsection (a) there will be no military need for all or any part of the lands withdrawn and reserved by this subtitle, or if, during the period of withdrawal, the Secretary of the Army otherwise decides to relinquish any or all of the lands withdrawn and reserved under this subtitle, the Secretary of the Army shall file with the Secretary of the Interior a notice of intention to relinquish such lands.

(d) ACCEPTANCE OF LANDS PROPOSED FOR RELINQUISHMENT.—Notwithstanding any other provision of law, the Secretary of the Interior, upon deciding that it is in the public interest to accept jurisdiction over the lands proposed for relinquishment, may revoke the withdrawal and reservation established by this subtitle as it applies to the lands proposed for relinquishment. Should the decision be made to revoke the withdrawal and reservation, the Secretary of the Interior shall publish in the Federal Register an appropriate order which shall—

(1) terminate the withdrawal and reservation;

(2) constitute official acceptance of full jurisdiction over the lands by the Secretary of the Interior; and

(3) state the date upon which the lands will be opened to the operation of the public land laws, including the mining laws if appropriate.

SEC. 2909. DETERMINATION OF PRESENCE OF CONTAMINATION AND EFFECT OF CONTAMINATION.

(a) DETERMINATION OF PRESENCE OF CONTAMINATION.—

(1) BEFORE RELINQUISHMENT NOTICE.—Before filing a relinquishment notice under section 2908(c), the Secretary of the Army shall prepare a written determination as to whether and to what extent the lands to be relinquished are contaminated with explosive, toxic, or other hazardous materials. A copy of the determination made by the Secretary of the Army shall be supplied with the relinquishment notice. Copies of both the relinquishment notice and the determination under this subsection shall be published in the Federal Register by the Secretary of the Interior.

(2) UPON TERMINATION OF WITHDRAWAL.—At the expiration of the withdrawal period made by this Act, the Secretary of the Interior shall determine whether and to what extent the lands

withdrawn by this subtitle are contaminated to an extent which prevents opening such contaminated lands to operation of the public land laws.

(b) PROGRAM OF DECONTAMINATION.—

(1) IN GENERAL.—Throughout the duration of the withdrawal and reservation made by this subtitle, the Secretary of the Army, to the extent funds are made available, shall maintain a program of decontamination of the lands withdrawn by this subtitle at least at the level of effort carried out during fiscal year 1992.

(2) DECONTAMINATION OF LANDS TO BE RELINQUISHED.—In the case of lands subject to a relinquishment notice under section 2908(c) that are contaminated, the Secretary of the Army shall decontaminate the land to the extent that funds are appropriated for such purpose if the Secretary of the Interior, in consultation with the Secretary of the Army, determines that—

(A) decontamination of the lands is practicable and economically feasible, taking into consideration the potential future use and value of the land; and

(B) upon decontamination, the land could be opened to the operation of some or all of the public land laws, including the mining laws.

(c) AUTHORITY OF SECRETARY OF THE INTERIOR TO REFUSE CONTAMINATED LANDS.—The Secretary of the Interior shall not be required to accept lands proposed for relinquishment if the Secretary of the Army and the Secretary of the Interior conclude that—

(1) decontamination of any or all of the lands proposed for relinquishment is not practicable or economically feasible;

(2) the lands cannot be decontaminated sufficiently to allow them to be opened to the operation of the public land laws; or

(3) insufficient funds are appropriated for the purpose of decontaminating the lands.

(d) EFFECT OF CONTINUED CONTAMINATION.—If the Secretary of the Interior declines under subsection (c) to accept jurisdiction of lands proposed for relinquishment or if the Secretary of the Interior determines under subsection (a)(2) that some of the lands withdrawn by this subtitle are contaminated to an extent that prevents opening the contaminated lands to operation of the public land laws—

(1) the Secretary of the Army shall take appropriate steps to warn the public of the contaminated state of such lands and any risks associated with entry onto such lands;

(2) after the expiration of the withdrawal, the Secretary of the Army shall undertake no activities on such lands except in connection with decontamination of such lands; and

(3) the Secretary of the Army shall report to the Secretary of the Interior and to the Congress concerning the status of such lands and all actions taken under paragraphs (1) and (2).

(e) EFFECT OF SUBSEQUENT DECONTAMINATION.—If the lands described in subsection (d) are subsequently decontaminated, upon certification by the Secretary of the Army that the lands are safe for all nonmilitary uses, the Secretary of the Interior shall reconsider accepting jurisdiction over the lands.

(f) EFFECT ON OTHER LAWS.—Nothing in this subtitle shall affect, or be construed to affect, the obligations of the Secretary of the Army, if any, to decontaminate lands withdrawn by this subtitle pursuant to applicable law, including the Comprehensive Environmental Response Compensation and Liability Act of 1980 (42 U.S.C. 9601 et seq.) and the Solid Waste Disposal Act (42 U.S.C. 6901 et seq.).

SEC. 2910. DELEGATION.

The functions of the Secretary of the Army under this subtitle may be delegated. The functions of the Secretary of the Interior under this subtitle may be delegated, except that the order referred to in section 2908(d) 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.

SEC. 2911. HOLD HARMLESS.

Any party conducting any mining, mineral, or geothermal leasing activity on lands comprising the Fort Carson Reservation or Pinon Canyon Maneuver Site shall indemnify the United States against any costs, fees, damages, or other liabilities (including costs of litigation) incurred by the United States and arising from or relating to such mining activities, including costs of mineral materials disposal, whether arising under the Comprehensive Environmental Response Compensation and Liability Act of 1980, the Solid Waste Disposal Act, or otherwise.

SEC. 2912. AMENDMENT TO MILITARY LANDS WITHDRAWAL ACT OF 1986.

(a) USE OF CERTAIN RESOURCES.—Section 3(f) of the Military Lands Withdrawal Act of 1986 (Public Law 99–606; 100 Stat. 3461) is amended by adding at the end the following new paragraph:

"(2) Subject to valid existing rights, the Secretary of the military department concerned may utilize sand, gravel, or similar mineral or material resources when the use of such resources is required for construction needs on the respective lands withdrawn by this Act.".

(b) TECHNICAL CORRECTION.—Section 9(b) of the Military Lands Withdrawal Act of 1986 (Public Law 99–606; 100 Stat. 3466) is amended by striking "section 7(f)" and inserting in lieu thereof "section 8(f)".

SEC. 2913. AUTHORIZATION OF APPROPRIATIONS.

There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this subtitle.

Subtitle B—El Centro Naval Air Facility Ranges Withdrawal

SEC. 2921. SHORT TITLE AND DEFINITIONS.

(a) SHORT TITLE.—This subtitle may be cited as the "El Centro Naval Air Facility Ranges Withdrawal Act".

(b) DEFINITIONS.—In this subtitle:

(1) The term "El Centro" means the Naval Air Facility, El Centro, California.

(2) The term "cooperative agreement" means the cooperative agreement entered into between the Bureau of Land Management, the Bureau of Reclamation, and the Department of the Navy, dated June 29, 1987, with regard to the defense-related uses of Federal lands to further the mission of El Centro.

(3) The term "relinquishment notice" means a notice of intention by the Secretary of the Navy under section 2928(a) to relinquish, before the termination date specified in section 2925, the withdrawal and reservation of certain lands withdrawn under this subtitle.

SEC. 2922. WITHDRAWAL AND RESERVATION OF LANDS FOR EL CENTRO.

(a) WITHDRAWALS.—Subject to valid existing rights, and except as otherwise provided in this subtitle, the Federal lands utilized in the mission of the Naval Air Facility, El Centro, California, that are described in subsection (c) are hereby withdrawn from all forms of appropriation under the public land laws, including the mining laws, but not the mineral leasing or geothermal leasing laws or the mineral materials sales laws.

(b) RESERVATION.—The lands withdrawn under subsection (a) are reserved for the use by the Secretary of the Navy—

(1) for defense-related purposes in accordance with the cooperative agreement; and

(2) subject to notice to the Secretary of the Interior under section 2924(e), for other defense-related purposes determined by the Secretary of the Navy.

(c) DESCRIPTION OF WITHDRAWN LANDS.—The lands withdrawn and reserved under subsection (a) are—

(1) the Federal lands comprising approximately 46,600 acres in Imperial County, California, as generally depicted in part on a map entitled "Exhibit A, Naval Air Facility, El Centro, California, Land Acquisition Map, Range 2510 (West Mesa)" and dated March 1993 and in part on a map entitled "Exhibit B, Naval Air Facility, El Centro, California, Land Acquisition Map Range 2512 (East Mesa)" and dated March 1993; and

(2) and all other areas within the boundaries of such lands as depicted on such maps that may become subject to the operation of the public land laws.

SEC. 2923. MAPS AND LEGAL DESCRIPTIONS.

(a) PUBLICATION AND FILING REQUIREMENTS.—As soon as practicable after the date of the enactment of this subtitle, the Secretary of the Interior shall—

(1) publish in the Federal Register a notice containing the legal description of the lands withdrawn and reserved under this subtitle; and

(2) file maps and the legal description of the lands withdrawn and reserved under this subtitle with the Committee on Energy and Natural Resources of the Senate and with the Committee on Resources of the House of Representatives.

(b) LEGAL EFFECT.—The maps and legal description prepared under subsection (a) shall have the same force and effect as if they were included in this subtitle, except that the Secretary of the Inte-

rior may correct clerical and typographical errors in the maps and legal description.

(c) AVAILABILITY FOR PUBLIC INSPECTION.—Copies of the maps and legal description prepared under subsection (a) shall be available for public inspection in—

(1) the Office of the State Director, California State Office of the Bureau of Land Management, Sacramento, California;

(2) the Office of the District Manager, California Desert District of the Bureau of Land Management, Riverside, California; and

(3) the Office of the Commanding Officer, Marine Corps Air Station, Yuma, Arizona.

(d) REIMBURSEMENT.—The Secretary of Navy shall reimburse the Secretary of the Interior for the cost of implementing this section.

SEC. 2924. MANAGEMENT OF WITHDRAWN LANDS.

(a) MANAGEMENT CONSISTENT WITH COOPERATIVE AGREEMENT.—The lands and resources shall be managed in accordance with the cooperative agreement, revised as necessary to conform to the provisions of this subtitle. The parties to the cooperative agreement shall review the cooperative agreement for conformance with this subtitle and amend the cooperative agreement, if appropriate, within 120 days after the date of the enactment of this subtitle. The term of the cooperative agreement shall be amended so that its duration is at least equal to the duration of the withdrawal made by section 2925. The cooperative agreement may be reviewed and amended by the managing agencies as necessary.

(b) MANAGEMENT BY SECRETARY OF THE INTERIOR.—

(1) GENERAL MANAGEMENT AUTHORITY.—During the period of withdrawal, the Secretary of the Interior shall manage the lands withdrawn and reserved under this subtitle pursuant to the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1701 et seq.) and other applicable laws, including this subtitle.

(2) SPECIFIC AUTHORITIES.—To the extent consistent with applicable laws, Executive orders, and the cooperative agreement, the lands withdrawn and reserved under this subtitle may be managed in a manner permitting—

(A) protection of wildlife and wildlife habitat;

(B) control of predatory and other animals;

(C) the prevention and appropriate suppression of brush and range fires resulting from nonmilitary activities; and

(D) geothermal leasing and development and related power production, mineral leasing and development, and mineral material sales.

(3) EFFECT OF WITHDRAWAL.—The Secretary of the Interior shall manage the lands withdrawn and reserved under this subtitle, in coordination with the Secretary of the Navy, such that all nonmilitary use of such lands, including the uses described in paragraph (2), shall be subject to such conditions and restrictions as may be necessary to permit the military use of such lands for the purposes specified in the cooperative agreement or authorized pursuant to this subtitle.

(c) CERTAIN ACTIVITIES SUBJECT TO CONCURRENCE OF NAVY.—The Secretary of the Interior may issue a lease, easement, right-of-way, or other authorization with respect to the nonmilitary use of the withdrawn lands only with the concurrence of the Secretary of the Navy and under the terms of the cooperative agreement.

(d) ACCESS RESTRICTIONS.—If the Secretary of the Navy determines that military operations, public safety, or national security require the closure to public use of any road, trail, or other portion of the lands withdrawn under this subtitle, the Secretary may take such action as the Secretary determines necessary or desirable to effect and maintain such closure. Any such closure shall be limited to the minimum areas and periods which the Secretary of the Navy determines are required to carry out this subsection. Before and during any closure under this subsection, the Secretary of the Navy shall keep appropriate warning notices posted and take appropriate steps to notify the public concerning such closures.

(e) ADDITIONAL MILITARY USES.—Lands withdrawn under this subtitle may be used for defense-related uses other than those specified in the cooperative agreement. The Secretary of the Navy shall promptly notify the Secretary of the Interior in the event that the lands withdrawn under this subtitle will be used for additional defense-related purposes. Such notification shall indicate the additional use or uses involved, the proposed duration of such uses, and the extent to which such additional military uses of the withdrawn lands will require that additional or more stringent conditions or restrictions be imposed on otherwise-permitted nonmilitary uses of all or any portion of the withdrawn lands.

SEC. 2925. DURATION OF WITHDRAWAL AND RESERVATION.

The withdrawal and reservation made under this subtitle shall terminate 25 years after the date of the enactment of this subtitle.

SEC. 2926. CONTINUATION OF ONGOING DECONTAMINATION ACTIVITIES.

Throughout the duration of the withdrawal and reservation made under this subtitle, and subject to the availability of funds, the Secretary of the Navy shall maintain a program of decontamination of the lands withdrawn under this subtitle at least at the level of decontamination activities performed on such lands in fiscal year 1995. Such activities shall be subject to applicable laws, such as the amendments made by the Federal Facility Compliance Act of 1992 (Public Law 102–386; 106 Stat. 1505) and the Defense Environmental Restoration Program established under section 2701 of title 10, United States Code.

SEC. 2927. REQUIREMENTS FOR EXTENSION.

(a) NOTICE OF CONTINUED MILITARY NEED.—Not later than five years before the termination date specified in section 2925, the Secretary of the Navy shall advise the Secretary of the Interior as to whether or not the Navy will have a continuing military need for any or all of the lands withdrawn and reserved under this subtitle after the termination date.

(b) APPLICATION FOR EXTENSION.—If the Secretary of the Navy determines that there will be a continuing military need for any or all of the withdrawn lands after the termination date specified in section 2925, the Secretary of the Navy shall file an application for

extension of the withdrawal and reservation of the lands in accordance with the then existing regulations and procedures of the Department of the Interior applicable to extension of withdrawal of lands for military purposes and that are consistent with this subtitle. Such application shall be filed with the Department of the Interior not later than four years before the termination date.

(c) EXTENSION PROCESS.—The withdrawal and reservation established by this subtitle may not be extended except by an Act or Joint Resolution of Congress.

SEC. 2928. EARLY RELINQUISHMENT OF WITHDRAWAL.

(a) FILING OF RELINQUISHMENT NOTICE.—If, during the period of withdrawal and reservation specified in section 2925, the Secretary of the Navy decides to relinquish all or any portion of the lands withdrawn and reserved under this subtitle, the Secretary of the Navy shall file a notice of intention to relinquish with the Secretary of the Interior.

(b) DETERMINATION OF PRESENCE OF CONTAMINATION.—Before transmitting a relinquishment notice under subsection (a), the Secretary of the Navy, in consultation with the Secretary of the Interior, shall prepare a written determination concerning whether and to what extent the lands to be relinquished are contaminated with explosive, toxic, or other hazardous wastes and substances. A copy of such determination shall be transmitted with the relinquishment notice.

(c) DECONTAMINATION AND REMEDIATION.—In the case of contaminated lands which are the subject of a relinquishment notice, the Secretary of the Navy shall decontaminate or remediate the land to the extent that funds are appropriated for such purpose if the Secretary of the Interior, in consultation with the Secretary of the Navy, determines that—

(1) decontamination or remediation of the lands is practicable and economically feasible, taking into consideration the potential future use and value of the land; and

(2) upon decontamination or remediation, the land could be opened to the operation of some or all of the public land laws, including the mining laws.

(d) DECONTAMINATION AND REMEDIATION ACTIVITIES SUBJECT TO OTHER LAWS.—The activities of the Secretary of the Navy under subsection (c) are subject to applicable laws and regulations, including the Defense Environmental Restoration Program established under section 2701 of title 10, United States Code, the Comprehensive Environmental Response Compensation and Liability Act of 1980 (42 U.S.C. 9601 et seq.), and the Solid Waste Disposal Act (42 U.S.C. 6901 et seq.).

(e) AUTHORITY OF SECRETARY OF THE INTERIOR TO REFUSE CONTAMINATED LANDS.—The Secretary of the Interior shall not be required to accept lands specified in a relinquishment notice if the Secretary of the Interior, after consultation with the Secretary of the Navy, concludes that—

(1) decontamination or remediation of any land subject to the relinquishment notice is not practicable or economically feasible;

(2) the land cannot be decontaminated or remediated sufficiently to be opened to operation of some or all of the public land laws; or

(3) a sufficient amount of funds are not appropriated for the decontamination of the land.

(f) STATUS OF CONTAMINATED LANDS.—If, because of the condition of the lands, the Secretary of the Interior declines to accept jurisdiction of lands proposed for relinquishment or, if at the expiration of the withdrawal made under this subtitle, the Secretary of the Interior determines that some of the lands withdrawn under this subtitle are contaminated to an extent which prevents opening such contaminated lands to operation of the public land laws—

(1) the Secretary of the Navy shall take appropriate steps to warn the public of the contaminated state of such lands and any risks associated with entry onto such lands;

(2) after the expiration of the withdrawal, the Secretary of the Navy shall retain jurisdiction over the withdrawn lands, but shall undertake no activities on such lands except in connection with the decontamination or remediation of such lands; and

(3) the Secretary of the Navy shall report to the Secretary of the Interior and to the Congress concerning the status of such lands and all actions taken under paragraphs (1) and (2).

(g) SUBSEQUENT DECONTAMINATION OR REMEDIATION.—If lands covered by subsection (f) are subsequently decontaminated or remediated and the Secretary of the Navy certifies that the lands are safe for nonmilitary uses, the Secretary of the Interior shall reconsider accepting jurisdiction over the lands.

(h) REVOCATION AUTHORITY.—Notwithstanding any other provision of law, upon deciding that it is in the public interest to accept jurisdiction over lands specified in a relinquishment notice, the Secretary of the Interior may revoke the withdrawal and reservation made under this subtitle as it applies to such lands. If the decision be made to accept the relinquishment and to revoke the withdrawal and reservation, the Secretary of the Interior shall publish in the Federal Register an appropriate order which shall—

(1) terminate the withdrawal and reservation;

(2) constitute official acceptance of full jurisdiction over the lands by the Secretary of the Interior; and

(3) state the date upon which the lands will be opened to the operation of the public land laws, including the mining laws, if appropriate.

SEC. 2929. DELEGATION OF AUTHORITY.

(a) DEPARTMENT OF THE NAVY.—The functions of the Secretary of the Navy under this subtitle may be delegated.

(b) DEPARTMENT OF INTERIOR.—The functions of the Secretary of the Interior under this subtitle may be delegated, except that an order described in section 2928(h) 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.

SEC. 2930. HUNTING, FISHING, AND TRAPPING.

All hunting, fishing, and trapping on the lands withdrawn under this subtitle shall be conducted in accordance with section 2671 of title 10, United States Code.

SEC. 2931. HOLD HARMLESS.

Any party conducting any mining, mineral, or geothermal leasing activity on lands withdrawn and reserved under this subtitle shall indemnify the United States against any costs, fees, damages, or other liabilities (including costs of litigation) incurred by the United States and arising from or relating to such mining activities, including costs of mineral materials disposal, whether arising under the Comprehensive Environmental Response Compensation and Liability Act of 1980, the Solid Waste Disposal Act, or otherwise.

DIVISION C—DEPARTMENT OF ENERGY NATIONAL

SECURITY AUTHORIZATIONS AND OTHER AUTHORIZATIONS

TITLE XXXI—DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS

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Subtitle A—National Security Programs Authorizations

SEC. 3101. WEAPONS ACTIVITIES.

(a) STOCKPILE STEWARDSHIP.—Subject to subsection (d), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1997 for stockpile stewardship in carrying out weapons activities necessary for national security programs in the amount of $1,661,767,000, to be allocated as follows:

(1) For core stockpile stewardship, $1,235,907,000, to be allocated as follows:

(A) For operation and maintenance, $1,147,570,000.

(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), $88,337,000, to be allocated as follows:

Project 96–D–102, stockpile stewardship facilities revitalization, Phase VI, various locations, $19,250,000.

Project 96–D–103, ATLAS, Los Alamos National Laboratory, Los Alamos, New Mexico, $15,100,000.

Project 96–D–104, processing and environmental technology laboratory (PETL), Sandia National Laboratories, Albuquerque, New Mexico, $14,100,000.

Project 96–D–105, contained firing facility addition, Lawrence Livermore National Laboratory, Livermore, California, $17,100,000.

Project 95–D–102, Chemical and Metallurgy Research Building upgrades project, Los Alamos National Laboratory, Los Alamos, New Mexico, $15,000,000.

Project 94–D–102, nuclear weapons research, development, and testing facilities revitalization, Phase V, various locations, $7,787,000.

(2) For inertial fusion, $366,460,000, to be allocated as follows:

(A) For operation and maintenance, $234,560,000.

(B) For the following plant project (including maintenance, restoration, planning, construction, acquisition, and modification of facilities, and land acquisition related thereto), $131,900,000 to be allocated as follows:

Project 96–D–111, national ignition facility, location to be determined, $131,900,000.

(3) For technology transfer and education, $59,400,000.

(b) STOCKPILE MANAGEMENT.—Subject to subsection (d), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1997 for stockpile management in carrying out weapons activities necessary for national security programs in the amount of $1,962,831,000, to be allocated as follows:

(1) For operation and maintenance, $1,868,470,000.

(2) 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), $94,361,000, to be allocated as follows:

Project 97–D–121, consolidated pit packaging system, Pantex Plant, Amarillo, Texas, $870,000.

Project 97–D–122, nuclear materials storage facility renovation, Los Alamos National Laboratory, Los Alamos, New Mexico, $4,000,000.

Project 97–D–123, structural upgrades, Kansas City Plant, Kansas City, Missouri, $1,400,000.

Project 97–D–124, steam plant wastewater treatment facility upgrade, Y–12 Plant, Oak Ridge, Tennessee, $600,000.

Project 96–D–122, sewage treatment quality upgrade (STQU), Pantex Plant, Amarillo, Texas, $100,000.

Project 96–D–123, retrofit heating, ventilation, and air conditioning and chillers for ozone protection, Y–12 Plant, Oak Ridge, Tennessee, $7,000,000.

Project 96–D–125, Washington measurements operations facility, Andrews Air Force Base, Camp Springs, Maryland, $3,825,000.

Project 95–D–122, sanitary sewer upgrade, Y–12 Plant, Oak Ridge, Tennessee, $10,900,000.

Project 94–D–124, hydrogen fluoride supply system, Y–12 Plant, Oak Ridge, Tennessee, $4,900,000.

Project 94–D–125, upgrade life safety, Kansas City Plant, Kansas City, Missouri, $5,200,000.

Project 94–D–127, emergency notification system, Pantex Plant, Amarillo, Texas, $2,200,000.

Project 93–D–122, life safety upgrades, Y–12 Plant, Oak Ridge, Tennessee, $7,200,000.

Project 93–D–123, complex-21, various locations, $14,487,000.

Project 88–D–122, facilities capability assurance program, various locations, $21,940,000.

Project 88–D–123, security enhancement, Pantex Plant, Amarillo, Texas, $9,739,000.

(c) PROGRAM DIRECTION.—Subject to subsection (d), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1997 for program direction in carrying out weapons activities necessary for national security programs in the amount of $313,404,000.

(d) ADJUSTMENT.—The total amount authorized to be appropriated pursuant to this section is the sum of the amounts authorized to be appropriated in subsections (a) through (c) reduced by $20,000,000 for use of prior year balances.

SEC. 3102. ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT.

(a) ENVIRONMENTAL RESTORATION.—Subject to subsection (j), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1997 for environmental restoration in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $1,762,194,000, of which $376,648,000 shall be allocated to the uranium enrichment decontamination and decommissioning fund.

(b) WASTE MANAGEMENT.—Subject to subsection (j), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1997 for waste management in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $1,578,653,000, to be allocated as follows:

(1) For operation and maintenance, $1,490,326,000.

(2) 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), $88,327,000, to be allocated as follows:

Project 97–D–402, tank farm restoration and safe operations, Richland, Washington, $7,584,000.

Project 96–D–408, waste management upgrades, various locations, $11,246,000.

Project 95–D–402, install permanent electrical service, Waste Isolation Pilot Plant, Carlsbad, New Mexico, $752,000.

Project 95–D–405, industrial landfill V and construction/demolition landfill VII, Y–12 Plant, Oak Ridge, Tennessee, $200,000.

Project 94–D–404, Melton Valley storage tank capacity increase, Oak Ridge National Laboratory, Oak Ridge, Tennessee, $6,345,000.

Project 94–D–407, initial tank retrieval systems, Richland, Washington, $12,600,000.

Project 93–D–182, replacement of cross-site transfer system, Richland, Washington, $8,100,000.

Project 93–D–187, high-level waste removal from filled waste tanks, Savannah River Site, Aiken, South Carolina, $20,000,000.

Project 89–D–174, replacement high-level waste evaporator, Savannah River Site, Aiken, South Carolina, $11,500,000.

Project 86–D–103, decontamination and waste treatment facility, Lawrence Livermore National Laboratory, Livermore, California, $10,000,000.

(c) NUCLEAR MATERIALS AND FACILITIES STABILIZATION.—Subject to subsection (j), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1997 for nuclear materials and facilities stabilization in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $1,291,290,000 to be allocated as follows:

(1) For operation and maintenance, $1,173,718,000.

(2) 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), $117,572,000, to be allocated as follows:

Project 97–D–450, Actinide packaging and storage facility, Savannah River Site, Aiken, South Carolina, $7,900,000.

Project 97–D–451, B-Plant safety class ventilation upgrades, Richland, Washington, $1,500,000.

Project 97–D–470, environmental monitoring laboratory, Savannah River Site, Aiken, South Carolina, $2,500,000.

Project 97–D–473, health physics site support facility, Savannah River Site, Aiken, South Carolina, $2,000,000.

Project 96–D–406, spent nuclear fuels canister storage and stabilization facility, Richland, Washington, $60,672,000.

Project 96–D–461, electrical distribution upgrade, Idaho National Engineering Laboratory, Idaho, $6,790,000.

Project 96–D–464, electrical and utility systems upgrade, Idaho Chemical Processing Plant, Idaho National Engineering Laboratory, Idaho, $10,440,000.

Project 96–D–471, chlorofluorocarbon heating, ventilation, and air conditioning and chiller retrofit, Savannah River Site, Aiken, South Carolina, $8,541,000.

Project 95–E–600, hazardous materials management and emergency response training center, Richland, Washington, $7,900,000.

Project 95–D–155, upgrade site road infrastructure, Savannah River Site, South Carolina, $4,137,000.

Project 95–D–456, security facilities consolidation, Idaho Chemical Processing Plant, Idaho National Engineering Laboratory, Idaho, $4,645,000.

Project 94–D–401, emergency response facility, Idaho National Engineering Laboratory, Idaho, $547,000.

(d) PROGRAM DIRECTION.—Subject to subsection (j), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1997 for program direction in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $411,511,000.

(e) TECHNOLOGY DEVELOPMENT.—Subject to subsection (j), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1997 for technology development in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $303,771,000.

(f) POLICY AND MANAGEMENT.—Subject to subsection (j), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1997 for policy and management in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $23,155,000.

(g) ENVIRONMENTAL SCIENCE PROGRAM.—Subject to subsection (j), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1997 for the environmental science program in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $62,136,000.

(h) ENVIRONMENTAL MANAGEMENT PRIVATIZATION.—Subject to subsection (j), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1997 for environmental management privatization in carrying out environmental restoration

and waste management activities necessary for national security programs in the amount of $185,000,000.

(i) CLOSURE PROJECTS.—Subject to subsection (j), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1997 for closure projects selected under section 3143 in the amount of $50,000,000.

(j) ADJUSTMENTS.—The total amount authorized to be appropriated pursuant to this section is the sum of the amounts authorized to be appropriated in subsections (a) through (i) reduced by the sum of—

(1) $150,400,000, for use of prior year balances; and

(2) $8,000,000, for Savannah River Pension Refund.

SEC. 3103. DEFENSE FIXED ASSET ACQUISITION/PRIVATIZATION.

Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1997 for the defense fixed asset acquisition/privatization program in the amount of $182,000,000.

SEC. 3104. OTHER DEFENSE ACTIVITIES.

(a) IN GENERAL.—Subject to subsection (b), funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1997 for other defense activities in carrying out programs necessary for national security in the amount of $1,590,231,000, to be allocated as follows:

(1) For verification and control technology, $456,348,000, to be allocated as follows:

(A) For nonproliferation and verification research and development, $204,919,000.

(B) For arms control, $216,244,000.

(C) For intelligence, $35,185,000.

(2) For nuclear safeguards and security, $47,208,000.

(3) For security investigations, $22,000,000.

(4) For emergency management, $16,794,000.

(5) For program direction, $88,122,000.

(6) For international nuclear safety, $15,200,000.

(7) For environment, safety, and health, defense, $63,800,000.

(8) For worker and community transition assistance, $67,000,000.

(9) For fissile materials disposition, $93,796,000, to be allocated as follows:

(A) For operation and maintenance, $76,796,000.

(B) For the following plant project (including maintenance, restoration, planning, construction, acquisition, and modification of facilities, and land acquisition related thereto):

Project 97–D–140, consolidated special nuclear materials storage facility, site to be determined, $17,000,000.

(10) For nuclear security/Russian production reactor shutdown, $6,000,000.

(11) For naval reactors development, $681,932,000, to be allocated as follows:

(A) For operation and infrastructure, $649,330,000.

(B) For program direction, $18,902,000.

(C) 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), $13,700,000, to be allocated as follows:

Project 97–D–201, advanced test reactor secondary coolant refurbishment, Idaho National Engineering Laboratory, Idaho, $400,000.

Project 95–D–200, laboratory systems and hot cell upgrades, various locations, $4,800,000.

Project 95–D–201, advanced test reactor radioactive waste system upgrades, Idaho National Engineering Laboratory, Idaho, $500,000.

Project 90–N–102, expended core facility dry cell project, Naval Reactors Facility, Idaho, $8,000,000.

(b) ADJUSTMENT.—The total amount authorized to be appropriated pursuant to this section is the sum of the amounts authorized to be appropriated in paragraphs (1) through (10) of subsection (a) reduced by $25,500,000 for use of prior year balances.

SEC. 3105. DEFENSE NUCLEAR WASTE DISPOSAL.

Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1997 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 $200,000,000.

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—

(A) 110 percent of the amount authorized for that program by this title; or

(B) $1,000,000 more than 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 such 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 $2,000,000.

(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 $2,000,000, the Secretary shall immediately furnish a complete report to the congressional defense committees explaining the reasons for the cost variation.

(c) REPORT ON PERMANENT AUTHORIZATION OF APPROPRIATIONS FOR GENERAL PLANT PROJECTS.—(1) Not later than February 1, 1997, the Secretary of Energy shall submit to the congressional defense committees a report on the desirability of a permanent authorization of appropriations for the defense general plant projects and civilian general plant projects of the Department of Energy.

(2) If the Secretary determines for purposes of the report under paragraph (1) that a permanent authorization of appropriations is desirable, the report shall include—

(A) recommendations for legislation to provide for a permanent authorization of appropriations, including a formula for adjusting for inflation the amount authorized to be appropriated for the projects to be covered by such authorization of appropriations; and

(B) a description of the actions to be undertaken by the Secretary to control costs with respect to such projects, including any actions that may depend on the size, nature, or scope of the project concerned.

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, which is authorized by section 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) shall not apply to any construction project which has 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 period as the authorizations of the Federal agency to which the amounts are transferred.

(b) TRANSFER WITHIN DEPARTMENT OF ENERGY; LIMITATIONS.—(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 five percent of any such authorization may be transferred between authorizations under paragraph (1). No such authorization may be increased or decreased by more than five percent by a transfer under such paragraph.

(3) The authority provided by this section to transfer authorizations—

(A) may only be used to provide funds for items relating to weapons activities necessary for national security programs that have a higher priority than the items from which the funds are transferred; and

(B) may not be used to provide authority for an item that has been denied funds by Congress.

(c) NOTICE TO CONGRESS.—The Secretary of Energy shall promptly notify the Committee on Armed Services of the Senate and the Committee on National Security of the 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 FOR 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. The Secretary shall submit to Congress a report on each conceptual design completed under this paragraph.

(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 $2,000,000; 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 such 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 those 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 such 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 appropriations 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.

When so specified in an appropriations Act, amounts appropriated for operation and maintenance or for plant projects may remain available until expended.

Subtitle C—Program Authorizations, Restrictions, and Limitations

SEC. 3131. STOCKPILE STEWARDSHIP PROGRAM.

(a) PURPOSE.—The purpose of this section is to provide for the enhanced implementation of the Department of Energy stockpile stewardship and management program, in order to provide greater confidence in the safety and continuing reliability of the nuclear weapons stockpile.

(b) FUNDING.—Of the funds authorized to be appropriated to the Department of Energy pursuant to section 3101, $85,000,000 shall be available to enhance the Department's stockpile steward-

ship and management program for activities determined appropriate by the Secretary of Energy, including the following:

(1) Enhanced surveillance of the nuclear weapons stockpile.

(2) Dual revalidation of the warheads in the nuclear weapons stockpile.

(3) Stockpile life extension programs.

(4) Production capability assurance programs for critical non-nuclear components.

(5) Accelerating capability to produce prototype war reserve-quality plutonium pits.

(6) Conducting subcritical tests.

(c) REPORT.—Not later than 60 days after the date of the enactment of this Act, the Secretary of Energy shall submit to the congressional defense committees a report on the obligations the Secretary has incurred, and plans to incur, during fiscal year 1997 for the funds made available by subsection (b).

SEC. 3132. MANUFACTURING INFRASTRUCTURE FOR NUCLEAR WEAPONS STOCKPILE.

(a) GENERAL PROGRAM REQUIREMENTS.—Subsection (a) of section 3137 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 620; 42 U.S.C. 2121 note) is amended—

(1) by inserting "(1)" before "The Secretary of Energy";

(2) by redesignating paragraphs (1) through (5) as subparagraphs (A) through (E), respectively; and

(3) by adding at the end the following:

"(2) The purpose of the program carried out under paragraph (1) shall also be to develop manufacturing capabilities and capacities necessary to meet the requirements specified in the annual Nuclear Weapons Stockpile Review.".

(b) REQUIRED CAPABILITIES.—Subsection (b)(3) of such section is amended to read as follows:

"(3) The capabilities of the Savannah River Site relating to tritium recycling and fissile materials components processing and fabrication.".

(c) PLAN AND REPORT.—Not later than March 1, 1997, the Secretary of Energy shall submit to Congress a report containing a plan for carrying out the program established under section 3137(a) of the National Defense Authorization Act for Fiscal Year 1996, as amended by this section. The report shall set forth the obligations that the Secretary has incurred, and proposes to incur, during fiscal year 1997 in carrying out the program.

(d) FUNDING.—Of the funds authorized to be appropriated pursuant to section 3101, $90,000,000 shall be available for carrying out the program established under section 3137(a) of the National Defense Authorization Act for Fiscal Year 1996, as so amended.

SEC. 3133. TRITIUM PRODUCTION.

(a) ACCELERATION OF TRITIUM PRODUCTION.—(1) The Secretary of Energy shall, during fiscal year 1997, make a final decision on the technologies to be utilized, and the accelerated schedule to be adopted, for tritium production in order to meet the requirements of the Nuclear Weapons Stockpile Memorandum relating to tritium

production, including the new tritium production date of 2005 specified in the Nuclear Weapons Stockpile Memorandum.

(2) In making the final decision, the Secretary shall take into account the following:

(A) The requirements for tritium production specified in the Nuclear Weapons Stockpile Memorandum, including, in particular, the requirements for the "upload hedge" component of the nuclear weapons stockpile.

(B) The ongoing activities of the Department of Energy relating to the evaluation and demonstration of technologies under the accelerator reactor program and the commercial light water reactor program.

(b) REPORT.—(1) Not later than April 15, 1997, the Secretary shall submit to Congress a report that sets forth the final decision of the Secretary under subsection (a)(1). The report shall set forth in detail—

(A) the technologies decided on under that subsection; and

(B) the accelerated schedule for the production of tritium decided on under that subsection.

(2) If the Secretary determines that it is not possible to make the final decision by the date specified in paragraph (1), the Secretary shall submit to Congress on that date a report that explains in detail why the final decision cannot be made by that date.

(c) NEW TRITIUM PRODUCTION FACILITY.—The Secretary shall commence planning and design activities and infrastructure development for a new tritium production facility.

(d) IN-REACTOR TESTS.—The Secretary may perform in-reactor tests of tritium target rods as part of the activities carried out under the commercial light water reactor program.

(e) FUNDING.—Of the funds authorized to be appropriated to the Department of Energy pursuant to section 3101(b)(1), $160,000,000 shall be available for activities related to tritium production.

SEC. 3134. MODERNIZATION AND CONSOLIDATION OF TRITIUM RECYCLING FACILITIES.

(a) IN GENERAL.—The Secretary of Energy shall carry out activities at the Savannah River Site, South Carolina, to—

(1) modernize and consolidate the facilities for recycling tritium for weapons; and

(2) provide a modern tritium extraction facility so as to ensure that such facilities have a capacity to recycle tritium from weapons that is adequate to meet the requirements for tritium for weapons specified in the Nuclear Weapons Stockpile Memorandum.

(b) FUNDING.—Of the funds authorized to be appropriated to the Department of Energy pursuant to section 3101, not more than $9,000,000 shall be available for activities under subsection (a).

SEC. 3135. PRODUCTION OF HIGH EXPLOSIVES.

No funds appropriated or otherwise made available to the Department of Energy for fiscal year 1997 or any prior fiscal year may be used to move, or prepare to move, the manufacture and fabrication of high explosives and energetic materials for use as components in nuclear weapons systems from the Pantex Plant, Amarillo, Texas, to any other site or facility.

SEC. 3136. LIMITATION ON USE OF FUNDS FOR CERTAIN RESEARCH AND DEVELOPMENT PURPOSES.

(a) LIMITATION.—No funds authorized to be appropriated or otherwise made available to the Department of Energy for fiscal year 1997 under section 3101 may be obligated or expended for activities under the Department of Energy Laboratory Directed Research and Development Program, or under any Department of Energy technology transfer program or cooperative research and development agreement, unless such activities support the national security mission of the Department of Energy.

(b) ANNUAL REPORT.—(1) The Secretary of Energy shall annually submit to the congressional defense committees a report on the funds expended during the preceding fiscal year on activities under the Department of Energy Laboratory Directed Research and Development Program. The purpose of the report is to permit an assessment of the extent to which such activities support the national security mission of the Department of Energy.

(2) Each report shall be prepared by the officials responsible for Federal oversight of the funds expended on activities under the program.

(3) Each report shall set forth the criteria utilized by the officials preparing the report in determining whether or not the activities reviewed by such officials support the national security mission of the Department.

SEC. 3137. PROHIBITION ON FUNDING NUCLEAR WEAPONS ACTIVITIES WITH PEOPLE'S REPUBLIC OF CHINA.

(a) FUNDING PROHIBITION.—No funds authorized to be appropriated or otherwise available to the Department of Energy for fiscal year 1997 may be obligated or expended for any activity associated with the conduct of cooperative programs relating to nuclear weapons or nuclear weapons technology, including stockpile stewardship, safety, and use control, with the People's Republic of China.

(b) REPORT.—(1) The Secretary of Energy shall prepare, in consultation with the Secretary of Defense, a report containing a description of all discussions and activities between the United States and the People's Republic of China regarding nuclear weapons matters that have occurred before the date of the enactment of this Act and that are planned to occur after such date. For each such discussion or activity, the report shall include—

(A) the authority under which the discussion or activity took or will take place;

(B) the subject of the discussion or activity;

(C) participants or likely participants;

(D) the source and amount of funds used or to be used to pay for the discussion or activity; and

(E) a description of the actions taken or to be taken to ensure that no classified information or unclassified controlled information was or will be revealed, and a determination of whether classified information or unclassified controlled information was revealed in previous discussions.

(2) The report shall be submitted to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives not later than January 15, 1997.

SEC. 3138. INTERNATIONAL COOPERATIVE STOCKPILE STEWARDSHIP PROGRAMS.

(a) FUNDING PROHIBITION.—No funds authorized to be appropriated or otherwise available to the Department of Energy for fiscal year 1997 may be obligated or expended to conduct any activities associated with international cooperative stockpile stewardship.

(b) EXCEPTION.—Subsection (a) does not apply—

(1) with respect to such activities conducted between the United States and the United Kingdom and between the United States and France; and

(2) to activities carried out under title XV of this Act (relating to cooperative threat reduction with states of the former Soviet Union).

SEC. 3139. TEMPORARY AUTHORITY RELATING TO TRANSFERS OF DEFENSE ENVIRONMENTAL MANAGEMENT FUNDS.

(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. Any such transfer may be made only once in a fiscal year to or from a program or project, and the amount transferred to or from a program or project may not exceed $5,000,000 in a fiscal year.

(b) DETERMINATION.—A transfer may not be carried out by a manager of a field office pursuant to the authority provided under subsection (a) unless the manager determines that such 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 that field office.

(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 of Energy, 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 a transfer occurs.

(e) LIMITATION.—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.

(f) 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 project listed in subsection (b) or (c) of section 3102 being carried out by the office.

(B) A program referred to in subsection (a), (b), (c), (e), (g), or (h) of section 3102 being carried out by the office.

(C) A project or program not described in subparagraph (A) or (B) that is for environmental restoration or waste management activities necessary for national security programs of the Department of Energy, 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.

(g) DURATION OF AUTHORITY.—The authority provided under subsection (a) to a manager of a field office shall be in effect from the date of the enactment of this Act to September 30, 1997.

(h) REPORT.—Not later than September 1, 1997, the Secretary of Energy shall submit to the congressional defense committees a report on the effectiveness of the authority provided under subsection (a) in meeting an objective specified in subsection (b). The report shall include recommendations on whether the duration of the authority, as provided in subsection (g), should be extended.

SEC. 3140. MANAGEMENT STRUCTURE FOR NUCLEAR WEAPONS PRODUCTION FACILITIES AND NUCLEAR WEAPONS LABORATORIES.

(a) LIMITATION ON DELEGATION OF AUTHORITY.—(1) The Secretary of Energy, in carrying out national security programs, may delegate specific management and planning authority over matters relating to site operation of the facilities and laboratories covered by this section only to the Assistant Secretary of Energy for Defense Programs. Such Assistant Secretary may redelegate such authority only to managers of area offices of the Department of Energy located at such facilities and laboratories.

(2) Nothing in this section may be construed as affecting the delegation by the Secretary of Energy of authority relating to reporting, management, and oversight of matters relating to the Department of Energy generally, or safety, environment, and health at such facilities and laboratories.

(b) REQUIREMENT TO CONSULT WITH AREA OFFICES.—The Assistant Secretary of Energy for Defense Programs, in exercising any delegated authority to oversee management of matters relating to site operation of a facility or laboratory, shall exercise such authority only after direct consultation with the manager of the area office of the Department of Energy located at the facility or laboratory.

(c) REQUIREMENT FOR DIRECT COMMUNICATION FROM AREA OFFICES.—The Secretary of Energy, acting through the Assistant Secretary of Energy for Defense Programs, shall require the head of each area office of the Department of Energy located at each facility and laboratory covered by this section to report on matters relating to site operation other than those matters set forth in subsection (a)(2) directly to the Assistant Secretary of Energy for Defense Programs, without obtaining the approval or concurrence of any other official within the Department of Energy.

(d) DEFENSE PROGRAMS REORGANIZATION PLAN AND REPORT.—(1) The Secretary of Energy shall develop a plan to reorganize the field activities and management of the national security functions of the Department of Energy.

(2) Not later than 120 days after the date of the enactment of this Act, the Secretary shall submit to Congress a report on the plan developed under paragraph (1). The report shall specifically identify

all significant functions performed by the operations offices relating to any of the facilities and laboratories covered by this section and which of those functions could be performed—

(A) by the area offices of the Department of Energy located at the facilities and laboratories covered by this section; or

(B) by the Assistant Secretary of Energy for Defense Programs.

(3) The report also shall address and make recommendations with respect to other internal streamlining and reorganization initiatives that the Department could pursue with respect to military or national security programs.

(e) DEFENSE PROGRAMS MANAGEMENT COUNCIL.—The Secretary of Energy shall establish a council to be known as the "Defense Programs Management Council". The Council shall advise the Secretary on policy matters, operational concerns, strategic planning, and development of priorities relating to the national security functions of the Department of Energy. The Council shall be composed of the directors of the facilities and laboratories covered by this section and shall report directly to the Assistant Secretary of Energy for Defense Programs.

(f) COVERED SITE OPERATIONS.—For purposes of this section, matters relating to site operation of a facility or laboratory include matters relating to personnel, budget, and procurement in national security programs.

(g) COVERED FACILITIES AND LABORATORIES.—This section applies to the following facilities and laboratories of the Department of Energy:

(1) The Kansas City Plant, Kansas City, Missouri.

(2) The Pantex Plant, Amarillo, Texas.

(3) The Y–12 Plant, Oak Ridge, Tennessee.

(4) The Savannah River Site, Aiken, South Carolina.

(5) Los Alamos National Laboratory, Los Alamos, New Mexico.

(6) Sandia National Laboratories, Albuquerque, New Mexico.

(7) Lawrence Livermore National Laboratory, Livermore, California.

(8) The Nevada Test Site, Nevada.

SEC. 3141. ACCELERATED SCHEDULE FOR ISOLATING HIGH-LEVEL NUCLEAR WASTE AT THE DEFENSE WASTE PROCESSING FACILITY, SAVANNAH RIVER SITE.

The Secretary of Energy shall accelerate the schedule for the isolation of high-level nuclear waste in glass canisters at the Defense Waste Processing Facility at the Savannah River Site, South Carolina, if the Secretary determines that the acceleration of such schedule—

(1) will achieve long-term cost savings to the Federal Government; and

(2) could accelerate the removal and isolation of high-level nuclear waste from long-term storage tanks at the site.

SEC. 3142. PROCESSING AND TREATMENT OF HIGH-LEVEL NUCLEAR WASTE AND SPENT NUCLEAR FUEL RODS.

(a) IN GENERAL.—(1) In order to provide for an effective response to requirements for managing the spent nuclear fuel de-

scribed in paragraph (2), there shall be available to the Secretary of Energy, from amounts authorized to be appropriated pursuant to section 3102(c), the following amounts for the purposes stated:

(A) Not more than $43,000,000 for the development and implementation of a program to accelerate the receipt, processing (including the H-canyon restart operations), reprocessing, separation, reduction, deactivation, stabilization, isolation, and interim storage of high-level nuclear waste associated with Department of Energy aluminum clad spent fuel rods, foreign spent fuel rods, and other nuclear materials.

(B) Not more than $15,000,000 for the development and implementation of a program for the receipt, treatment, preparation, conditioning, interim storage, and final disposition of high-level nuclear waste and spent nuclear fuel (including naval spent nuclear fuel), non-aluminum clad fuel rods, and foreign fuel rods.

(2) The spent nuclear fuel referred to in paragraph (1) is the following:

(A) Spent nuclear fuel that is sent to Department of Energy consolidation sites pursuant to the Department of Energy Programmatic Spent Nuclear Fuel Management and Idaho National Engineering Laboratory Environmental Restoration and Waste Management Programs Final Environmental Impact Statement, dated April 1995.

(B) Spent nuclear fuel described in the Interim Management of Nuclear Materials Environmental Impact Statement, dated October 1995.

(C) Other spent nuclear fuel located at the Savannah River Site as of the date of the enactment of this Act.

(3) The amounts made available under paragraph (1) are in addition to other amounts authorized to be appropriated by section 3102(c) for the purposes stated in subparagraphs (A) and (B) of that paragraph.

(b) USE OF FUNDS FOR SETTLEMENT AGREEMENT.—Funds made available pursuant to subsection (a)(1)(B) for the Idaho National Engineering Laboratory shall be considered to be funds made available in partial fulfillment of the terms and obligations set forth in the settlement agreement entered into by the United States with the State of Idaho in the actions captioned Public Service Co. of Colorado v. Batt, Civil No. 91–0035–S–EJL, and United States v. Batt, Civil No. 91–0054–S–EJL, in the United States District Court for the District of Idaho and the consent order of the United States District Court for the District of Idaho, dated October 17, 1995, that effectuates the settlement agreement.

(c) AMENDMENTS TO IMPLEMENTATION PLAN FOR MANAGING SPENT NUCLEAR FUEL AT CERTAIN SITES.—Section 3142(b) of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 622) is amended—

(1) by striking out "April 30, 1996" and inserting in lieu thereof "September 30, 1996";

(2) by striking out "and" at the end of paragraph (3);

(3) by striking out the period at the end of paragraph (4) and inserting in lieu thereof "; and"; and

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

"(5) an assessment of the progress made in implementing the programs.".

(d) NEAR-TERM PLAN FOR PROCESSING SPENT FUEL RODS AT SAVANNAH RIVER SITE.—(1) Not later than March 15, 1997, the Secretary of Energy shall submit to Congress a plan for a near-term program to process, treat, package, and dispose of spent nuclear fuel rods described in paragraph (2) at the Savannah River Site. The plan shall include cost projections and resource requirements for the program and identify program milestones for the program.

(2) The spent nuclear fuel rods to be included in the program referred to in paragraph (1) are the following:

(A) Spent nuclear fuel rods produced at the Savannah River Site.

(B) Spent nuclear fuel rods being sent to the site from other Department of Energy facilities for processing, interim storage, and other treatment.

(C) Foreign spent nuclear fuel rods being sent to the site for processing, interim storage, and other treatment.

(e) MULTI-YEAR PLAN FOR CLEAN-UP AT SAVANNAH RIVER SITE.—The Secretary shall develop and implement a multi-year plan for the clean-up of nuclear waste at the Savannah River Site that results, or has resulted, from the following:

(1) Nuclear weapons activities carried out at the site.

(2) The processing, treating, packaging, and disposal of Department of Energy domestic and foreign spent nuclear fuel rods at the site.

(f) REQUIREMENT FOR CONTINUING OPERATIONS AT SAVANNAH RIVER SITE.—The Secretary shall continue operations and maintain a high state of readiness at the H-canyon facility and the F-canyon facility at the Savannah River Site, and shall provide technical staff necessary to operate and so maintain such facilities, pending the development and implementation of the plan referred to in subsection (e).

SEC. 3143. PROJECTS TO ACCELERATE CLOSURE ACTIVITIES AT DEFENSE NUCLEAR FACILITIES.

(a) IN GENERAL.—The Secretary of Energy shall select and carry out closure-acceleration projects in accordance with this section.

(b) PURPOSE.—The purpose of a closure-acceleration project shall be, within a fixed period of time, to clean up or decommission a Department of Energy defense nuclear facility or portion thereof and to make the facility safe by stabilizing, consolidating, treating, or removing nuclear materials from the facility in order to reduce significantly or eliminate future costs at the facility.

(c) ELIGIBLE PROJECTS.—(1) The Secretary of Energy may establish a closure-acceleration project as eligible for selection under subsection (e) by—

(A) developing a plan for the project that meets the criteria under paragraph (2); and

(B) determining that the project will achieve significant long-term cost savings to the Federal Government from the baseline cost estimate made by the Department of Energy for the project.

(2) A plan for a closure-acceleration project under this section shall—

(A) define a clear, delineated scope of work for completion of the project;

(B) demonstrate that, with respect to the site of the proposed project, there is a regulatory agreement between the Department of Energy and other appropriate authorities for the implementation of environmental remediation requirements that would allow for successful completion of the project;

(C) demonstrate, to the maximum extent possible, the support of State and local elected officials and the public for the project;

(D) contain performance-based provisions to be included in the contract for the project, including—

(i) clearly stated and results-oriented performance criteria and measures;

(ii) appropriate incentives for the contractor to meet and exceed the performance criteria effectively and efficiently;

(iii) appropriate criteria and incentives for the contractor to seek and engage subcontractors who may more effectively and efficiently perform either unique and technologically challenging tasks or routine and interchangeable services;

(iv) specific incentives for cost savings;

(v) financial accountability; and

(vi) when appropriate, reduction of fee for failure to meet minimum performance criteria and standards;

(E) demonstrate that the project will use new and innovative cleanup and waste management technology with potential for application to other locations and facilities without requiring the development of new technologies; and

(F) demonstrate that the project can be completed within 10 years from the date of its selection.

(d) PROGRAM ADMINISTRATION.—The Secretary of Energy, acting through the Assistant Secretary for Environmental Management, shall implement a program to carry out the provisions of this section.

(e) SELECTION OF PROJECTS.—(1) The Secretary of Energy shall select closure-acceleration projects to be carried out under this section from among those projects established as eligible under subsection (c) that will result in the most significant long-term costs savings to the Government and the most significant reduction of imminent risk.

(2) For each project selected, the Secretary shall submit to Congress a report setting forth the reasons why the project was selected, based on the criteria under subsection (c)(2) and paragraph (1) of this subsection.

(f) MULTIYEAR CONTRACTS.—Notwithstanding section 304B(d) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 254c(d)), the Secretary of Energy may enter into multiyear contracts to carry out projects selected under this section for up to 10 program years.

(g) FUNDING.—(1) In the budget submitted to Congress under section 1105(a) of title 31, United States Code, each year, the President shall set forth funds for carrying out closure-acceleration projects under this section as a separate item in the environmental restoration and waste management account of the Department of Energy budget.

(2) Funds appropriated for purposes of carrying out projects under this section shall remain available until expended.

(3) If a closure-acceleration project is being carried out at a defense nuclear facility with funds appropriated for such projects, the Secretary of Energy may not reduce the funds otherwise allocated to that defense nuclear facility for environmental restoration and waste management by reason of the funds being used for the project at that facility.

(4) Funds appropriated for purposes of carrying out projects under this section 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.

(h) ANNUAL REPORT.—The Secretary of Energy shall submit each year to Congress a report on the status of each closure-acceleration project being carried out under this section. The report shall include, for each such project, the following:

(1) A description of the funding already provided for the project.

(2) A description of the extent of the cleanup, decommissioning, stabilization, consolidation, treatment, or removal activities completed.

(3) A comparison of the actual results of the project to the original proposal and the actual cost of the project to the originally proposed cost.

(4) A description of the funding needed in future fiscal years for completion of the project.

(i) DURATION OF PROGRAM.—No closure-acceleration project selected under this section may be carried out after the expiration of the 15-year period beginning on the date of the enactment of this Act.

(j) SAVINGS PROVISION.—Nothing in this section may be construed to affect statutory requirements for an environmental restoration or waste management activity or project or to modify or otherwise affect applicable statutory or regulatory environmental restoration and waste management requirements, including substantive standards intended to protect public health and the environment, nor shall anything in this section be construed to preempt or impair any local land use planning or zoning authority or State authority.

SEC. 3144. PAYMENT OF COSTS OF OPERATION AND MAINTENANCE OF INFRASTRUCTURE AT NEVADA TEST SITE.

Notwithstanding any other provision of law and effective as of September 30, 1996, the costs associated with operating and maintaining the infrastructure at the Nevada Test Site, Nevada, with respect to any activities initiated at the site after that date by the Department of Defense pursuant to a work-for-others agreement may be paid for from funds authorized to be appropriated to the Department of Energy for activities at the Nevada Test Site.

Subtitle D—Other Matters

SEC. 3151. REPORT ON PLUTONIUM PIT PRODUCTION AND REMANUFACTURING PLANS.

(a) REPORT REQUIREMENT.—The Secretary of Energy shall submit to the congressional defense committees a report on plans for achieving the capability to produce and remanufacture plutonium pits. The report shall include a description of the baseline plan of the Department of Energy for achieving such capability, including the following:

(1) The funding necessary, by fiscal year, to achieve the capability.

(2) The schedule necessary to achieve the capability, including important technical and programmatic milestones.

(3) Siting, capacity for expansion, and other issues included in the baseline plan.

(b) DEADLINE.—The report required by subsection (a) shall be submitted not later than 60 days after the date of the enactment of this Act.

SEC. 3152. AMENDMENTS RELATING TO BASELINE ENVIRONMENTAL MANAGEMENT REPORTS.

Section 3153 of the National Defense Authorization Act for Fiscal Year 1994 (42 U.S.C. 7274k) is amended—

(1) in subsection (b)—

(A) by striking out the first word in the heading and inserting in lieu thereof "BIENNIAL"; and

(B) in paragraph (2)(B), by inserting before "year after 1995" the following: "odd-numbered"; and

(2) in subsection (d)—

(A) by striking out the first word in the heading and inserting in lieu thereof "BIENNIAL";

(B) in paragraph (1)(B), by striking out "in each year thereafter" and inserting in lieu thereof "in each odd-numbered year thereafter"; and

(C) in paragraph (2)(A)—

(i) in the matter preceding clause (i), by striking out "fiscal year immediately" and inserting in lieu thereof "two fiscal years immediately"; and

(ii) in clause (ii), by striking out "prior fiscal year" and inserting in lieu thereof "prior fiscal years".

SEC. 3153. REQUIREMENT TO DEVELOP FUTURE USE PLANS FOR ENVIRONMENTAL MANAGEMENT PROGRAM.

(a) AUTHORITY TO DEVELOP FUTURE USE PLANS.—The Secretary of Energy may develop future use plans for any defense nuclear facility at which environmental restoration and waste management activities are occurring.

(b) REQUIREMENT TO DEVELOP FUTURE USE PLANS.—The Secretary shall develop a future use plan for each of the following defense nuclear facilities:

(1) Hanford Site, Richland, Washington.

(2) Rocky Flats Plant, Golden, Colorado.

(3) Savannah River Site, Aiken, South Carolina.

(4) Idaho National Engineering Laboratory, Idaho.

(c) CITIZEN ADVISORY BOARD.—(1) At each defense nuclear facility for which the Secretary of Energy intends or is required to develop a future use plan under this section and for which no citizen advisory board has been established, the Secretary shall establish a citizen advisory board.

(2) The Secretary may authorize the manager of a defense nuclear facility for which a future use plan is developed under this section (or, if there is no such manager, an appropriate official of the Department of Energy designated by the Secretary) to pay routine administrative expenses of a citizen advisory board established for that facility. Such payments shall be made from funds available to the Secretary for program direction in carrying out environmental restoration and waste management activities necessary for national security programs.

(d) REQUIREMENT TO CONSULT WITH CITIZEN ADVISORY BOARD.—In developing a future use plan under this section with respect to a defense nuclear facility, the Secretary of Energy shall consult with a citizen advisory board established pursuant to subsection (c) or a similar advisory board already in existence as of the date of the enactment of this Act for such facility, affected local governments (including any local future use redevelopment authorities), and other appropriate State agencies.

(e) 50-YEAR PLANNING PERIOD.—A future use plan developed under this section shall cover a period of at least 50 years.

(f) DEADLINES.—For each facility listed in subsection (b), the Secretary of Energy shall develop a draft future use plan by October 1, 1997, and a final future use plan by March 15, 1998.

(g) REPORT.—Not later than 60 days after completing development of a final plan for a site listed in subsection (b), the Secretary of Energy shall submit to Congress a report on the plan. The report shall describe the plan and contain such findings and recommendations with respect to the site as the Secretary considers appropriate.

(h) SAVINGS PROVISIONS.—(1) Nothing in this section, or in a future use plan developed under this section with respect to a defense nuclear facility, shall be construed as requiring any modification to a future use plan with respect to a defense nuclear facility that was developed before the date of the enactment of this Act.

(2) Nothing in this section may be construed to affect statutory requirements for an environmental restoration or waste management activity or project or to modify or otherwise affect applicable statutory or regulatory environmental restoration and waste management requirements, including substantive standards intended to protect public health and the environment, nor shall anything in this section be construed to preempt or impair any local land use planning or zoning authority or State authority.

SEC. 3154. REPORT ON DEPARTMENT OF ENERGY LIABILITY AT DEPARTMENT SUPERFUND SITES.

(a) STUDY.—The Secretary of Energy shall, using funds authorized to be appropriated to the Department of Energy by section 3102, carry out a study to determine the extent and valuation of the injury to, destruction of, or loss of natural resources under section 107(a)(4)(C) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9607(a)(4)(C)) at

each site controlled or operated by the Department that is or is anticipated to become subject to the provisions of that Act.

(b) CONDUCT OF STUDY.—(1) The Secretary shall carry out the study using personnel of the Department or by contract with an appropriate private entity.

(2) In determining the extent and valuation of the injury to, destruction of, or loss of natural resources for purposes of the study, the Secretary shall—

(A) treat the Department as a private person liable for response, removal, and remediation costs and damages under section 107(a)(4) of that Act (42 U.S.C. 9607(a)(4)) and subject to an action for damages by public trustees of natural resources under section 107(f) of that Act (42 U.S.C. 9607(f)) or by any other person pursuant to section 107(e) or 113(f) of that Act (42 U.S.C. 9607(e) and 9613(f)); and

(B) determine the value of natural resource damages associated with each site in accordance with all regulations promulgated under section 301(c) of that Act (42 U.S.C. 9651(c)).

(c) REPORT.—Not later than 90 days after the date of the enactment of this Act, the Secretary shall submit a report on the study carried out under subsection (a) to the following committees:

(1) The Committees on Environment and Public Works, Armed Services, and Energy and Natural Resources of the Senate.

(2) The Committees on Commerce, National Security, Transportation and Infrastructure, and Resources of the House of Representatives.

SEC. 3155. REQUIREMENT FOR ANNUAL FIVE-YEAR BUDGET FOR THE NATIONAL SECURITY PROGRAMS OF THE DEPARTMENT OF ENERGY.

(a) REQUIREMENT.—The Secretary of Energy shall prepare each year a budget for the national security programs of the Department of Energy for the five-year period beginning in the year the budget is prepared. Each budget shall contain the estimated expenditures and proposed appropriations necessary to support the programs, projects, and activities of the national security programs during the five-year period covered by the budget and shall be at a level of detail comparable to that contained in the budget submitted by the President to Congress under section 1105 of title 31, United States Code.

(b) SUBMITTAL.—The Secretary shall submit each year to the congressional defense committees the budget required under subsection (a) in that year at the same time as the President submits to Congress the budget for the coming fiscal year pursuant to such section 1105.

SEC. 3156. REQUIREMENTS FOR DEPARTMENT OF ENERGY WEAPONS ACTIVITIES BUDGETS FOR FISCAL YEARS AFTER FISCAL YEAR 1997.

(a) IN GENERAL.—The weapons activities budget of the Department of Energy for any fiscal year after fiscal year 1997 shall—

(1) set forth with respect to each of the activities under the budget (including stockpile stewardship, stockpile management, and program direction) the funding requested to carry out each

project or activity that is necessary to meet the requirements of the Nuclear Weapons Stockpile Memorandum; and

(2) identify specific infrastructure requirements arising from the Nuclear Posture Review, the Nuclear Weapons Stockpile Memorandum, and the programmatic and technical requirements associated with the review and memorandum.

(b) REQUIRED DETAIL.—The Secretary of Energy shall include in the materials that the Secretary submits to Congress in support of the budget for any fiscal year after fiscal year 1997 that is submitted by the President pursuant to section 1105 of title 31, United States Code, the following:

(1) A long-term program plan, and a near-term program plan, for the certification and stewardship of the nuclear weapons stockpile.

(2) An assessment of the effects of the plans referred to in paragraph (1) on each nuclear weapons laboratory and each nuclear weapons production plant.

(c) DEFINITIONS.—In this section:

(1) The term "Nuclear Posture Review" means the Department of Defense Nuclear Posture Review as contained in the report of the Secretary of Defense to the President and Congress dated February 19, 1995, or in subsequent such reports.

(2) The term "nuclear weapons laboratory" means the following:

(A) Lawrence Livermore National Laboratory, California.

(B) Los Alamos National Laboratory, New Mexico.

(C) Sandia National Laboratories.

(3) The term "nuclear weapons production plant" means the following:

(A) The Pantex Plant, Texas.

(B) The Savannah River Site, South Carolina.

(C) The Kansas City Plant, Missouri.

(D) The Y–12 Plant, Oak Ridge, Tennessee.

SEC. 3157. REPEAL OF REQUIREMENT RELATING TO ACCOUNTING PROCEDURES FOR DEPARTMENT OF ENERGY FUNDS.

Section 3151 of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 108 Stat. 3089) is repealed.

SEC. 3158. UPDATE OF REPORT ON NUCLEAR TEST READINESS POSTURES.

Not later than June 1, 1997, the Secretary of Energy shall submit to Congress a report which updates the report submitted by the Secretary under section 3152 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 623). The updated report shall include the matters specified under such section, current as of the date of the updated report.

SEC. 3159. REPORTS ON CRITICAL DIFFICULTIES AT NUCLEAR WEAPONS LABORATORIES AND NUCLEAR WEAPONS PRODUCTION PLANTS.

(a) REPORTS BY HEADS OF LABORATORIES AND PLANTS.—In the event of a difficulty at a nuclear weapons laboratory or a nuclear weapons production plant that has a significant bearing on confidence in the safety or reliability of a nuclear weapon or nuclear weapon type, the head of the laboratory or plant, as the case may

be, shall submit to the Assistant Secretary of Energy for Defense Programs a report on the difficulty. The head of the laboratory or plant shall submit the report as soon as practicable after discovery of the difficulty.

(b) TRANSMITTAL BY ASSISTANT SECRETARY.—As soon as practicable after receipt of a report under subsection (a), the Assistant Secretary shall transmit the report (together with the comments of the Assistant Secretary) to the congressional defense committees and to the Secretary of Energy and the Secretary of Defense.

(c) REPORTS BY NUCLEAR WEAPONS COUNCIL.—Section 179 of title 10, United States Code, is amended—

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

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

"(e) In addition to the responsibilities set forth in subsection (d), the Council shall also submit to Congress a report on any analysis conducted by the Council with respect to difficulties at nuclear weapons laboratories or nuclear weapons production plants that have significant bearing on confidence in the safety or reliability of nuclear weapons or nuclear weapon types.".

(d) DEFINITIONS.—In this section:

(1) The term "nuclear weapons laboratory" means the following:

(A) Lawrence Livermore National Laboratory, California.

(B) Los Alamos National Laboratory, New Mexico.

(C) Sandia National Laboratories.

(2) The term "nuclear weapons production plant" means the following:

(A) The Pantex Plant, Texas.

(B) The Savannah River Site, South Carolina.

(C) The Kansas City Plant, Missouri.

(D) The Y–12 Plant, Oak Ridge, Tennessee.

SEC. 3160. EXTENSION OF APPLICABILITY OF NOTICE-AND-WAIT REQUIREMENT REGARDING PROPOSED COOPERATION AGREEMENTS.

Section 3155(b) of the National Defense Authorization Act for Fiscal Year 1995 (42 U.S.C. 2153 note) is amended by striking out "October 1, 1996" and inserting in lieu thereof "October 1, 1997".

SEC. 3161. SENSE OF SENATE RELATING TO REDESIGNATION OF DEFENSE ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT PROGRAM.

(a) SENSE OF SENATE.—It is the sense of the Senate that the program of the Department of Energy known as the Defense Environmental Restoration and Waste Management Program, and also known as the Environmental Management Program, be redesignated as the Defense Nuclear Waste Management Program of the Department of Energy.

(b) REPORT ON REDESIGNATION.—Not later than January 31, 1997, the Secretary of Energy shall submit to the congressional defense committees a report on the costs and other difficulties, if any, associated with the following:

(1) The redesignation of the program known as the Defense Environmental Restoration and Waste Management Program,

and also known as the Environmental Management Program, as the Defense Nuclear Waste Management Program of the Department of Energy.

(2) The redesignation of the Defense Environmental Restoration and Waste Management Account as the Defense Nuclear Waste Management Account.

SEC. 3162. COMMISSION ON MAINTAINING UNITED STATES NUCLEAR WEAPONS EXPERTISE.

(a) ESTABLISHMENT.—There is hereby established a commission to be known as the "Commission on Maintaining United States Nuclear Weapons Expertise" (in this section referred to as the "Commission").

(b) ORGANIZATIONAL MATTERS.—(1)(A) The Commission shall be composed of eight members appointed from among individuals in the public and private sectors who have significant experience in matters relating to nuclear weapons, as follows:

(i) Two shall be appointed by the majority leader of the Senate (in consultation with the minority leader of the Senate).

(ii) One shall be appointed by the minority leader of the Senate (in consultation with the majority leader of the Senate).

(iii) Two shall be appointed by the Speaker of the House of Representatives (in consultation with the minority leader of the House of Representatives).

(iv) One shall be appointed by the minority leader of the House of Representatives (in consultation with the Speaker of the House of Representatives).

(v) Two shall be appointed by the Secretary of Energy.

(B) Members shall be appointed for the life of the Commission. Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner as the original appointment.

(C) The chairman of the Commission shall be designated from among the members of the Commission appointed under subparagraph (A) by the majority leader of the Senate, in consultation with the Speaker of the House of Representatives, the minority leader of the Senate, and the minority leader of the House of Representatives.

(D) Members shall be appointed not later than 60 days after the date of the enactment of this Act.

(2) The members of the Commission shall establish procedures for the activities of the Commission, including procedures for calling meetings, requirements for quorums, and the manner of taking votes.

(c) DUTIES.—(1) The Commission shall develop a plan for recruiting and retaining within the Department of Energy nuclear weapons complex such scientific, engineering, and technical personnel as the Commission determines appropriate in order to permit the Department to maintain over the long term a safe and reliable nuclear weapons stockpile without engaging in underground testing.

(2) In developing the plan, the Commission shall—

(A) identify actions that the Secretary may undertake to attract qualified scientific, engineering, and technical personnel to the nuclear weapons complex of the Department; and

(B) review and recommend improvements to the on-going efforts of the Department to attract such personnel to the nuclear weapons complex.

(d) REPORT.—Not later than March 15, 1998, the Commission shall submit to the Secretary and to Congress a report containing the plan developed under subsection (c). The report may include recommendations for legislation and administrative action.

(e) COMMISSION PERSONNEL MATTERS.—(1) Each member of the Commission who is not an officer or employee of the Federal Government shall be compensated at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for level IV of the Executive Schedule under section 5315 of title 5, United States Code, for each day (including travel time) during which such member is engaged in the performance of the duties of the Commission. All members of the Commission who are officers or employees of the United States shall serve without compensation in addition to that received for their services as officers or employees of the United States.

(2) The members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Commission.

(3) The Commission may, without regard to the civil service laws and regulations, appoint and terminate such personnel as may be necessary to enable the Commission to perform its duties. The Commission may fix the compensation of the personnel of the Commission without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates.

(4) Any Federal Government employee may be detailed to the Commission without reimbursement, and such detail shall be without interruption or loss of civil service status or privilege.

(f) TERMINATION.—The Commission shall terminate 30 days after the date on which the Commission submits its report under subsection (d).

(g) APPLICABILITY OF FACA.—The provisions of the Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the activities of the Commission.

(h) FUNDING.—Of the amounts authorized to be appropriated pursuant to section 3101, not more than $1,000,000 shall be available for the activities of the Commission under this section. Funds made available to the Commission under this section shall remain available until expended.

SEC. 3163. SENSE OF CONGRESS REGARDING RELIABILITY AND SAFETY OF REMAINING NUCLEAR FORCES.

(a) FINDINGS.—Congress makes the following findings:

(1) The United States is committed to proceeding with a robust, science-based stockpile stewardship program with respect to production of nuclear weapons, and to maintaining nuclear weapons production capabilities and capacities, that are adequate—

(A) to ensure the safety, reliability, and performance of the United States nuclear arsenal; and

(B) to meet such changing national security requirements as may result from international developments or technical problems with nuclear warheads.

(2) The United States is committed to reestablishing and maintaining production facilities for nuclear weapons components at levels that are sufficient—

(A) to satisfy requirements for the safety, reliability, and performance of United States nuclear weapons; and

(B) to demonstrate and sustain production capabilities and capacities.

(3) The United States is committed to maintaining the nuclear weapons laboratories and protecting core nuclear weapons competencies.

(4) The United States is committed to ensuring rapid access to a new production source of tritium within the next decade, as it currently has no meaningful capability to produce tritium, a component that is essential to the performance of modern nuclear weapons.

(5) The United States reserves the right, consistent with United States law, to resume underground nuclear testing to maintain confidence in the United States stockpile of nuclear weapons if warhead design flaws or aging of nuclear weapons result in problems that a robust stockpile stewardship program cannot solve.

(6) The United States is committed to funding the Nevada Test Site at a level that maintains the ability of the United States to resume underground nuclear testing within one year after a national decision to do so is made.

(7) The United States reserves the right to invoke the supreme national interest of the United States and withdraw from any future arms control agreement to limit underground nuclear testing.

(b) SENSE OF CONGRESS REGARDING PRESIDENTIAL CONSULTATION WITH CONGRESS.—It is the sense of Congress that the President should consult closely with Congress regarding United States policy and practices to ensure confidence in the safety, reliability, and performance of the nuclear stockpile of the United States.

(c) SENSE OF CONGRESS REGARDING NOTIFICATION AND CONSULTATION.—It is the sense of Congress that, upon a determination by the President that a problem with the safety, reliability, or performance of the nuclear stockpile has occurred and that the problem cannot be corrected within the stockpile stewardship program, the President shall—

(1) immediately notify Congress of the problem; and

(2) submit to Congress in a timely manner a plan for corrective action with respect to the problem, including—

(A) a technical description of the activities required under the plan; and

(B) if underground testing of nuclear weapons would assist in such corrective action, an assessment of the advisability of withdrawing from any treaty that prohibits underground testing of nuclear weapons.

SEC. 3164. STUDY ON WORKER PROTECTION AT THE MOUND FACILITY.

(a) REPORT.—Not later than March 15, 1997, the Secretary of Energy shall submit to the congressional defense committees a report regarding the status of projects and programs to improve worker safety and health at the Mound Facility in Miamisburg, Ohio.

(b) MATTERS COVERED.—The report shall include the following:

(1) The status of actions completed in fiscal year 1996.

(2) The status of actions completed or proposed to be completed in fiscal years 1997 and 1998.

(3) A description of the fiscal year 1998 budget request for worker safety and health at the Mound Facility.

(4) An accounting of expenditures for worker safety and health at the Mound Facility by fiscal year from fiscal year 1994 through and including fiscal year 1996.

SEC. 3165. FISCAL YEAR 1998 FUNDING FOR GREENVILLE ROAD IMPROVEMENT PROJECT, LIVERMORE, CALIFORNIA.

(a) FUNDING.—The Secretary of Energy shall include in the budget for fiscal year 1998 submitted by the Secretary of Energy to the Office of Management and Budget a request for sufficient funds to pay the United States portion of the cost of transportation improvements under the Greenville Road Improvement Project, Livermore, California.

(b) COOPERATION WITH LIVERMORE, CALIFORNIA.—The Secretary shall work with the city of Livermore, California, to determine the cost of the transportation improvements referred to in subsection (a).

SEC. 3166. FELLOWSHIP PROGRAM FOR DEVELOPMENT OF SKILLS CRITICAL TO DEPARTMENT OF ENERGY NUCLEAR WEAPONS COMPLEX.

(a) FUNDING.—Subject to subsection (b), of the funds authorized to be appropriated pursuant to section 3101(b), $5,000,000 may be used for conducting the fellowship program for the development of skills critical to the ongoing mission of the Department of Energy nuclear weapons complex required by section 3140 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 621; 42 U.S.C. 2121 note).

(b) NOTICE AND WAIT.—The Secretary of Energy may not obligate or expend funds under subsection (a) for the fellowship program referred to in that subsection until—

(1) the Secretary submits to Congress a report setting forth—

(A) the actions the Department has taken to implement the fellowship program;

(B) the amount the Secretary proposes to obligate;

(C) the purposes for which such amount will be obligated; and

(2) a period of 21 days elapses from the date of the receipt of the report by Congress.

Subtitle E—Defense Nuclear Environmental Cleanup and Management

SEC. 3171. PURPOSE.

The purpose of this subtitle is to provide for the expedited environmental restoration and waste management of defense nuclear facilities through the use of cost-effective management mechanisms and innovative technologies.

SEC. 3172. APPLICABILITY.

(a) IN GENERAL.—The provisions of this subtitle shall apply to the following defense nuclear facilities:

(1) Any defense nuclear facility for which the fiscal year 1996 environmental management budget was $350,000,000 or more.

(2) Any other defense nuclear facility if—

(A) the chief executive officer of the State in which the facility is located submits to the Secretary a request that the facility be covered by the provisions of this subtitle; and

(B) the Secretary approves the request.

(b) LIMITATION.—The Secretary may not approve a request under subsection (a)(2) until 60 days after the date on which the Secretary notifies Congress of the Secretary's receipt of the request.

SEC. 3173. SITE MANAGER.

(a) APPOINTMENT.—(1) Subject to paragraph (2), the Secretary shall expeditiously appoint a Site Manager for each defense nuclear facility (in this subtitle referred to as the "Site Manager").

(2) In the case of a defense nuclear facility at which another program, in addition to environmental management operations, is carried out, and such other program is subject to management by a site manager, field office manager, or operations office manager, the Secretary shall appoint such manager to be the Site Manager for such facility for purposes of this subtitle.

(b) AUTHORITY.—(1) In addition to other authorities provided for in this Act, the Secretary may delegate to the Site Manager of a defense nuclear facility authority to oversee and direct environmental management operations at the facility, including the authority to—

(A) enter into and modify contractual agreements to enhance environmental restoration and waste management at the facility;

(B) request that the Department headquarters submit to Congress a reprogramming package shifting funds among accounts in order to facilitate the most efficient and timely environmental restoration and waste management of the facility, and, in the event that the Department headquarters does not act upon the request within 60 days, submit such request to the appropriate congressional committees for review;

(C) subject to paragraph (2), negotiate amendments to environmental agreements for the Department;

(D) manage Department personnel at the facility;

(E) consider the costs, risk reduction benefits, and other benefits for the purposes of ensuring protection of human health

and the environment or safety, with respect to any environmental remediation activity the cost of which exceeds $25,000,000; and

(F) have assessments prepared for environmental restoration activities (in several documents or a single document, as determined by the Site Manager).

(2) In using the authority described in paragraph (1)(C), a Site Manager may not negotiate an amendment that is expected to result in additional life cycle costs to the Department without the approval of the Secretary.

(3) In using any authority described in paragraph (1), a Site Manager of a facility shall consult with the State where the facility is located and the advisory board for the facility.

(4) The delegation of any authority pursuant to this subsection shall not be construed as restricting the Secretary's authority to delegate other authorities as necessary.

(c) INFORMATION TO SECRETARY.—The Site Manager of a defense nuclear facility shall regularly inform the Secretary, Congress, and the advisory board for the facility of the progress made by the Site Manager to achieve the expedited environmental restoration and waste management of the facility.

SEC. 3174. DEPARTMENT OF ENERGY ORDERS.

An order imposed after the date of the enactment of this Act relating to the execution of environmental restoration, waste management, or technology development activities at a defense nuclear facility under the Atomic Energy Act of 1954 (42 U.S.C. 2011 et seq.) may be imposed by the Secretary at the defense nuclear facility only if the Secretary finds that the order is necessary for the protection of human health and the environment or safety, the fulfillment of current legal requirements, or the conduct of critical administrative functions.

SEC. 3175. DEPLOYMENT OF TECHNOLOGY FOR REMEDIATION OF DEFENSE NUCLEAR WASTE.

(a) IN GENERAL.—The Site Manager of each defense nuclear facility shall promote the deployment of innovative environmental technologies for remediation of defense nuclear waste at the facility.

(b) CRITERIA.—To carry out subsection (a), the Site Manager of a defense nuclear facility shall establish a program at the facility for the testing and deployment of innovative environmental technologies for the remediation of defense nuclear waste at the facility. In establishing such a program, the Site Manager may—

(1) establish a simplified, standardized, and timely process for the testing, verification, certification, and deployment of environmental technologies;

(2) solicit applications to test and deploy environmental technologies suitable for environmental restoration and waste management activities at the facility, including prevention, control, characterization, treatment, and remediation of contamination;

(3) consult and cooperate with the heads of existing programs at the facility for the verification and certification of environmental technologies at the facility;

(4) pay the costs of the demonstration of such technologies;

(5) enter into contracts and other agreements with other public and private entities to deploy environmental technologies at the facility; and

(6) include incentives, such as product performance specifications, in contracts to encourage the implementation of innovative environmental technologies.

(c) FOLLOW-ON CONTRACTS.—(1) If the Secretary and a person demonstrating a technology under the program enter into a contract for remediation of nuclear waste at a defense nuclear facility covered by this subtitle, or at any other Department facility, as a follow-on to the demonstration of the technology, the Secretary shall ensure that the contract provides for the Secretary to recoup from the contractor the costs incurred by the Secretary pursuant to subsection (b)(6) for the demonstration.

(2) No contract between the Department and a contractor for the demonstration of technology under subsection (b) may provide for reimbursement of the costs of the contractor on a cost plus fee basis.

(d) SAFE HARBORS.—In the case of an environmental technology tested, verified, certified, and deployed at a defense nuclear facility under a program established under subsection (b), the site manager of another defense nuclear facility may request the Secretary to waive or limit contractual or Department regulatory requirements that would otherwise apply in implementing the same environmental technology at such other facility.

SEC. 3176. PERFORMANCE-BASED CONTRACTING.

(a) PROGRAM.—The Secretary shall develop and implement a program for performance-based contracting for contracts entered into for environmental remediation at defense nuclear facilities. The program shall ensure that, to the maximum extent practicable and appropriate, such contracts include the following:

(1) Clearly stated and results oriented performance criteria and measures.

(2) Appropriate incentives for contractors to meet or exceed the performance criteria effectively and efficiently.

(3) Appropriate criteria and incentives for contractors to seek and engage subcontractors who may more effectively and efficiently perform either unique and technologically challenging tasks or routine and interchangeable services.

(4) Specific incentives for cost savings.

(5) Financial accountability.

(6) When appropriate, reduction of fee for failure to meet minimum performance criteria and standards.

(b) CRITERIA AND MEASURES.—Performance criteria and measures should take into consideration, at a minimum, the following: managerial control; elimination or reduction of risk to public health and the environment; workplace safety; financial control; goal-oriented work scope; use of innovative and alternative technologies and techniques that result in cleanups being performed less expensively, more quickly, and within quality parameters; and performing within benchmark cost estimates.

(c) CONSULTATION.—In implementing this section, the Secretary shall consult with interested parties.

(d) DEADLINE.—The Secretary shall implement this section not later than October 1, 1997, unless the Secretary submits to Congress

before that date a report with a schedule for completion of action under this section.

SEC. 3177. DESIGNATION OF COVERED FACILITIES AS ENVIRONMENTAL CLEANUP DEMONSTRATION AREAS.

(a) DESIGNATION.—Each defense nuclear facility is hereby designated as an environmental cleanup demonstration area to carry out the purposes of this subtitle, including the utilization and evaluation of new technologies to be used in environmental restoration and remediation at other defense nuclear facilities.

(b) SENSE OF CONGRESS.—It is the sense of Congress that Federal and State regulatory agencies, members of the communities surrounding any defense nuclear facility, and other affected parties with respect to the facility should continue to—

(1) develop expedited and streamlined processes and systems for cleaning up such facility;

(2) eliminate unnecessary administrative complexity and unnecessary duplication of regulation with respect to the clean up of such facility;

(3) proceed expeditiously and cost-effectively with environmental restoration and remediation activities at such facility;

(4) consider future land use in selecting environmental clean up remedies at such facility; and

(5) identify and recommend to Congress changes in law needed to expedite the clean up of such facility.

SEC. 3178. DEFINITIONS.

In this subtitle:

(1) The term "Secretary" means the Secretary of Energy.

(2) The term "Department" means the Department of Energy.

(3) The term "defense nuclear facility" has the meaning given the term "Department of Energy defense nuclear facility" in section 318 of the Atomic Energy Act of 1954 (42 U.S.C. 2286g).

SEC. 3179. TERMINATION.

This subtitle is repealed effective September 30, 2001.

SEC. 3180. REPORT.

Not later than September 30, 2000, the Secretary shall submit to Congress a report on the effectiveness of this subtitle in expediting environmental restoration and waste management of defense nuclear facilities. The report shall include recommendations on whether this subtitle should remain in effect beyond September 30, 2001.

Subtitle F—Waste Isolation Pilot Plant Land Withdrawal Act Amendments

SEC. 3181. SHORT TITLE.

This subtitle may be cited as the "Waste Isolation Pilot Plant Land Withdrawal Amendment Act".

SEC. 3182. DEFINITIONS.

Section 2 of the Waste Isolation Pilot Plant Land Withdrawal Act (Public Law 102–579; 106 Stat. 4777) is amended—

(1) by striking paragraphs (18) and (19); and

(2) by redesignating paragraphs (20), (21), and (22), as paragraphs (18), (19), and (20), respectively.

SEC. 3183. MANAGEMENT PLAN.

Section 4(b)(5)(B) of the Waste Isolation Pilot Plant Land Withdrawal Act (106 Stat. 4781) is amended by striking "or with the Solid Waste Disposal Act (42 U.S.C. 6901 et seq.)".

SEC. 3184. REPEAL OF TEST PHASE AND RETRIEVAL PLANS.

(a) REPEAL.—Section 5 of the Waste Isolation Pilot Plant Land Withdrawal Act (106 Stat. 4782) is repealed.

(b) CLERICAL AMENDMENT.—The table of contents in section 1(b) of such Act (106 Stat. 4777) is amended by striking out the item relating to section 5.

SEC. 3185. TEST PHASE ACTIVITIES.

Section 6 of the Waste Isolation Pilot Plant Land Withdrawal Act (106 Stat. 4783) is amended—

(1) by repealing subsections (a) and (b);

(2) by repealing paragraph (1) of subsection (c);

(3) by redesignating subsection (c) as subsection (a) and in that subsection—

(A) by repealing subparagraph (A) of paragraph (2);

(B) by striking the subsection heading and the matter immediately following the subsection heading and inserting "STUDY.—The following study shall be conducted:";

(C) by striking "(2) REMOTE-HANDLED WASTE.—";

(D) by striking "(B) STUDY.—";

(E) by redesignating clauses (i), (ii), and (iii) as paragraphs (1), (2), and (3), respectively; and

(F) by realigning the margins of such clauses to be margins of paragraphs;

(4) in subsection (d), by striking ", during the test phase, a biennial" and inserting "a" and by striking ", consisting of a documented analysis of" and inserting "as necessary to demonstrate"; and

(5) by redesignating subsection (d) as subsection (b).

SEC. 3186. DISPOSAL OPERATIONS.

Subsection (b) of section 7 of the Waste Isolation Pilot Plant Land Withdrawal Act (106 Stat. 4785) is amended to read as follows:

"(b) REQUIREMENTS FOR COMMENCEMENT OF DISPOSAL OPERATIONS.—The Secretary may commence emplacement of transuranic waste underground for disposal at WIPP only upon completion of—

"(1) the Administrator's certification under section 8(d)(1) that the WIPP facility will comply with the final disposal regulations;

"(2) the acquisition by the Secretary (whether by purchase, condemnation, or otherwise) of Federal Oil and Gas Leases No. NMNM 02953 and No. NMNM 02953C, unless the Administrator determines under section 4(b)(5) that such acquisition is not required; and

"(3) the 30-day period beginning on the date on which the Secretary notifies Congress that the requirements of section 9(a)(1) have been met.".

SEC. 3187. ENVIRONMENTAL PROTECTION AGENCY DISPOSAL REGULATIONS.

(a) SECTION 8(d)(1).—Section 8(d)(1) of the Waste Isolation Pilot Plant Land Withdrawal Act (106 Stat. 4786) is amended—

(1) by amending subparagraph (A) to read as follows:

"(A) APPLICATION FOR COMPLIANCE.—Within 30 days after the date of the enactment of the Waste Isolation Pilot Plant Land Withdrawal Amendment Act, the Secretary shall provide to Congress a schedule for the incremental submission of chapters of the application to the Administrator beginning no later than 30 days after the date of the submittal of the schedule. The Administrator shall review the submitted chapters and provide requests for additional information from the Secretary as needed for completeness within 45 days of the receipt of each chapter. The Administrator shall notify Congress of such requests. The schedule shall call for the Secretary to submit all chapters to the Administrator no later than October 31, 1996. The Administrator may at any time request additional information from the Secretary as needed to certify, pursuant to subparagraph (B), whether the WIPP facility will comply with the final disposal regulations."; and

(2) in subparagraph (D), by striking "after the application is" and inserting "after the full application has been".

(b) SECTION 8(d) (2) and (3).—Section 8(d) of such Act is amended by striking paragraphs (2) and (3), by striking "(1) COMPLIANCE WITH DISPOSAL REGULATIONS.—" and by redesignating subparagraphs (A), (B), (C), and (D) of paragraph (1) as paragraph (1), (2), (3), and (4), respectively.

(c) SECTION 8(g).—Section 8(g) of such Act is amended to read as follows:

"(g) ENGINEERED AND NATURAL BARRIERS, ETC.—The Secretary shall use both engineered and natural barriers and any other measures (including waste form modifications) to the extent necessary at WIPP to comply with the final disposal regulations.".

SEC. 3188. COMPLIANCE WITH ENVIRONMENTAL LAWS AND REGULATIONS.

(a) SECTION 9(a)(1).—Section 9(a)(1) of the Waste Isolation Pilot Plant Land Withdrawal Act (106 Stat. 4788) is amended by adding after and below subparagraph (H) the following: "With respect to transuranic mixed waste designated by the Secretary for disposal at WIPP, such waste is exempt from treatment standards promulgated pursuant to section 3004(m) of the Solid Waste Disposal Act (42 U.S.C. 6924(m)) and shall not be subject to the land disposal prohibitions in section 3004 (d), (e), (f), and (g) of the Solid Waste Disposal Act.".

(b) SECTION 9(b).—Subsection (b) of section 9 of such Act is repealed.

(c) SECTION 9(c)(2).—Subsection (c)(2) of section 9 of such Act is repealed.

(d) SECTION 14.—Section 14 of such Act (106 Stat. 4791) is amended—

(1) in subsection (a), by striking "No provision" and inserting "Except for the exemption from the land disposal restrictions described in section 9(a)(1), no provision"; and

(2) in subsection (b)(2), by striking "including all terms and conditions of the No-Migration Determination" and inserting "except that the transuranic mixed waste designated by the Secretary for disposal at WIPP is exempt from the land disposal restrictions described in section 9(a)(1)".

SEC. 3189. SENSE OF CONGRESS ON COMMENCEMENT OF EMPLACEMENT OF TRANSURANIC WASTE.

(a) IN GENERAL.—Section 10 of the Waste Isolation Pilot Plant Land Withdrawal Act (106 Stat. 4789) is amended to read as follows:

"SEC. 10. SENSE OF CONGRESS ON COMMENCEMENT OF EMPLACEMENT OF TRANSURANIC WASTE.

"It is the sense of Congress that the Secretary should complete all actions required under section 7(b) to commence emplacement of transuranic waste underground for disposal at WIPP not later than November 30, 1997, provided that before that date all applicable health and safety standards have been met and all applicable laws have been complied with.".

(b) CLERICAL AMENDMENT.—The item relating to section 10 in the table of contents in section 1 is amended to read as follows:

"Sec. 10. Sense of Congress on commencement of emplacement of transuranic waste.".

SEC. 3190. DECOMMISSIONING OF WIPP.

Section 13 of the Waste Isolation Pilot Plant Land Withdrawal Act (106 Stat. 4791) is amended—

(1) by striking subsection (a); and

(2) by striking "(b) MANAGEMENT PLAN FOR THE WITHDRAWAL AFTER DECOMMISSIONING.—Within 5 years after the date of the enactment of this Act, the" and inserting "The".

SEC. 3191. AUTHORIZATIONS FOR ECONOMIC ASSISTANCE AND MISCELLANEOUS PAYMENTS.

(a) AUTHORIZATION AMENDMENT.—Section 15(a) of the Waste Isolation Pilot Plant Land Withdrawal Act (106 Stat. 4791) is amended—

(1) in the subsection caption, by striking "15-YEAR" and inserting "14-YEAR"; and

(2) by striking "15 fiscal years beginning with the fiscal year in which the transport of transuranic waste to WIPP is initiated" and inserting "14 fiscal years beginning with fiscal year 1998".

(b) REQUIREMENT FOR SEPARATE AUTHORIZATIONS.—Such section 15(a) is further amended by adding at the end the following: "The authorization of appropriations for funds for payments to the State under the preceding sentence shall be separate from any authorization of appropriations of funds for WIPP.".

(c) FISCAL YEAR 1997 FUNDING.—Of the amount authorized to be appropriated for the Department of Energy by section 3102(b), $20,000,000 shall be available for the purpose of a payment by the

Secretary of Energy to the State of New Mexico for road improvements in connection with the Waste Isolation Pilot Plant.

TITLE XXXII—DEFENSE NUCLEAR FACILITIES SAFETY BOARD

Sec. 3201. Authorization.

SEC. 3201. AUTHORIZATION.

There are authorized to be appropriated for fiscal year 1997, $17,000,000 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

Subtitle A—Authorization of Disposals and Use of Funds

Sec. 3301. Definitions.
Sec. 3302. Authorized uses of stockpile funds.
Sec. 3303. Disposal of certain materials in National Defense Stockpile.

Subtitle B—Programmatic Change

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

Subtitle A—Authorization of Disposals and Use of Funds

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 in the Treasury of the United States established under section 9(a) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h(a)).

SEC. 3302. AUTHORIZED USES OF STOCKPILE FUNDS.

(a) OBLIGATION OF STOCKPILE FUNDS.—During fiscal year 1997, the National Defense Stockpile Manager may obligate up to $60,000,000 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)).

(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 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 CERTAIN MATERIALS IN NATIONAL DEFENSE STOCKPILE.

(a) DISPOSAL REQUIRED.—Subject to subsection (c), the President shall dispose of materials contained in the National Defense Stockpile and specified in the table in subsection (b) so as to result in receipts to the United States in amounts equal to—

(1) $81,000,000 during fiscal year 1997; and

(2) $612,000,000 during the ten-fiscal year period ending September 30, 2006.

(b) LIMITATION ON DISPOSAL QUANTITY.—The total quantities of materials authorized for disposal by the President under subsection (a) may not exceed the amounts set forth in the following table:

Authorized Stockpile Disposals

Material for disposal	*Quantity*
Aluminum	*62,881 short tons*
Cobalt	*26,000,000 pounds contained*
Columbium Ferro	*930,911 pounds contained*
Germanium Metal	*40,000 kilograms*
Indium	*35,000 troy ounces*
Palladium	*15,000 troy ounces*
Platinum	*10,000 troy ounces*
Rubber, Natural	*125,138 long tons*
Tantalum, Carbide Powder	*6,000 pounds contained*
Tantalum, Minerals	*750,000 pounds contained*
Tantalum, Oxide	*40,000 pounds contained*

(c) MINIMIZATION OF DISRUPTION AND LOSS.—The President may not dispose of materials under subsection (a) to the extent that the disposal will result in—

(1) undue disruption of the usual markets of producers, processors, and consumers of the materials proposed for disposal; or

(2) avoidable loss to the United States.

(d) TREATMENT OF RECEIPTS.—Notwithstanding section 9 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h), funds received as a result of the disposal of materials under subsection (a) shall be—

(1) deposited into the general fund of the Treasury; and

(2) to the extent necessary, used to offset the revenues that will be lost as a result of execution of the amendments made by

section 4303(a) of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 658).

(e) QUALIFYING OFFSETTING LEGISLATION.—This section is specifically enacted as qualifying offsetting legislation for the purpose of offsetting fully the estimated revenues lost as a result of the amendments made by subsection (a) of section 4303 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 658), and as such is deemed to satisfy the conditions in subsection (b) of such section.

(f) 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 such subsection.

Subtitle B—Programmatic Change

SEC. 3311. BIENNIAL REPORT ON STOCKPILE REQUIREMENTS.

(a) NATIONAL EMERGENCY PLANNING ASSUMPTIONS.—Section 14 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h–5) is amended—

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

(2) by striking out subsection (b) and inserting in lieu thereof the following new subsection:

"(b) Each report under this section shall set forth the national emergency planning assumptions used by the Secretary in making the Secretary's recommendations under subsection (a)(1) with respect to stockpile requirements. The Secretary shall base the national emergency planning assumptions on a military conflict scenario consistent with the scenario used by the Secretary in budgeting and defense planning purposes. The assumptions to be set forth include assumptions relating to each of the following:

"(1) The length and intensity of the assumed military conflict.

"(2) The military force structure to be mobilized.

"(3) The losses anticipated from enemy action.

"(4) The military, industrial, and essential civilian requirements to support the national emergency.

"(5) The availability of supplies of strategic and critical materials from foreign sources during the mobilization period, the military conflict, and the subsequent period of replenishment, taking into consideration possible shipping losses.

"(6) The domestic production of strategic and critical materials during the mobilization period, the military conflict, and the subsequent period of replenishment, taking into consideration possible shipping losses.

"(7) Civilian austerity measures required during the mobilization period and military conflict.

"(c) The stockpile requirements shall be based on those strategic and critical materials necessary for the United States to replenish or replace, within three years of the end of the military conflict scenario required under subsection (b), all munitions, combat support

items, and weapons systems that would be required after such a military conflict.

"(d) The Secretary shall also include in each report under this section an examination of the effect that alternative mobilization periods under the military conflict scenario required under subsection (b), as well as a range of other military conflict scenarios addressing potentially more serious threats to national security, would have on the Secretary's recommendations under subsection (a)(1) with respect to stockpile requirements.".

(b) CONFORMING AMENDMENT.—Section 2 of such Act (50 U.S.C. 98a) is amended by striking out subsection (c) and inserting in lieu thereof the following new subsection:

"(c) The purpose of the National Defense Stockpile is to serve the interest of national defense only. The National Defense Stockpile is not to be used for economic or budgetary purposes.".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1996.

SEC. 3312. NOTIFICATION REQUIREMENTS.

(a) PROPOSED CHANGES IN STOCKPILE QUANTITIES.—Section 3(c)(2) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98b(c)(2)) is amended—

(1) by striking out "effective on or after the 30th legislative day following" and inserting in lieu thereof "after the end of the 45-day period beginning on"; and

(2) by striking out the last sentence.

(b) WAIVER OF ACQUISITION AND DISPOSAL REQUIREMENTS.—Section 6(d)(1) of such Act (50 U.S.C. 98e(d)(1)) is amended by striking out "thirty days" and inserting in lieu thereof "45 days".

(c) TIME TO BEGIN DISPOSAL.—Section 6(d)(2) of such Act (50 U.S.C. 98e(d)(2)) is amended by striking out "thirty days" and inserting in lieu thereof "45 days".

SEC. 3313. IMPORTATION OF STRATEGIC AND CRITICAL MATERIALS.

Section 13 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h–4) is amended—

(1) by striking out "as a Communist-dominated country or area"; and

(2) by striking out "such Communist-dominated countries or areas" and inserting in lieu thereof "a country or area listed in such general note".

TITLE XXXIV—NAVAL PETROLEUM RESERVES

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

SEC. 3401. AUTHORIZATION OF APPROPRIATIONS.

There is hereby authorized to be appropriated to the Secretary of Energy $149,500,000 for fiscal year 1997 for the purpose of carrying out activities under chapter 641 of title 10, United States Code, relating to the naval petroleum reserves (as defined in section 7420(2) of such title). Funds appropriated pursuant to such authorization shall remain available until expended.

SEC. 3402. PRICE REQUIREMENT ON SALE OF CERTAIN PETROLEUM DURING FISCAL YEAR 1997.

Notwithstanding section 7430(b)(2) of title 10, United States Code, during fiscal year 1997, any sale of any part of the United States share of petroleum produced from Naval Petroleum Reserves Numbered 1, 2, and 3 shall be made at a price not less than 90 percent of the current sales price, as estimated by the Secretary of Energy, of comparable petroleum in the same area.

TITLE XXXV—PANAMA CANAL COMMISSION

Subtitle A—Authorization of Appropriations

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

Subtitle B—Amendments to Panama Canal Act of 1979

Sec. 3521. Short title; references.
Sec. 3522. Definitions and recommendation for legislation.
Sec. 3523. Administrator.
Sec. 3524. Deputy Administrator and Chief Engineer.
Sec. 3525. Office of Ombudsman.
Sec. 3526. Appointment and compensation; duties.
Sec. 3527. Applicability of certain benefits.
Sec. 3528. Travel and transportation.
Sec. 3529. Clarification of definition of agency.
Sec. 3530. Panama Canal Employment System; merit and other employment requirements.
Sec. 3531. Employment standards.
Sec. 3532. Repeal of obsolete provision regarding interim application of Canal Zone Merit System.
Sec. 3533. Repeal of provision relating to recruitment and retention remuneration.
Sec. 3534. Benefits based on basic pay.
Sec. 3535. Vesting of general administrative authority of commission.
Sec. 3536. Applicability of certain laws.
Sec. 3537. Repeal of provision relating to transferred or reemployed employees.
Sec. 3538. Administration of special disability benefits.
Sec. 3539. Panama Canal Revolving Fund.
Sec. 3540. Printing.
Sec. 3541. Accounting policies.
Sec. 3542. Interagency services; reimbursements.
Sec. 3543. Postal service.
Sec. 3544. Investigation of accidents or injury giving rise to claim.
Sec. 3545. Operations regulations.
Sec. 3546. Miscellaneous repeals.
Sec. 3547. Exemption from Metric Conversion Act of 1975.
Sec. 3548. Conforming and clerical amendments.
Sec. 3549. Repeal of Panama Canal Code.

Subtitle A—Authorization of Appropriations

SEC. 3501. SHORT TITLE.

This subtitle may be cited as the "Panama Canal Commission Authorization Act for Fiscal Year 1997".

SEC. 3502. AUTHORIZATION OF EXPENDITURES.

(a) IN GENERAL.—Subject to subsection (b), the Panama Canal Commission is authorized to use amounts in the Panama Canal Revolving Fund to make such expenditures within the limits of funds and borrowing authority available to it in accordance with law, and to make such contracts and commitments, as may be necessary under the Panama Canal Act of 1979 (22 U.S.C. 3601 et seq.) for the operation, maintenance, improvement, and administration of the Panama Canal for fiscal year 1997.

(b) LIMITATIONS.—For fiscal year 1997, the Panama Canal Commission may expend from funds in the Panama Canal Revolving Fund not more than $73,000 for reception and representation expenses, of which—

(1) not more than $18,000 may be used for official reception and representation expenses of the Supervisory Board of the Commission;

(2) not more than $10,000 may be used for official reception and representation expenses of the Secretary of the Commission; and

(3) not more than $45,000 may be used for official reception and representation expenses of the Administrator of the Commission.

SEC. 3503. PURCHASE OF VEHICLES.

Notwithstanding any other provisions of law, the funds available to the Commission shall be available for the purchase and transportation to the Republic of Panama of passenger motor vehicles, including large, heavy-duty vehicles.

SEC. 3504. EXPENDITURES ONLY IN ACCORDANCE WITH TREATIES.

Expenditures authorized under this subtitle may be made only in accordance with the Panama Canal Treaties of 1977 and any law of the United States implementing those treaties.

Subtitle B—Amendments to Panama Canal Act of 1979

SEC. 3521. SHORT TITLE; REFERENCES.

(a) SHORT TITLE.—This subtitle may be cited as the "Panama Canal Act Amendments of 1996".

(b) REFERENCES.—Except as otherwise expressly provided, whenever in this subtitle an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Panama Canal Act of 1979 (22 U.S.C. 3601 et seq.).

SEC. 3522. DEFINITIONS AND RECOMMENDATION FOR LEGISLATION.

Section 3 (22 U.S.C. 3602) is amended—

(1) in subsection (b), by inserting "and" after the semicolon at the end of paragraph (4), by striking the semicolon at the end of paragraph (5) and inserting a period, and striking paragraphs (6) and (7); and

(2) by striking subsection (d).

SEC. 3523. ADMINISTRATOR.

(a) IN GENERAL.—Section 1103 (22 U.S.C. 3613) is amended to read as follows:

"ADMINISTRATOR

"SEC. 1103. (a) There shall be an Administrator of the Commission who shall be appointed by the President, by and with the advice and consent of the Senate, and shall hold office at the pleasure of the President.

"(b) The Administrator shall be paid compensation in an amount, established by the Board, not to exceed level III of the Executive Schedule.".

(b) SAVINGS PROVISIONS.—Nothing in this section (or section 3549(3)) shall be considered to affect—

(1) the tenure of the individual serving as Administrator of the Commission on the day before subsection (a) takes effect; or

(2) until modified under section 1103(b) of the Panama Canal Act of 1979, as amended by subsection (a), the compensation of the individual so serving.

SEC. 3524. DEPUTY ADMINISTRATOR AND CHIEF ENGINEER.

(a) IN GENERAL.—Section 1104 (22 U.S.C. 3614) is amended to read as follows:

"DEPUTY ADMINISTRATOR

"SEC. 1104. (a) There shall be a Deputy Administrator of the Commission who shall be appointed by the President. The Deputy Administrator shall perform such duties as may be prescribed by the Board.

"(b) The Deputy Administrator shall be paid compensation at a rate of pay, established by the Board, which does not exceed the rate of basic pay in effect for level IV of the Executive Schedule, and, if eligible, shall be paid the overseas recruitment and retention differential provided for in section 1217 of this Act.".

(b) SAVINGS PROVISIONS.—Nothing in this section shall be considered to affect—

(1) the tenure of the individual serving as Deputy Administrator of the Commission on the day before subsection (a) takes effect; or

(2) until modified under section 1104(b) of the Panama Canal Act of 1979, as amended by subsection (a), the compensation of the individual so serving.

SEC. 3525. OFFICE OF OMBUDSMAN.

Section 1113 (22 U.S.C. 3623) is amended by striking subsection (d) and redesignating subsection (e) as subsection (d).

SEC. 3526. APPOINTMENT AND COMPENSATION; DUTIES.

Section 1202 (22 U.S.C. 3642) is amended to read as follows:

"APPOINTMENT AND COMPENSATION; DUTIES

"SEC. 1202. (a) In accordance with this chapter, the Commission may appoint, fix the compensation of, and define the authority and duties of officers and employees (other than the Administrator and Deputy Administrator) necessary for the management, oper-

ation, and maintenance of the Panama Canal and its complementary works, installations, and equipment.

"(b) Individuals serving in any Executive agency (other than the Commission) or the Smithsonian Institution, including individuals in the uniformed services, may, if appointed under this section or section 1104 of this Act, serve as officers or employees of the Commission.".

SEC. 3527. APPLICABILITY OF CERTAIN BENEFITS.

Section 1209 (22 U.S.C. 3649) is amended to read as follows:

"APPLICABILITY OF CERTAIN BENEFITS

"SEC. 1209. Chapter 81 of title 5, United States Code, relating to compensation for work injuries, chapters 83 and 84 of such title 5, relating to retirement, chapter 87 of such title 5, relating to life insurance, and chapter 89 of such title 5, relating to health insurance, are applicable to Commission employees, except any individual—

"(1) who is not a citizen of the United States;

"(2) whose initial appointment by the Commission occurs after October 1, 1979; and

"(3) who is covered by the Social Security System of the Republic of Panama pursuant to any provision of the Panama Canal Treaty of 1977 and related agreements.".

SEC. 3528. TRAVEL AND TRANSPORTATION.

Section 1210 (22 U.S.C. 3650) is amended to read as follows:

"TRAVEL AND TRANSPORTATION

"SEC. 1210. (a) Subject to subsections (b) and (c), the Commission may pay travel and transportation expenses for employees in accordance with subchapter II of chapter 57 of title 5, United States Code.

"(b) For an employee to whom section 1206 applies, the Commission may pay travel and transportation expenses associated with vacation leave for the employee and the immediate family of the employee notwithstanding requirements regarding periods of service established by subchapter II of chapter 57 of title 5, United States Code, or the regulations promulgated thereunder.

"(c) For an employee to whom section 1206 does not apply, the Commission may pay travel and transportation expenses associated with vacation leave for the employee and the immediate family of the employee notwithstanding requirements regarding a written agreement concerning the duration of a continuing service obligation established by subchapter II of chapter 57 of title 5, United States Code, or the regulations promulgated thereunder.

"(d)(1) Notwithstanding any other provision of law (except paragraph (2)), the Commission may contract with Panamanian carriers registered under the laws of the Republic of Panama to provide air transportation to officials and employees of the Commission who are citizens of the Republic of Panama.

"(2) Notwithstanding paragraph (1), an official or employee of the Commission referred to in paragraph (1) may elect, for security or other reasons, to travel by an air carrier holding a certificate under section 41102 of title 49, United States Code.".

SEC. 3529. CLARIFICATION OF DEFINITION OF AGENCY.

Subparagraph (B) of section 1211(1) (22 U.S.C. 3651(1)(B)) is amended to read as follows:

> *"(B) any other Executive agency or the Smithsonian Institution, to the extent of any election in effect under section 1212(b) of this Act;".*

SEC. 3530. PANAMA CANAL EMPLOYMENT SYSTEM; MERIT AND OTHER EMPLOYMENT REQUIREMENTS.

(a) IN GENERAL.—Section 1212 (22 U.S.C. 3652) is amended to read as follows:

"PANAMA CANAL EMPLOYMENT SYSTEM; MERIT AND OTHER EMPLOYMENT REQUIREMENTS

"SEC. 1212. (a) The Commission shall establish a Panama Canal Employment System and prescribe the regulations necessary for its administration. The Panama Canal Employment System shall—

> *"(1) be established in accordance with and be subject to the provisions of the Panama Canal Treaty of 1977 and related agreements, the provisions of this chapter, and any other applicable provision of law;*
>
> *"(2) be based on the consideration of the merit of each employee or candidate for employment and the qualifications and fitness of the employee to hold the position concerned;*
>
> *"(3) conform, to the extent practicable and consistent with the provisions of this Act, to the policies, principles, and standards applicable to the competitive service;*
>
> *"(4) in the case of employees who are citizens of the United States, provide for the appropriate interchange of those employees between positions under the Panama Canal Employment System and positions in the competitive service; and*
>
> *"(5) not be subject to the provisions of title 5, United States Code, unless specifically made applicable by this Act.*

"(b)(1) The head of any Executive agency (other than the Commission) and the Smithsonian Institution may elect to have the Panama Canal Employment System made applicable in whole or in part to personnel of that agency in the Republic of Panama.

"(2) Any Executive agency (other than the Commission) and the Smithsonian Institution, to the extent of any election under paragraph (1), shall conduct its employment and pay practices relating to employees in accordance with the Panama Canal Employment System.

"(3) Notwithstanding any other provision of this Act or the Panama Canal Act Amendments of 1996, this subchapter, as last in effect before the effective date of section 3530 of the Panama Canal Act Amendments of 1996, shall continue to apply to an Executive agency or the Smithsonian Institution to the extent of an election under paragraph (1) by the head of agency or the Institution, respectively.

"(c) The Commission may exclude any employee or position from coverage under any provision of this subchapter, other than the interchange rights extended under subsection (a)(4).".

(b) SAVINGS PROVISIONS.—The Panama Canal Employment System and all elections, rules, regulations, and orders relating

thereto, as last in effect before the amendment made by subsection (a) takes effect, shall continue in effect, according to their terms, until modified, terminated, or superseded under section 1212 of the Panama Canal Act of 1979, as amended by subsection (a).

SEC. 3531. EMPLOYMENT STANDARDS.

Section 1213 (22 U.S.C. 3653) is amended in the first sentence by striking "The head of each agency" and inserting "The Commission".

SEC. 3532. REPEAL OF OBSOLETE PROVISION REGARDING INTERIM APPLICATION OF CANAL ZONE MERIT SYSTEM.

Section 1214 (22 U.S.C. 3654) is repealed.

SEC. 3533. REPEAL OF PROVISION RELATING TO RECRUITMENT AND RETENTION REMUNERATION.

Section 1217(d) (22 U.S.C. 3657(d)) is repealed.

SEC. 3534. BENEFITS BASED ON BASIC PAY.

Section 1218(2) (22 U.S.C. 3658(2)) is amended to read as follows:

"(2) benefits under subchapter III of chapter 83 or chapter 84 of title 5, United States Code, relating to retirement;".

SEC. 3535. VESTING OF GENERAL ADMINISTRATIVE AUTHORITY OF COMMISSION.

Section 1223 (22 U.S.C. 3663) is amended to read as follows:

"CENTRAL EXAMINING OFFICE

"SEC. 1223. The Commission shall establish a Central Examining Office. The purpose of the office shall be to implement the provisions of the Panama Canal Treaty of 1977 and related agreements with respect to recruitment, examination, determination of qualification standards, and similar matters relating to employment of the Commission.".

SEC. 3536. APPLICABILITY OF CERTAIN LAWS.

Section 1224 (22 U.S.C. 3664) is amended to read as follows:

"APPLICABILITY OF TITLE 5, UNITED STATES CODE

"SEC. 1224. The following provisions of title 5, United States Code, apply to the Panama Canal Commission:

"(1) Part I of title 5 (relating to agencies generally).

"(2) Chapter 21 (relating to employee definitions).

"(3) Section 2302(b)(8) (relating to whistleblower protection) and all provisions of title 5 relating to the administration or enforcement or any other aspect thereof, as identified in regulations prescribed by the Commission in consultation with the Office of Personnel Management.

"(4) All provisions relating to preference eligibles.

"(5) Section 5514 (relating to offset from salary).

"(6) Section 5520a (relating to garnishments).

"(7) Sections 5531–5535 (relating to dual pay and employment).

"(8) Subchapter VI of chapter 55 (relating to accumulated and accrued leave).

"(9) Subchapter IX of chapter 55 (relating to severance and back pay).

"(10) Chapter 57 (relating to travel, transportation, and subsistence).

"(11) Chapter 59 (relating to allowances).

"(12) Chapter 63 (relating to leave for CONUS employees).

"(13) Section 6323 (relating to military leave; Reserves and National Guardsmen).

"(14) Chapter 71 (relating to labor relations).

"(15) Subchapters II and III of chapter 73 (relating to employment limitations and political activities, respectively) and all provisions of title 5 relating to the administration or enforcement or any other aspect thereof, as identified in regulations prescribed by the Commission in consultation with the Office of Personnel Management.

"(16) Chapter 81 (relating to compensation for work injuries).

"(17) Chapters 83 and 84 (relating to retirement).

"(18) Chapter 85 (relating to unemployment compensation).

"(19) Chapter 87 (relating to life insurance).

"(20) Chapter 89 (relating to health insurance).".

SEC. 3537. REPEAL OF PROVISION RELATING TO TRANSFERRED OR REEMPLOYED EMPLOYEES.

Section 1231(a)(3) (22 U.S.C. 3671(a)(3)) is repealed.

SEC. 3538. ADMINISTRATION OF SPECIAL DISABILITY BENEFITS.

Section 1245 (22 U.S.C. 3682) is amended by striking so much as precedes subsection (b) and inserting the following:

"ADMINISTRATION OF CERTAIN DISABILITY BENEFITS

"SEC. 1245. (a)(1) The Commission, or any other United States Government agency or private entity acting pursuant to an agreement with the Commission, under the Act entitled 'An Act authorizing cash relief for certain employees of the Panama Canal not coming within the provisions of the Canal Zone Retirement Act', approved July 8, 1937 (50 Stat. 478; 68 Stat. 17), may continue the payments of cash relief to those individual former employees of the Canal Zone Government or Panama Canal Company or their predecessor agencies not coming within the scope of the former Canal Zone Retirement Act whose services were terminated prior to October 5, 1958, because of unfitness for further useful service by reason of mental or physical disability resulting from age or disease.

"(2) Subject to subsection (b), cash relief under this subsection may not exceed $1.50 per month for each year of service of the employees so furnished relief, with a maximum of $45 per month, plus the amount of any cost-of-living increases in such cash relief granted before October 1, 1979, pursuant to section 181 of title 2 of the Canal Zone Code (as in effect on September 30, 1979), nor be paid to any employee who, at the time of termination for disability prior to October 5, 1958, had less than 10 years' service with the Canal Zone Government, the Panama Canal Company, or their predecessor agencies on the Isthmus of Panama.".

SEC. 3539. PANAMA CANAL REVOLVING FUND.

Section 1302 of the Panama Canal Act of 1979 (22 U.S.C. 3712) is amended to read as follows:

"PANAMA CANAL REVOLVING FUND

"SEC. 1302. (a) There is established in the Treasury of the United States a revolving fund to be known as 'Panama Canal Revolving Fund'. The Panama Canal Revolving Fund shall, subject to subsection (b), be available to the Commission to carry out the purposes, functions, and powers authorized by this Act, including for—

"(1) the hire of passenger motor vehicles and aircraft;

"(2) uniforms or allowances therefor;

"(3) official receptions and representation expenses of the Board, the Secretary of the Commission, and the Administrator;

"(4) the operation of guide services;

"(5) a residence for the Administrator;

"(6) disbursements by the Administrator for employee and community projects;

"(7) the procurement of expert and consultant services;

"(8) promotional activities, including the preparation, distribution, or use of any kit, pamphlet, booklet, publication, radio, television, film, or other media presentation designed to promote the Panama Canal as a resource of the world shipping industry; and

"(9) the purchase and transportation to the Republic of Panama of passenger motor vehicles, including large, heavy-duty vehicles.

"(b)(1) There shall be deposited in the Panama Canal Revolving Fund, on a continuing basis, toll receipts (other than amounts of toll receipts deposited into the Panama Canal Commission Dissolution Fund under section 1305) and all other receipts of the Commission. Except as provided in section 1303, no funds may be obligated or expended by the Commission in any fiscal year unless such obligation or expenditure has been specifically authorized by law.

"(2) No funds may be authorized for the use of the Commission, or obligated or expended by the Commission in any fiscal year, in excess of—

"(A) the amount of revenues deposited in the Panama Canal Revolving Fund and the Panama Canal Commission Dissolution Fund during such fiscal year, plus

"(B) the amount of revenues deposited in the Panama Canal Revolving Fund before such fiscal year and remaining unobligated at the beginning of such fiscal year; plus

"(C) the $100,000,000 borrowing authority provided for in section 1304 of this Act.

Not later than 30 days after the end of each fiscal year, the Secretary of the Treasury shall report to the Congress the amount of revenues deposited in the Panama Canal Revolving Fund during such fiscal year.

"(c) With the approval of the Secretary of the Treasury, the Commission may deposit amounts in the Panama Canal Revolving Fund in any Federal Reserve bank, any depositary for public funds, or such other place and in such manner as the Commission and the Secretary may agree.

"(d)(1) It is the sense of the Congress that the additional costs resulting from the implementation of the Panama Canal Treaty of 1977 and related agreements should be kept to the absolute mini-

mum level. To this end, the Congress declares appropriated costs of implementation to be borne by the taxpayers over the life of such Treaty should be kept to a level no greater than the March 1979 estimate of those costs ($870,700,000) presented to the Congress by the executive branch during consideration of this Act by the Congress, less personnel retirement costs of $205,000,000, which were subtracted and charged to tolls, therefore resulting in net taxpayer cost of approximately $665,700,000, plus appropriate adjustments for inflation.

"(2) It is further the sense of the Congress that the actual costs of implementation be consistent with the obligations of the United States to operate the Panama Canal safely and efficiently and keep it secure.".

SEC. 3540. PRINTING.

Title I is amended in chapter 3 (22 U.S.C. 3711 et seq.) by adding at the end of subchapter I the following new section:

"PRINTING

"SEC. 1306. (a) Section 501 of title 44, United States Code, shall not apply to direct purchase by the Commission for its use of printing, binding, and blank-book work in the Republic of Panama when the Commission determines that such direct purchase is in the best interest of the Government.

"(b) This section shall not affect the Commission's authority, under chapter 5 of title 44, United States Code, to operate a field printing plant.".

SEC. 3541. ACCOUNTING POLICIES.

(a) SECTION 1311.—Section 1311(a) (22 U.S.C. 3721(a)) is amended by striking out "the Accounting and Auditing Act of 1950 (31 U.S.C. 65 et seq.)" in the first sentence and inserting in lieu thereof "chapter 91 of title 31, United States Code,".

(b) SECTION 1313.—Section 1313 (22 U.S.C. 3723) is amended by striking out "the Accounting and Auditing Act of 1950 (31 U.S.C. 65 et seq.)" in subsections (a) and (c) and inserting in lieu thereof "chapter 91 of title 31, United States Code,".

SEC. 3542. INTERAGENCY SERVICES; REIMBURSEMENTS.

Section 1321(e) (22 U.S.C. 3731(e)) is amended by adding at the end the following sentence:

"Notwithstanding the provisions relating to the availability of adequate schools contained in section 5924(4)(A) of title 5, United States Code, the Commission shall by regulation determine the extent to which costs of educational services may be defrayed under this subsection.".

SEC. 3543. POSTAL SERVICE.

Section 1331 (22 U.S.C. 3741) is amended to read as follows:

"POSTAL SERVICE

"SEC. 1331. (a) The Commission shall take possession of and administer the funds of the Canal Zone postal service and shall assume its obligations.

"(b) Effective December 1, 1999, neither the Commission nor the United States Government shall be responsible for the distribution

of any accumulated unpaid balances relating to Canal Zone postal-savings deposits, postal-savings certificates, and postal money orders.

"(c) Mail addressed to the Canal Zone from or through the continental United States may be routed by the United States Postal Service to the military post offices of the United States Armed Forces in the Republic of Panama. Such military post offices shall provide the required directory services and shall accept such mail to the extent permitted under the Panama Canal Treaty of 1977 and related agreements. The Commission shall furnish personnel, records, and other services to such military post offices to assure wherever appropriate the distribution, rerouting, or return of such mail.".

SEC. 3544. INVESTIGATION OF ACCIDENTS OR INJURY GIVING RISE TO CLAIM.

Section 1417(1) (22 U.S.C. 3777(1)) is amended to read as follows:

"(1) an investigation of the accident or injury giving rise to the claim has been completed, which shall include a hearing by the Board of Local Inspectors of the Commission; and".

SEC. 3545. OPERATIONS REGULATIONS.

Section 1801 (22 U.S.C. 3811) is amended by striking "President" and inserting "Commission".

SEC. 3546. MISCELLANEOUS REPEALS.

(a) REPEALS.—The following provisions are repealed:

(1) Section 1605 (22 U.S.C. 3795), relating to interim toll adjustment.

(2) Section 1701 (22 U.S.C. 3801), relating to the authority of the President to prescribe certain regulations.

(3) Section 1702 (22 U.S.C. 3802), relating to the authority of the Panama Canal Commission to prescribe certain regulations.

(4) Title II (22 U.S.C. 3841–3852), relating to the Treaty transition period.

(5) Chapter 1 of title III (22 U.S.C. 3861), relating to cemeteries.

(6) Section 1246, relating to appliances for certain injured employees.

(7) Section 1251, relating to leave for jury or witness service.

(8) Section 1301, relating to Canal Zone Government funds.

(9) Section 1313(c), relating to audits.

(b) CONFORMING AMENDMENTS.—Section 1313 is further amended by redesignating subsections (d) and (e) as subsections (c) and (d), respectively.

SEC. 3547. EXEMPTION FROM METRIC CONVERSION ACT OF 1975.

Section 3302 is amended to read as follows:

"EXEMPTION FROM METRIC CONVERSION ACT OF 1975

"SEC. 3302. The Commission is exempt from the provisions of the Metric Conversion Act of 1975 (15 U.S.C. 205a et seq.).".

SEC. 3548. CONFORMING AND CLERICAL AMENDMENTS.

(a) TITLE 5 EMPLOYMENT LAW.—Title 5, United States Code, is amended as follows:

(1) Section 3401(1) is amended—

(A) by striking out clause (v); and

(B) by redesignating clauses (vi), (vii), and (viii) as clauses (v), (vi), and (vii), respectively.

(2) Section 5102 is amended—

(A) in subsection (a)(1)—

(i) by striking out clause (vi); and

(ii) by redesignating clauses (vii), (viii), (ix), (x), and (xi) as clauses (vi), (vii), (viii), (ix), and (x), respectively; and

(B) in subsection (c), by striking out paragraph (12).

(3) Subchapter IV of chapter 53 is amended—

(A) in section 5342(a)(1)—

(i) by striking out subparagraph (G); and

(ii) by redesignating subparagraphs (H), (I), (J), (K), and (L) as subparagraphs (G), (H), (I), (J), and (K), respectively;

(B) in section 5343(a)(5), by striking out "the areas and installations in the Republic of Panama" and all that follows through "Panama Canal Act of 1979),"; and

(C) in section 5348—

(i) by striking out subsection (b);

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

(iii) in subsection (a), by striking out "subsections (b) and (c)" and inserting in lieu thereof "subsection (b)".

(4) Section 5373 is amended—

(A) by striking out paragraph (1); and

(B) by redesignating paragraphs (2), (3), and (4) as paragraphs (1), (2), and (3), respectively.

(5) Section 5537(c) is amended by striking out "the United States District Court for the District of the Canal Zone, the District Court of Guam, and the District Court of the Virgin Islands." and inserting in lieu thereof "the District Court of Guam and the District Court of the Virgin Islands.".

(6) Section 5541(2)(xii) is amended—

(A) by inserting "or" after "Services Administration,"; and

(B) by striking out ", or a vessel employee of the Panama Canal Commission";

(7) Section 5924(3) is amended by striking out the last sentence.

(8) Section 6322(a) is amended—

(A) by striking out "Puerto Rico," and inserting in lieu thereof "Puerto Rico or"; and

(B) by striking out ", or the Republic of Panama".

(9) Section 7901(f) is amended to read as follows:

"(f) The health programs conducted by the Tennessee Valley Authority are not affected by this section.".

(b) CROSS REFERENCES IN PANAMA CANAL ACT.—

(1) Section 1211(1)(B) (22 U.S.C. 3651(1)(B)) is amended by striking out "section 1212(B)(2)" and inserting in lieu thereof "section 1212(b)".

(2) Section 1303 (22 U.S.C. 3713) is amended by striking out "section 1302(c)(1)" both places it appears and inserting in lieu thereof "section 1302(b)(1)".

(3) Section 1341(f) (22 U.S.C. 3751(f)) is amended by striking out "section 1302(c)" and inserting in lieu thereof "section 1302(b)".

(c) SECTION HEADINGS.—

(1) The heading of section 3 (22 U.S.C. 3602) is amended to read as follows:

"DEFINITIONS".

(2) The heading of section 1245 (22 U.S.C. 3682) is amended to read as follows:

"ADMINISTRATION OF CERTAIN DISABILITY BENEFITS".

(d) TABLE OF CONTENTS.—The table of contents in section 1 is amended as follows:

(1) The items relating to sections 1101, 1102a, 1102b, and 1313 are amended by inserting "Sec." before the section number.

(2) The item relating to section 3 is amended to read as follows:

"Sec. 3. Definitions.".

(3) The item relating to section 1104 is amended to read as follows:

"Sec. 1104. Deputy Administrator.".

(4) The items relating to sections 1209 and 1210 are amended to read as follows:

"Sec. 1209. Applicability of certain benefits.
"Sec. 1210. Travel and transportation.".

(5) The items relating to sections 1223 and 1224 are amended to read as follows:

"Sec. 1223. Central Examining Office.
"Sec. 1224. Applicability of title 5, United States Code.".

(6) The item relating to section 1245 is amended to read as follows:

"Sec. 1245. Administration of certain disability benefits.".

(7) The item relating to section 3302 is amended to read as follows:

"Sec. 3302. Exemption from Metric Conversion Act of 1975.".

(8) Such table of contents is further amended by inserting after the item relating to section 1305 the following new item:

"Sec. 1306. Printing.".

(9) Such table of contents is further amended—

(A) by striking out the items relating to sections 1214, 1246, 1251, 1301, 1605, 1701, 1702, 2101, 2201, 2202, 2203, 2204, 2205, 2206, 2301, 2401, 2402, and 3101; and

(B) by striking out the items relating to the heading of title II, the headings of chapters 1, 2, 3, and 4 of such title, and the heading of chapter 1 of title III.

SEC. 3549. REPEAL OF PANAMA CANAL CODE.

The Panama Canal Code is repealed.

And the Senate agree to the same.

That the Senate recede from its amendment to the title of the bill.

From the Committee on National Security, for consideration of the House bill and the Senate amendment, and modifications committed to conference:

FLOYD SPENCE,
BOB STUMP,
DUNCAN HUNTER,
JOHN R. KASICH,
HERBERT H. BATEMAN,
JAMES V. HANSEN,
CURT WELDON,
JOEL HEFLEY,
JIM SAXTON,
RANDY "DUKE" CUNNINGHAM,
STEVE E. BUYER,
PETER G. TORKILDSEN,
TILLIE K. FOWLER,
JOHN M. MCHUGH,
J.C. WATTS, Jr.,
JOHN N. HOSTETTLER,
SAXBY CHAMBLISS,
VAN HILLEARY,
DOC HASTINGS,
G.V. MONTGOMERY,
IKE SKELTON,
JOHN M. SPRATT, Jr.,
SOLOMON P. ORTIZ,
OWEN PICKETT,
GLEN BROWDER,
GENE TAYLOR,
FRANK TEJEDA,
PAUL MCHALE,
PATRICK J. KENNEDY,
ROSA L. DELAURO,

As additional conferees from the Permanent Select Committee on Intelligence, for consideration of matters within the jurisdiction of that committee under clause 2 of rule XLVIII:

LARRY COMBEST,
JERRY LEWIS,
NORM DICKS,

As additional conferees from the Committee on Banking and Financial Services, for consideration of sections 1085 and 1089 of the Senate amendment, and modifications committed to conference:

MICHAEL N. CASTLE,
SPENCER BACHUS,
HENRY GONZALEZ,

As additional conferees from the Committee on Commerce, for consideration of sections 601, 741, 742, 2863, 3154, and

3402 of the House bill, and sections 345–47, 561, 562, 601, 1080, 2827, 3174, 3175, and 3181–91 of the Senate amendment, and modifications committed to conference:

THOMAS BLILEY,
MICHAEL BILIRAKIS,

Provided that Mr. Richardson is appointed in lieu of Mr. Dingell and Mr. Schaefer is appointed in lieu of Mr. Bilirakis for consideration of sections 3181–91 of the Senate amendment:

DAN SCHAEFER,

Provided that Mr. Oxley is appointed in lieu of Mr. Bilirakis for the consideration of section 3154 of the House bill, and sections 345–47, 3174, and 3175 of the Senate amendment:

MICHAEL G. OXLEY,

Provided that Mr. Schaefer is appointed in lieu of Mr. Bilirakis for the consideration of sections 2863 and 3402 of the House bill, and section 2827 of the Senate amendment:

DAN SCHAEFER,

As additional conferees from the Committee on Government Reform and Oversight, for consideration of sections 332–36, 362, 366, 807, 821–25, 1047, 3523–39, 3542, and 3548 of the House bill, and sections 636, 809(b), 921, 924, 925, 1081, 1082, 1101, 1102, 1104, 1105, 1109–34, 1401–34, and 2826 of the Senate amendment, and modifications committed to conference:

W. F. CLINGER,

Provided that Mr. Horn is appointed in lieu of Mr. Mica for consideration of sections 362, 366, 807, and 821–25 of the House bill, and sections 809(b), 1081, 1401–34, and 2826 of the Senate amendment:

STEPHEN HORN,

Provided that Mr. Zeliff is appointed in lieu of Mr. Mica for consideration of section 1082 of the Senate amendment:

BILL ZELIFF,

As additional conferees from the Committee on International Relations, for consideration of sections 233–34, 237, 1041, 1043, 1052, 1101–05, 1301, 1307, and 1501–53 of the House bill, and sections 234, 1005, 1021, 1031, 1041–43, 1045, 1323, 1332–35, 1337, 1341–44, and 1352–54 of the Senate amendment, and modifications committee to conference:

BENJAMIN A. GILMAN,
DOUG BEREUTER,

As additional conferees from the Committee on the Judiciary, for consideration of sections 537, 543, 1066, 1080, 1088, 1201–16, and 1313 of the Senate amendment, and modifications committed to conference:

HENRY HYDE,
BILL MCCOLLUM,
JOHN CONYERS, Jr.,

Provided that Mr. Moorhead is appointed in lieu of Mr. McCollum for consideration of sections 537 and 1080 of the Senate amendment:

CARLOS J. MOORHEAD,

Provided that Mr. Smith of Texas is appointed in lieu of Mr. McCollum for consideration of sections 1066 and 1201–16 of the Senate amendment:

LAMAR SMITH,

As additional conferees from the Committee on Resources, for consideration of sections 247, 601, 2821, 1401–14, 2901–13, and 2921–31 of the House bill, and sections 251–52, 351, 601, 1074, 2821, 2836, and 2837 of the Senate amendment, and modifications committed to conference:

JAMES V. HANSEN,
JIM SAXTON,

As additional conferees from the Committee on Science, for consideration of sections 203, 211, 245, and 247 of the House bill, and sections 211, 251–52, and 1044 of the Senate amendment, and modifications committed to conference:

ROBERT S. WALKER,
JAMES SENSENBRENNER, Jr.,
JANE HARMAN,

As additional conferees from the Committee on Transportation and Infrastructure, for consideration of sections 324, 327, 501, and 601 of the House bill, and sections 345–48, 536, 601, 641, 1004, 1009, 1010, 1311, 1314, and 3162 of the Senate amendment, and modifications committed to conference:

BUD SHUSTER,

As additional conferees from the Committee on Veterans' Affairs, for consideration of sections 556, 638, and 2821 of the House bill, and sections 538 and 2828 of the Senate amendment, and modifications committed to conference:

BOB STUMP,
CHRISTOPHER H. SMITH,
G.V. MONTGOMERY,
Managers on the Part of the House.

STROM THURMOND,
JOHN WARNER,
BILL COHEN,
JOHN MCCAIN,
DAN COATS
BOB SMITH,
DIRK KEMPTHORNE,
JIM INHOFE,
RICK SANTORUM,
SHEILA FRAHM,
SAM NUNN,
CARL LEVIN,
TED KENNEDY,
JEFF BINGAMAN,
ROBERT C. BYRD,
CHUCK ROBB,
J. LIEBERMAN,
RICHARD H. BRYAN,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 3230) to authorize appropriations for fiscal year 1997 for defense activities of the Department of Defense, for military construction, and for defense programs of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The Senate amendment struck out all of the House bill after the enacting clause and inserted a substitute text.

The House recedes from its disagreement to the amendment of the Senate with an amendment which is a substitute for the House bill and the Senate amendment. The differences between the House bill, the Senate amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.

SUMMARY STATEMENT OF CONFERENCE ACTION

The conferees recommend authorizations for the Department of Defense for procurement, research and development, test and evaluation, operation and maintenance, working capital funds, military construction and family housing, weapons programs of the Department of Energy, and civil defense that have a budget authority implication of $265.6 billion.

SUMMARY TABLE OF AUTHORIZATIONS

The defense authorization act provides authorizations for appropriations but does not generally provide budget authority. Budget authority is generally provided in appropriation acts.

In order to relate the conference recommendations to the Budget Resolution, matters in addition to the dollar authorizations contained in this bill must be taken into account. A number of programs in the defense function are authorized permanently or, in certain instances, authorized in other annual legislation. In addition, this authorization bill would establish personnel levels and include a number of legislative provisions affecting military compensation.

The following table summarizes authorizations included in the bill for fiscal year 1997 and, in addition, summarizes the implication of the conference action for the budget totals for national defense (budget function 050).

Summary of
National Defense Authorization for FY 1997
(In Thousands of $'s)

	FY 1997 Authorization Request	House Authorized	Senate Authorized	Conference Change	Conference Authorization	FY 1997 BA Request	BA Implications House	BA Implications Senate	BA Implications Conference
DIVISION A									
TITLE I									
PROCUREMENT									
Aircraft Procurement, Army	970,815	1,556,615	1,508,515	343,200	1,314,015	970,815	1,556,615	1,508,515	1,314,015
Missile Procurement, Army	766,329	1,027,829	1,160,829	265,500	1,031,829	766,329	1,027,829	1,160,829	1,031,829
Procurement of Weapons and Tracked Combat Vehicles, Army	1,102,014	1,334,814	1,460,115	307,500	1,409,514	1,102,014	1,334,814	1,460,115	1,409,514
Procurement of Ammunition, Army	853,428	1,160,728	1,156,728	149,600	1,003,028	853,428	1,160,728	1,156,728	1,003,028
Other Procurement, Army	2,627,440	2,802,240	3,298,940	362,800	2,990,240	2,627,440	2,812,240	3,298,940	2,990,240
Aircraft Procurement, Navy	5,881,952	6,668,952	6,911,352	1,152,974	7,034,926	5,881,952	6,668,952	6,911,352	7,034,926
Weapons Procurement, Navy	1,400,363	1,305,308	1,513,263	(54,955)	1,345,408	1,400,363	1,305,308	1,513,263	1,345,408
Procurement of Ammunition, Navy and Marine Corps	0	599,239	0	293,239	293,239	0	599,239	0	293,239
Shipbuilding and Conversion, Navy	4,911,930	5,479,930	6,567,330	1,281,400	6,193,330	4,911,930	5,479,930	6,567,330	6,193,330
Other Procurement, Navy	2,714,195	2,871,495	3,005,040	179,645	2,893,840	2,714,195	2,871,495	3,005,040	2,893,840
Procurement, Marine Corps	555,507	546,748	816,107	4,641	560,148	555,507	546,748	816,107	560,148
Aircraft Procurement, Air Force	5,779,228	7,271,928	7,023,528	985,192	6,764,420	5,779,228	7,271,928	7,023,528	6,764,420
Missile Procurement, Air Force	2,733,877	4,341,178	2,847,177	(208,002)	2,525,875	2,733,877	4,341,178	2,847,177	2,525,875
Procurement of Ammunition, Air Force	0	303,899	0	278,302	278,302	0	303,899	0	278,302
Other Procurement, Air Force	5,998,819	6,117,419	5,889,519	(184,400)	5,814,419	5,998,819	6,117,419	5,889,519	5,814,419
Procurement, Defense-wide	1,841,212	1,890,212	1,908,012	167,049	2,008,261	1,841,212	1,890,212	1,908,012	2,008,261
Procurement, National Guard and Reserve Equipment	0	805,000	759,800	780,000	780,000	0	805,000	759,800	780,000
Chemical Agents and Munitions Destruction, Army									
Operation & Maintenance	477,947	477,947	477,947		477,947	477,947	477,947	477,947	477,947
Procurement	273,600	273,600	273,600	(40,000)	233,600	273,600	273,600	273,600	233,600
Research, Development, Test & Evaluation	48,300	48,300	51,300		48,300	48,300	48,300	51,300	48,300
Procurement, Defense Health Program	269,470	269,470	269,470		269,470	0	0	0	0
Procurement, Office of the Inspector General	2,000	2,000	2,000		2,000	0	0	0	0
Total Procurement	39,208,426	47,154,851	46,900,572	6,063,685	45,272,111	38,936,956	46,893,381	46,629,102	45,000,641
TITLE II									
RESEARCH, DEVELOPMENT, TEST & EVALUATION									
Research, Development, Test & Evaluation, Army	4,320,640	4,669,979	4,958,240	459,975	4,780,615	4,320,640	4,669,979	4,958,240	4,780,615
Research, Development, Test & Evaluation, Navy	7,334,734	8,189,957	8,891,534	733,565	8,068,299	7,334,734	8,189,957	8,891,534	8,068,299
Research, Development, Test & Evaluation, Air Force	14,417,456	13,271,087	14,786,356	338,910	14,756,366	14,417,456	13,271,087	14,786,356	14,756,366
Research, Development, Test & Evaluation, Defense-wide	8,398,836	9,132,371	9,388,536	1,001,451	9,400,287	8,398,836	9,132,371	9,388,536	9,400,287
Operational Test & Evaluation, Defense	21,968	21,968	21,968		21,968	21,968	21,968	21,968	21,968

Summary of
National Defense Authorization for FY 1997
(In Thousands of $'s)

	FY 1997 Authorization Request	House Authorized	Senate Authorized	Conference Change	Conference Authorization	FY 1997 BA Request	BA Implications House	BA Implications Senate	BA Implications Conference
Developmental Test & Evaluation, Defense	252,038	252,038	269,038	17,000	269,038	252,038	252,038	269,038	269,038
Total Research, Development, Test & Evaluation	34,745,672	35,547,400	38,315,672	2,550,901	37,296,573	34,745,672	35,547,400	38,315,672	37,296,573
TITLE III									
OPERATION AND MAINTENANCE & WORKING CAPITAL FUNDS									
Operation and Maintenance, Army	18,114,479	18,436,929	18,147,623	149,927	18,264,406	18,114,479	18,436,929	18,147,623	18,264,406
Operation and Maintenance, Navy	20,196,197	20,433,797	20,298,339	191,540	20,387,737	20,196,197	20,433,797	20,298,339	20,387,737
Operation and Maintenance, Marine Corps	2,203,777	2,524,677	2,279,477	217,230	2,421,007	2,203,777	2,524,677	2,279,477	2,421,007
Operation and Maintenance, Air Force	17,913,455	17,982,955	17,949,339	(278,120)	17,635,335	17,913,455	17,982,955	17,949,339	17,635,335
Operation and Maintenance, Defense-wide	10,156,468	10,375,368	9,778,942	(243,506)	9,912,962	10,156,468	10,375,368	9,778,942	9,912,962
Office of the Inspector General	136,501	136,501	136,501	0	136,501	138,501	138,501	138,501	138,501
Defense Health Program	9,358,288	9,831,288	9,375,988	475,000	9,833,288	9,627,758	10,100,758	9,645,458	10,102,758
Operation and Maintenance, Army Reserve	1,084,436	1,155,436	1,094,436	52,000	1,136,436	1,084,436	1,155,436	1,094,436	1,136,436
Operation and Maintenance, Navy Reserve	843,927	858,927	851,027	15,000	858,927	843,927	858,927	851,027	858,927
Operation and Maintenance, Marine Corps Reserve	99,667	106,467	110,367	13,700	113,367	99,667	106,467	110,367	113,367
Operation and Maintenance, Air Force Reserve	1,488,553	1,504,553	1,493,553	11,000	1,499,553	1,488,553	1,504,553	1,493,553	1,499,553
Operation and Maintenance, Army National Guard	2,208,477	2,297,477	2,218,477	69,000	2,277,477	2,208,477	2,297,477	2,218,477	2,277,477
Operation and Maintenance, Air National Guard	2,654,473	2,688,473	2,699,173	56,700	2,711,173	2,654,473	2,688,473	2,699,173	2,711,173
United States Court of Appeals for the Armed Forces	6,797	6,797	6,797		6,797	6,797	6,797	6,797	6,797
Environmental Restoration, Army	356,916	0	356,916		356,916	356,916	0	356,916	356,916
Environmental Restoration, Navy	302,900	0	302,900		302,900	302,900	0	302,900	302,900
Environmental Restoration, Air Force	414,700	0	414,700		414,700	414,700	0	414,700	414,700
Environmental Restoration, Defense-Wide	258,500	0	258,500		258,500	258,500	0	258,500	258,500
Environmental Restoration, Defense	0	1,333,016	0		0		1,333,016		0
Drug Interdiction and Counter-drug Activities, Defense	642,724	682,724	793,824	153,800	796,524	642,724	682,724	793,824	796,524
Former Soviet Union Threat Reduction	327,900	302,900	327,900	37,000	364,900	327,900	302,900	327,900	364,900
Overseas Military Investment Recovery	0	0	0		0	1,700	1,700	1,700	1,700
Disposal of DoD Real Property	0	0	0		0	9,740	9,740	9,740	9,740
Lease of DoD Real Property	0	0	0		0	16,825	16,825	16,825	16,825
Payment to Kaho' Olawe Island Fund	10,000	10,000	0		10,000	10,000	10,000	0	10,000
Kaho' Olawe Island Conveyance	0	0	0		0	10,000	10,000	10,000	10,000
Restoration of Rocky Mountain Arsenal	0	0	0		0	1,000	1,000	1,000	1,000
Overseas Humanitarian, Disaster, & Civic Aid	80,544	60,544	49,000	(26,000)	54,544	80,544	60,544	49,000	54,544
National Science Center, Army	0	0	0		0	120	120	120	120
Defense against Weapons of Mass Destruction Act (Title XIII)	0	0	150,000	97,000	97,000	0	0	150,000	97,000

Summary of
National Defense Authorization for FY 1997
(In Thousands of $'s)

	FY 1997 Authorization Request	House Authorized	Senate Authorized	Conference Change	Conference Authorization	FY 1997 BA Request	----------BA Implications---------- House	Senate	Conference
Vietnamese Commandos Payments	0	0	20,000	20,000	20,000	0	0	20,000	20,000
Subtotal Operation and Maintenance	88,859,679	90,728,829	89,113,779	1,011,271	89,870,950	89,170,534	91,039,684	89,424,634	90,181,805
REVOLVING FUNDS									
Defense Business Operations Fund (DECA)	947,900	947,900	947,900		947,900	947,900	947,900	947,900	947,900
National Defense Sealift Fund	963,002	1,123,002	1,268,002	155,000	1,118,002	963,002	1,123,002	1,268,002	1,118,002
National Defense Stockpile Transaction Fund (Routine & Ongoing Sales)						(150,000)	(150,000)	(150,000)	(150,000)
National Defense Stockpile Transaction Fund (Excess of Routine Sales)						(126,000)	(126,000)	(126,000)	(126,000)
National Defense Stockpile Transaction Fund (Proposed Sale)						(79,000)		(79,000)	(81,000)
Subtotal Working Capital Funds	1,910,902	2,070,902	2,215,902	155,000	2,065,902	1,555,902	1,794,902	1,860,902	1,708,902
Total Operation and Maintenance & Working Capital Funds	90,770,581	92,799,731	91,329,681	1,166,271	91,936,852	90,726,436	92,834,586	91,285,536	91,890,707
TITLES IV-V-VI-VII MILITARY PERSONNEL									
Total Military Personnel	0	70,206,030	69,880,430	273,300	70,056,130	69,782,830	70,206,030	69,880,430	70,056,130
TITLE XIV									
Security from Weapons of Mass Destruction (Memo)	0	0	235,000	201,000	201,000	0	0	235,000	201,000
GENERAL PROVISIONS DIVISION B MILITARY CONSTRUCTION									
Military Construction, Army	434,723	603,584	546,498	136,865	571,588	434,723	603,584	546,498	571,588
Military Construction, Navy	525,346	712,476	630,336	174,258	699,604	525,346	712,476	630,336	699,604
Military Construction, Air Force	603,059	678,914	750,274	142,205	745,264	603,059	678,914	750,274	745,264
Military Construction, Defense-wide	812,945	772,345	770,145	(49,233)	763,712	812,945	772,345	770,145	763,712
Military Construction, Army National Guard	7,600	41,316	94,528	51,594	59,194	7,600	41,316	94,528	59,194
Military Construction, Air National Guard	75,394	118,394	209,884	113,111	188,505	75,394	118,394	209,884	188,505
Military Construction, Army Reserve	48,459	50,159	59,174	7,084	55,543	48,459	50,159	59,174	55,543
Military Construction, Naval Reserve	10,983	33,169	32,743	21,796	32,779	10,983	33,169	32,743	32,779
Military Construction, Air Force Reserve	51,655	51,655	54,770	1,150	52,805	51,655	51,655	54,770	52,805
Base Realignment and Closure II, III, IV	2,507,476	2,507,476	2,507,476	0	2,507,476	2,751,476	2,507,476	2,751,476	2,751,476
NATO Infrastructure *	197,000	177,000	197,000	(25,000)	172,000	197,000	177,000	197,000	172,000
DoD Unaccompanied Housing Improvement Fund	0	10,000	5,000	5,000	5,000	0	10,000	5,000	5,000

Summary of
National Defense Authorization for FY 1997
(In Thousands of $'s)

	FY 1997 Authorization Request	House Authorized	Senate Authorized	Conference Change	Conference Authorization	FY 1997 BA Request	BA Implications House	BA Implications Senate	BA Implications Conference
BRAC Receipts						(244,000)	(244,000)	(244,000)	(244,000)
Total Military Construction	5,274,640	5,756,488	5,857,828	578,830	5,853,470	5,274,640	5,512,488	5,857,828	5,853,470
FAMILY HOUSING									
Family Housing Construction, Army	75,013	176,603	102,133	83,490	158,503	75,013	176,603	102,133	158,503
Family Housing Support, Army	1,212,466	1,257,466	1,262,466	0	1,212,466	1,212,466	1,257,466	1,262,466	1,212,466
Family Housing Construction, Navy and Marine Corps	403,726	532,456	410,216	96,160	499,886	403,726	532,456	410,216	499,886
Family Housing Support, Navy and Marine Corps	1,014,241	1,058,241	1,014,241	0	1,014,241	1,014,241	1,058,241	1,014,241	1,014,241
Family Housing Construction, Air Force	231,236	304,068	265,038	86,520	317,756	231,236	304,068	265,038	317,756
Family Housing Support, Air Force	829,474	840,474	829,474	0	829,474	829,474	840,474	829,474	829,474
Family Housing Construction, Defense-wide	4,371	4,371	4,371	0	4,371	4,371	4,371	4,371	4,371
Family Housing Support, Defense-wide	30,963	30,963	30,963	0	30,963	30,963	30,963	30,963	30,963
Homeowners Assistance Fund	36,181	36,181	36,181	0	36,181	36,181	36,181	36,181	36,181
DoD Family Housing Improvement Fund	20,000	35,000	20,000	5,000	25,000	20,000	35,000	20,000	25,000
Total Family Housing	3,857,671	4,275,823	3,975,083	271,170	4,128,841	3,857,671	4,275,823	3,975,083	4,128,841
DIVISION C									
TITLE XXXI									
ATOMIC ENERGY DEFENSE ACTIVITIES (053)									
Weapons Activities	3,710,002	3,935,002	3,949,002	208,000	3,918,002	3,710,002	3,935,002	3,949,002	3,918,002
Defense Environmental Restoration and Waste Management	5,409,310	5,409,310	5,607,310	100,000	5,509,310	5,409,310	5,409,310	5,607,310	5,509,310
Full Funding for Fixed Assets	182,000	182,000	182,000	0	182,000	182,000	182,000	182,000	182,000
Defense Nuclear Waste Disposal	200,000	200,000	200,000	0	200,000	200,000	200,000	200,000	200,000
Other Defense Actitivities	1,548,231	1,487,800	1,561,231	42,000	1,590,231	1,548,231	1,487,800	1,561,231	1,590,231
Defense Nuclear Facilities Safety Board	17,000	17,000	17,000	0	17,000	17,000	17,000	17,000	17,000
Total Atomic Energy Defense Activities (053)	11,066,543	11,231,112	11,516,543	350,000	11,416,543	11,066,543	11,231,112	11,516,543	11,416,543
Recapitulation									
Department of Defense (Division A)	234,507,509	245,708,012	246,426,355	10,054,157	244,561,666	234,341,894	245,621,397	246,260,740	244,394,051
Department of Defense (Division B)	9,132,311	10,032,311	9,832,911	850,000	9,982,311	9,132,311	9,788,311	9,832,911	9,982,311
National Defense Stockpile Transaction Fund	0	0	0	0	0	(150,000)	(150,000)	(150,000)	(150,000)
Other Funds	0	0	0	0	0	77,644	99,044	99,044	99,044

Summary of
National Defense Authorization for FY 1997
(In Thousands of $'s)

	FY 1997 Authorization Request	House Authorized	Senate Authorized	Conference Change	Conference Authorization	FY 1997 BA Request	BA Implications House	BA Implications Senate	BA Implications Conference
Offsetting Receipts	0	0	0	0	0	(877,799)	(631,799)	(875,400)	(875,400)
Total Department of Defense Military (051)	243,639,820	255,740,321	256,259,266	10,904,157	254,543,977	242,524,050	254,727,453	255,167,295	253,450,006
Total Atomic Energy Defense Activities (053)	11,066,543	11,231,112	11,516,543	350,000	11,416,543	11,066,543	11,231,112	11,516,543	11,416,543
Total Defense Related Activities (054)	39,000	0	0	(39,000)	0	749,400	757,200	591,900	710,400
General Limitation (Sec 4)			(1,692,738)					(1,692,738)	
TOTAL NATIONAL DEFENSE FUNCTION (050)	254,745,363	266,971,435	266,083,071	11,215,157	265,960,520	254,339,993	266,715,765	265,583,000	265,576,949

Congressional defense committees

The term "congressional defense committees" is often used in this statement of the managers. It means the Defense Authorization and Appropriations Committees of the Senate and House of Representatives.

DIVISION A—DEPARTMENT OF DEFENSE AUTHORIZATIONS

TITLE I—PROCUREMENT

Overview

The budget request for fiscal year 1997 contained an authorization of $39,208.4 million for procurement in the Department of Defense. The House bill would authorize $47,164.9 million. The Senate amendment would authorize $46,900.6 million. The conferees recommended an authorization of $45,272.1 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Summary of
Procurement Authorization for FY 1997

(In Thousands of $s)

	FY 1997 Authorization Request	House Authorized	Senate Authorized	Conference Change	Conference Authorization
Aircraft Procurement, Army	970,815	1,556,615	1,508,515	343,200	1,314,015
Missile Procurement, Army	766,329	1,027,829	1,160,829	265,500	1,031,829
Procurement of Weapons and Tracked Combat Vehicles, Army	1,102,014	1,334,814	1,460,115	307,500	1,409,514
Procurement of Ammunition, Army	853,428	1,160,728	1,156,728	149,600	1,003,028
Other Procurement, Army	2,627,440	2,802,240	3,298,940	362,800	2,990,240
Aircraft Procurement, Navy	5,881,952	6,668,952	6,911,352	1,152,974	7,034,926
Weapons Procurement, Navy	1,400,363	1,305,308	1,513,263	(54,955)	1,345,408
Procurement of Ammunition, Navy and Marine Corps	0	599,239	0	293,239	293,239
Shipbuilding and Conversion, Navy	4,911,930	5,479,930	6,567,330	1,281,400	6,193,330
Other Procurement, Navy	2,714,195	2,871,495	3,005,040	179,645	2,893,840
Procurement, Marine Corps	555,507	546,748	816,107	4,641	560,148
Aircraft Procurement, Air Force	5,779,228	7,271,928	7,023,528	985,192	6,764,420
Missile Procurement, Air Force	2,733,877	4,341,178	2,847,177	(208,002)	2,525,875
Procurement of Ammunition, Air Force	0	303,899	0	278,302	278,302
Other Procurement, Air Force	5,998,819	6,117,419	5,889,519	(184,400)	5,814,419
Procurement, Defense-wide	1,841,212	1,890,212	1,908,012	167,049	2,008,261
Procurement, National Guard and Reserve Equipment	0	805,000	759,800	780,000	780,000
Chemical Agents and Munitions Destruction, Army					
Operation & Maintenance	477,947	477,947	477,947		477,947
Procurement	273,600	273,600	273,600	(40,000)	233,600
Research, Development, Test & Evaluation	48,300	48,300	51,300		48,300
Procurement, Defense Health Program	269,470	269,470	269,470		269,470
Procurement, Office of the Inspector General	2,000	2,000	2,000		2,000
Total Procurement	39,208,426	47,154,851	46,900,572	6,063,685	45,272,111

Overview

The budget request for fiscal year 1997 contained an authorization of $970.8 million for Aircraft Procurement, Army in the Department of Defense. The House bill would authorize $1,556.6 million. The Senate amendment would authorize $1,508.5 million. The conferees recommended an authorization of $1,314.0 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Title I - Procurement

(Dollars in Thousands)

Line No	Title	FY 1997 Qty	FY 1997 Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Change Qty	Conference Change Cost	Conference Agreement Qty	Conference Agreement Cost
	AIRCRAFT PROCUREMENT, ARMY										
	AIRCRAFT										
	FIXED WING										
1	ARL (TIARA)	.	24,742		29,942		24,742		5,200		29,942
2	C-XX (MEDIUM RANGE) AIRCRAFT	.			.		35,000	5	22,000	5	22,000
3	GUARDRAIL COMMON SENSOR (TIARA)	.	1,081		1,081		1,081				1,081
	ROTARY				.						
4	TOTAL PACKAGE FIELDING	.			.		.				.
5	AH-64 ATTACK HELICOPTER (APACHE)			12	260,000		130,000				.
6	UH-60 BLACKHAWK (MYP)	28	231,279	28	231,279	28	231,279			28	231,279
6	LESS: ADVANCE PROCUREMENT (PY)		(70,000)		(70,000)		(70,000)				(70,000)
7	ADVANCE PROCUREMENT (CY)		75,000		75,000		75,000				75,000
8	HELICOPTER NEW TRAINING		.		.		.				.
	MODIFICATION OF AIRCRAFT				.						
	MODIFICATION OF AIRCRAFT				.						
9	GUARDRAIL MODS (TIARA)	.	30,612		30,612		30,612				30,612
10	AH-1F MODS	.	1,099		1,099		1,099				1,099
11	AH-64 MODS	.	43,287		43,287		118,287				43,287
12	CH-47 CARGO HELICOPTER MODS (MYP)	.	7,802		59,802		60,102		52,000		59,802
13	C-12 CARGO AIRPLANE MODS	.	644		644		644				644
14	OH-58 MODS	.	1,147		1,147		1,147				1,147
15	C-20 AIRCRAFT MODS	.	882		882		882				882
16	LONGBOW	.	373,940		426,940		426,940		53,000		426,940
16	LESS: ADVANCE PROCUREMENT (PY)	.	(16,983)		(16,983)		(16,983)				(16,983)
17	ADVANCE PROCUREMENT (CY)	.	22,526		22,526		22,526				22,526
18	UH-1 MODS		4,777		4,777		4,777				4,777
19	UH-60 MODS	.	12,436		12,436		12,436				12,436
20	KIOWA WARRIOR	.	9,115	24	199,115		167,515	24	190,000	24	199,115
21	EH-60 QUICKFIX MODS	.	13,912		13,912		13,912				13,912
22	AIRBORNE AVIONICS	.	40,819		40,819		40,819				40,819
	PASSENGER SAFETY MODIFICATIONS										.
23	ASE MODS	.	4,801		4,801		4,801		21,000		25,801
24	MODIFICATIONS < $2.0M	.	1,790		1,790		1,790				1,790
	SPARES AND REPAIR PARTS										
	SPARES AND REPAIR PARTS				.						
25	SPARES AND REPAIR PARTS	.	51,106		51,106		51,106				51,106
	SUPPORT EQUIPMENT AND FACILITIES										
	GROUND SUPPORT AVIONICS				.						
26	AIRCRAFT SURVIVABILITY EQUIPMENT	.	436		20,436		34,436				436

Title I - Procurement

(Dollars in Thousands)

Line No	Title	FY 1997 Qty	FY 1997 Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Change Qty	Conference Change Cost	Conference Agreement Qty	Conference Agreement Cost
	OTHER SUPPORT										
27	AIRBORNE COMMAND & CONTROL										
28	AVIONICS SUPPORT EQUIPMENT		7,449		7,449		7,449				7,449
29	TRAINING DEVICES		7,339		7,339		7,339				7,339
30	COMMON GROUND EQUIPMENT		24,911		24,911		24,911				24,911
31	AVIATION LIFE SUPPORT EQUIPMENT (ALSE)		6,292		6,292		6,292				6,292
32	AIR TRAFFIC CONTROL		8,401		8,401		8,401				8,401
33	INDUSTRIAL FACILITIES		2,081		2,081		2,081				2,081
33a	DMPF				5,600						
34	AIRBORNE COMMUNICATIONS		48,092		48,092		48,092				48,092
	TOTAL, AIRCRAFT PROCUREMENT, ARMY		970,815		1,556,615		1,508,615		343,200		1,314,015

Airborne Reconnaissance Low (ARL)

The budget request included $24.7 million to procure the final ARL–M aircraft and mission equipment.

The House bill would authorize an increase of $5.2 million to complete the moving target indicator (MTI) upgrade.

The Senate amendment would support the budget request.

The Senate recedes.

The conferees understand that the Army reprogrammed fiscal year 1996 funds that were authorized and appropriated for converting ARL–I and ARL–C aircraft to the ARL–M configuration. These funds were applied to incorporate an MTI radar into the ARL. Although the reprogramming action was within the scope of the Department's authority, the conferees are concerned with the Army's failure to notify the appropriate committees of what it considers a major shift of the funds. The conferees do, however, support the validated requirement for MTI on ARL, and are aware that funds have not been budgeted to complete the MTI purchase.

Therefore, the conferees agree to authorize $29.9 million to provide the necessary funding to complete the ARL–I/–C conversion to ARL–M and complete the MTI radar upgrade. The conferees fully expect the Army to budget for completion of the ARL–I/–C conversion in future budget requests.

C–XX medium range aircraft

The budget request did not contain any funds for UC–35A (C–XX) aircraft.

The Army has identified the UC–35A as its highest priority fixed-wing program due to the operational efficiencies derived from its modern design. The conferees also note the savings achieved through the competitive procurement of this aircraft. However, the budget request included no funds to procure additional aircraft.

The House bill would support the budget request.

The Senate amendment would authorize an increase of $35.0 million for eight production UC–35A turbofan aircraft.

The conferees agree to authorize an increase of $22.0 million to procure five UC–35A aircraft.

CH–47 modifications

The budget request included $7.8 million to procure safety and operational modifications for the CH–47 helicopter fleet.

The conferees remain concerned about the heavy lift capability for the Army and the ability of an aging fleet to perform this critical mission. Over time, modifications to the existing CH–47 airframe have added significant weight to the aircraft, requiring an upgrade to the current engine configuration. It is expected that the proposed T55–L–714 engine will increase payload capability by up to 3900 pounds and greatly reduce operation and maintenance costs over the life cycle of the new engine.

The House bill would add $52.0 million to accelerate engine conversions for contingency corps aircraft. The Senate amendment would add $52.3 million for the same purpose.

The conferees agree to authorize $59.8 million to begin the upgrade process for the fleet.

Longbow

The budget request included $373.9 million to procure Apache Longbow (AH–64) systems.

The House bill and the Senate amendment would authorize an increase of $53.0 million to procure training devices for these important aircraft.

The conferees note the outstanding requirement of institutional training devices. These devices are an essential element of aviation training activities and need to be fielded as soon as practicable.

The conferees agree to authorize $426.9 million to accelerate the delivery of these devices in accordance with the updated AH–64D fielding review.

OH–58D Kiowa Warrior

The budget request included $9.1 million to complete fielding of previously procured Kiowa Warrior systems.

The House bill would authorize an increase of $190.0 million to convert 24 aircraft.

The Senate amendment would authorize an increase of $158.4 million to complete outstanding retrofit requirements and convert 15 aircraft.

The Senate recedes.

The conferees agree to authorize a total of $199.1 million.

Aircraft survivability equipment modifications

The budget request included $4.8 million for aircraft survivability equipment.

The House bill would add $20.0 million to procure additional aviation survivability equipment.

The Senate amendment would add $34.0 million.

The conferees agree to authorize $25.8 million to support vital aircraft survivability modifications as follows:

(1) $11.0 million for AN/AVR–2A(V) laser detection sets;

(2) $5.0 million for radar deception and jamming device integration; and

(3) $5.0 million to accelerate procurement of installation kits for advanced threat infrared countermeasure devices.

Overview

The budget request for fiscal year 1997 contained an authorization of $766.3 million for Missile Procurement, Army in the Department of Defense. The House bill would authorize $1,027.8 million. The Senate amendment would authorize $1,160.8 million. The conferees recommended an authorization of $1,031.8 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Title I - Procurement

(Dollars in Thousands)

Line No	Title	FY 1997 Qty	FY 1997 Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Change Qty	Conference Change Cost	Conference Agreement Qty	Conference Agreement Cost
	MISSILE PROCUREMENT, ARMY										
	OTHER MISSILES										
	SURFACE-TO AIR MISSILE SYSTEM										
1	HAWK SYSTEM SUMMARY	-	-		-		-				-
2	PATRIOT SYSTEM SUMMARY (MYP)	-	2,862		2,862		2,862				2,862
3	AVENGER SYSTEM SUMMARY	-	12,581	93	71,981		12,581	93	59,400	93	71,981
4	LESS: ADVANCE PROCUREMENT (PY)	-	-		-		-				-
	AIR TO SURFACE MISSILE SYSTEM										
5	HELLFIRE SYS SUMMARY	2,805	357,590	2,805	357,590	2,805	357,590			2,805	357,590
	ANTI-TANK/ASSAULT MISSILE SYSTEM										
6	JAVELIN (AAWS-M) SYSTEM SUMMARY	1,020	162,104	1,120	196,004		201,804		33,900		196,004
7	TOW 2 SYSTEM SUMMARY	-	13,630		13,630		13,630				13,630
8	MLRS ROCKET	862	24,443	1,674	41,443	1,702	41,443	822	17,000	1,674	41,443
9	MLRS LAUNCHER SYSTEMS	-	38,039	36	104,239		185,039	36	66,200	36	104,239
10	ARMY TACTICAL MSL SYS (ATACMS) - SYS S	97	92,816	97	161,816		161,816		69,000		161,816
	MODIFICATION OF MISSILES										
	MODIFICATIONS										
11	PATRIOT MODS	-	11,464		7,464		23,464				11,464
12	STINGER MODS		16,903		36,903		39,703		20,000		36,903
13	AVENGER MODS	-	-		-		29,000				-
14	ITAS/TOW MODS	-	16		16		33,016				16
15	DRAGON MODS	-	3,181		3,181		28,181				3,181
16	MLRS MODS	-	6,416		6,416		6,416				6,416
	SPARES AND REPAIR PARTS										
	SPARES AND REPAIR PARTS										
17	SPARES AND REPAIR PARTS	-	12,089		12,089		12,089				12,089
	SUPPORT EQUIPMENT AND FACILITIES										
	SUPPORT EQUIPMENT AND FACILITIES										
18	AIR DEFENSE TARGETS	-	6,201		6,201		6,201				6,201
19	ITEMS LESS THAN $2.0M (MISSILES)	-	992		992		992				992
20	MISSILE DEMILITARIZATION	-	1,533		1,533		1,533				1,533
21	PRODUCTION BASE SUPPORT	-	3,469		3,469		3,469				3,469
22	CLOSED ACCOUNT ADJUSTMENTS	-	-		-		-				-
	TOTAL, MISSILE PROCUREMENT, ARMY		766,329		1,027,829		1,160,829		265,500		1,031,829

Avenger

The budget request included no funding for Avenger fire units for the National Guard.

The House bill would authorize an increase of $59.4 million to procure 93 Avenger fire units. The House bill included a provision (sec. 112) that would grant an extension to the Avenger multiyear procurement authorization.

The Senate amendment would support the budget request.

The Senate recedes.

The conferees agree to recommend $59.4 million to complete contract buyout of Avenger fire units. The conferees agree to a legislative provision that would extend the Avenger multiyear procurement authority to accommodate the contract buyout.

Javelin medium anti-tank weapon

The budget request included $162.1 million to procure 1,020 Javelin missiles.

The House bill would authorize an increase of $33.9 million to procure an additional 300 missiles and to accelerate production and fielding of command launch units (CLUs).

The Senate amendment would: authorize the Army to enter into a multiyear contract for Javelin missiles; authorize an increase of $5.7 million for accelerated production and fielding of CLUs; and authorize an additional $34.0 million for economic order quantity procurement of material.

The conferees agree to authorize $196.0 million for the Javelin system for economic order quantity procurement of material.

Multiple Launch Rocket System (MLRS) rocket

The budget request included $24.4 million to procure 852 extended range rockets.

The House bill and the Senate amendment would authorize an additional $17.0 million in order to maintain a stable production rate and procure additional rockets.

The conferees agree to a total of $41.4 million for MLRS rocket production.

Multiple Launch Rocket System (MLRS) launcher

The budget request included $38.0 million for program support to fielded launchers.

The House bill would authorize an increase of $66.2 million to support Army National Guard (ARNG) efforts to convert artillery battalions to MLRS configuration. Of this amount, $36.3 million would be available to rebuild 36 MLRS launchers and $29.9 million for training equipment and spare parts.

The Senate amendment would add $147.0 million, including $110.0 million to procure four of six batteries to restructure fire support for heavy divisions, and $37.0 million to refurbish four batteries to support ARNG modernization.

The Senate recedes.

The conferees agree to a total of $104.2 million for MLRS launchers.

Stinger missile modifications

The budget request included $16.9 million for missile hardware and software modifications.

The House bill would add $15.0 million to retrofit an additional 1,000 missiles to the Block I configuration and $5.0 million to modify both ground and air platforms to employ the missiles.

The Senate amendment would authorize an increase of $7.0 million to raise the retrofit production rate to an economic level and $15.8 million to support production and installation of new modules in Force Package 1 and 2 platforms.

The Senate recedes.

The conferees agree to authorize $36.9 million for Stinger modifications. Of this amount, the conferees recommend that $470,000 be used for the qualification and limited production proofing of asbestos-free Stinger rocket motors to support a future production capability.

Dragon missile

The budget request included $3.2 million for Dragon missile modifications.

The House bill would support the budget request.

The Senate amendment would authorize an increase of $25.0 million to support lethality enhancements to fielded missiles.

The Senate recedes.

The conferees agree to an increase of $25.0 million in the Army National Guard modernization authorization for Dragon missile lethality enhancements.

Overview

The budget request for fiscal year 1997 contained an authorization of $1,102.0 million for Weapons and Tracked Combat Vehicles Procurement, Army in the Department of Defense. The House bill would authorize $1,334.8 million. The Senate amendment would authorize $1,460.1 million. The conferees recommended an authorization of $1,409.5 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Title I - Procurement

(Dollars in Thousands)

Line No	Title	FY 1997 Qty	FY 1997 Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Change Qty	Conference Change Cost	Conference Agreement Qty	Conference Agreement Cost
	PROCUREMENT OF W&TCV, ARMY										
	TRACKED COMBAT VEHICLES										
	TRACKED COMBAT VEHICLES										
1	ABRAMS TRNG DEV MOD		3,184		3,184		3,184				3,184
2	BRADLEY FIGHTING VEHICLE FAMILY (MYP)										
3	BRADLEY BASE SUSTAINMENT		134,428		134,428		191,628		57,200		191,628
4	BRADLEY FVS TRAINING DEVICES		573		573		573				573
5	BRADLEY FVS TRAINING DEVICES (MOD)		900		900		900				900
6	FIELD ARTILLERY AMMUNITION SUPPORT VE	24	34,400	24	34,400	60	85,200	24	29,800	48	64,200
7	ABRAMS TANK TRAINING DEVICES		12,602		12,602		12,602				12,602
8	ARMORED GUN SYSTEM (AGS)										
9	M1 ABRAMS TANK SERIES (MYP)										
10	COMMAND & CONTROL VEHICLE	5	48,985	5	38,985	5	48,985			5	48,985
	MODIFICATION OF TRACKED COMBAT VEHICLES										
11	CARRIER, MOD		23,028		52,028		43,028		20,000		43,028
12	BFVS SERIES (MOD)		83,649		119,149		119,149		35,500		119,149
13	HOWITZER, MED SP FT 155MM M109A6 (MO		75,000	24	106,200		136,200	24	31,200	24	106,200
13a	FAASV			24	29,800						
14	HOWITZER, MED SP FT 155MM M109A5 (MO		130		130		130				130
15	FAASV PIP TO FLEET		4,727		4,727		6,727				4,727
16	IMPROVED RECOVERY VEHICLE (M88 MOD)		28,641	12	55,741		79,741		27,100		55,741
17	HEAVY ASSAULT BRIDGE (HAB) SYS (MOD)		51,377		51,377		51,377				51,377
18	M1 ABRAMS TANK (MOD)		50,217		40,217		78,717		5,000		55,217
19	ABRAMS UPGRADE PROGRAM		506,637		506,637		506,637				506,637
19	LESS: ADVANCE PROCUREMENT (PY)		(301,481)		(301,481)		(301,481)				(301,481)
20	ADVANCE PROCUREMENT (CY)		259,330		259,330		259,330				259,330
20a	ARMORED COMBAT EARTHMOVER			54	50,700			54	50,700	54	50,700
21	MODIFICATIONS LESS THAN $2.0M (TCV-WT		1,050		1,050		1,050				1,050
	SUPPORT EQUIPMENT AND FACILITIES										
22	SPARES AND REPAIR PARTS										
23	ITEMS LESS THAN $2.0M (TCV-WTCV)		141		141		141				141
24	TANK ENGINE INDUSTRIAL BASE										
25	PRODUCTION BASE SUPPORT (TCV-WTCV)		9,328		9,328		9,328				9,328
26	REGIONAL MAINTENANCE TRAINING SITES-E		1,368		1,368		1,368				1,368
	WEAPONS AND OTHER COMBAT VEHICLES										
	WEAPONS AND OTHER COMBAT VEHICLES										
27	PERSONAL DEFENSE WEAPON (ROLL)										
28	HOWITZER, LIGHT, TOWED, 105MM, M119										
29	MACHINE GUN, 5.56MM (SAW)	4,345	11,103	4,345	11,103		12,103		1,000		12,103
30	GRENADE LAUNCHER, AUTO, 40MM, MK19-3	320	5,199	1,550	33,699		34,100		28,000		33,199

Title I - Procurement

(Dollars in Thousands)

Line No	Title	FY 1997 Qty	FY 1997 Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Change Qty	Conference Change Cost	Conference Agreement Qty	Conference Agreement Cost
31	MORTAR, 120MM										
32	M16 RIFLE	9,982	5,552	9,982	5,552		6,552		1,000		6,552
33	5.56 CARBINE M4	7,704	5,552	7,704	6,552		6,452		1,000		6,552
	MACHINE GUN								20,000		20,000
	MODIFICATION OF WEAPONS AND OTHER COMBAT VEHI										
34	M4 CARBINE MODS		2,116		2,116		2,116				2,116
35	SQUAD AUTOMATIC WEAPON (MOD)										
36	MEDIUM MACHINE GUNS (MODS)				20,000		20,000				
37	M16 RIFLE MODS		5,531	2,100	5,531		5,531				5,531
38	MODIFICATIONS LESS THAN $2.0M (WOCV-		1,428		1,428		1,428				1,428
	SUPPORT EQUIPMENT AND FACILITIES										
39	SPARES AND REPAIR PARTS										
40	ITEMS LESS THAN $2.0M (WOCV-WTCV)		1,769		1,769		1,769				1,769
41	PRODUCTION BASE SUPPORT (WOCV-WTCV)		4,315		4,315		4,315				4,315
42	INDUSTRIAL PREPAREDNESS		5,091		5,091		5,091				5,091
43	SMALL ARMS (SOLDIER ENH PROG)		5,845		5,845		5,845				5,845
44	CLOSED ACCOUNT ADJUSTMENTS										
	SPARE AND REPAIR PARTS										
	SPARES										
45	SPARES AND REPAIR PARTS (WTCV)		20,299		20,299		20,299				20,299
	TOTAL, PROCUREMENT OF W&TCV, ARMY		1,102,014		1,334,814		1,460,115		307,500		1,409,514

Bradley Fighting Vehicle (BFV)

The budget request included $134.4 million for the Bradley base sustainment program.

The House bill would support the budget request.

The Senate amendment would authorize an increase of $57.2 million to procure Bradley vehicles.

The House recedes.

The conferees note the budget request supports the procurement of the first low-rate initial production models of the A3 version of the BFV. Recognizing the enhanced capabilities of the A3 model, as well as the benefit of achieving the low rate initial production requirement faster, the conferees agree to an increase of $57.2 million to procure an additional 18 vehicles.

The conferees agree to authorize $191.6 million for the BFV.

Carrier modifications (M113)

The budget request included $23.0 million to continue modernization of the M113 armored personnel carrier family of vehicles.

The House bill would provide an increase of $29.0 million.

The Senate amendment would provide an increase of $20.0 million.

The House recedes.

The conferees agree to authorize $43.0 million for M113 upgrades.

Bradley modifications

The budget request included $83.7 million for Bradley system modifications.

The House bill and the Senate amendment would authorize an increase of $35.5 million to buy out the requirement for reactive armor tiles and establish a domestic production capability.

The conferees agree to authorize an additional $35.5 million for this purpose.

Paladin/Field Artillery Ammunition Support Vehicle (FAASV)

The budget request did not include any funds to procure Paladins/FAASVs for the Army National Guard.

The House bill would add $61.0 million to procure one battalion set of Paladins/FAASVs.

The Senate amendment would add $112.0 million to procure two battalion sets of Paladins/FAASVs.

The Senate recedes.

The conferees agree to authorize $61.0 million for the procurement of one battalion set of Paladins/FAASVs (24 of each) and direct that these systems be exclusively for the Army National Guard.

Improved Recovery Vehicle

The budget request included $28.6 million to procure 12 M88A1E1 Hercules Improved Recovery Vehicles.

The House bill would authorize an increase of $27.1 million for these vehicles.

The Senate amendment would authorize an increase of $51.1 million.

The Senate recedes.

The conferees agree to authorize $55.7 million to procure Hercules vehicles. The conferees understand the importance of procuring these vehicles as soon as possible because the older M88A1 lacks the necessary horsepower and braking ability to support recovery of the Abrams main battle tank safely.

M1 Abrams tank (modifications)

The budget request included $50.2 million to procure modification kits for the M1 Abrams tank to improve lethality, survivability, and safety.

The House bill would authorize $40.2 million in procurement and move $10.0 million to research and development to fund development of under-armor auxiliary power units (APUs).

The Senate amendment would authorize an increase of $15.0 million to procure external APUs and additional pulse-jet air systems (PJAS).

The conferees are concerned about operation and maintenance costs for the Abrams fleet and have noted the successful application of external APUs in reducing the requirement for main engine idling during defensive operations. Demand for the external APU by soldiers in Bosnia is a significant endorsement for this modification.

Additionally, the conferees note progress toward correcting an established Operation Desert Storm deficiency with the air filtration system on the Abrams. Recognizing the enhancement to the combat capability of a unit made by installing the PJAS, the conferees support an acceleration of procurement for these devices.

The conferees agree to authorize $55.2 million, which reflects a $10.0 million transfer to PE 23735A to develop an under-armor APU system and a increase of $15.0 million to procure external APU and PJAS systems. The conferees encourage the Army to ensure future year funding is provided to complete the modification required for the Abrams fleet.

Armored combat earthmover (ACE)

The budget request included no funding for the ACE.

The House bill would authorize an increase of $50.7 million to procure 54 vehicles.

The Senate amendment contained no additional funding.

The Senate recedes.

The conferees agree to authorize $50.7 million to procure 54 vehicles.

Small arms programs

The budget request included: $5.6 million for the M4 carbine; 5.6 million for the M16 rifle; $11.1 million for the M249 squad automatic weapon; $5.2 million for the MK19 automatic grenade launcher; and no funds for procurement of M240 medium machine guns.

The conferees are concerned about the production capability of the small arms industrial base and agree to authorize an increase of $51.0 million to the budget request as indicated below:

	Dollars (M) (Increase)	Dollars (M) (Total auth)
M240 Machine gun	20.0	20.0
M4 Carbine	1.0	6.6
M16 Rifle	1.0	6.6
M249 Squad automatic weapon	1.0	12.1
MK19 Automatic grenade launcher	28.0	33.2

Overview

The budget request for fiscal year 1997 contained an authorization of $853.4 million for Ammunition Procurement, Army in the Department of Defense. The House bill would authorize $1,160.7 million. The Senate amendment would authorize $1,156.7 million. The conferees recommended an authorization of $1,003.0 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Title I - Procurement

(Dollars in Thousands)

Line No	Title	FY 1997 Qty	FY 1997 Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Change Qty	Conference Change Cost	Conference Agreement Qty	Conference Agreement Cost
	PROCUREMENT OF AMMUNITION, ARMY										
	AMMUNITION										
	SMALL/MEDIUM CAL AMMUNITION										
1	CTG, 5.56MM, ALL TYPES	-	29,752		34,752		31,052		1,000		30,752
2	CTG, 7.62MM, ALL TYPES	-	3,971		8,871		5,971		2,100		5,971
3	CTG, 9MM, ALL TYPES	-	-		1,400		3,000		1,400		1,400
4	CTG, .50 CAL, ALL TYPES	-	3,971		3,971		3,971				3,971
5	CTG, 20MM, ALL TYPES				300		300				
6	CTG, 25MM, ALL TYPES	-	47,176		97,176		97,176				47,176
7	CTG, 30MM, ALL TYPES	-	-		15,000		15,000				
8	CTG, 40MM, ALL TYPES	-	34,428		31,828		34,428		(2,600)		31,828
	SPECIAL PURPOSE AMMUNITION										
	MORTAR AMMUNITION				-						-
9	CTG MORTAR 60MM 1/10 PRAC M766	7	5,019	7	5,019	7	5,019			7	5,019
9a	CTG MORTAR 60MM HE M720		-		12,500		12,500				-
10	CTG MORTAR 60MM ILLUM M721/M767	14	6,151	14	13,151	14	13,151		7,000		13,151
11	CTG MORTAR 81MM PRAC 1/10 RANGE M88	-	-		-		-				-
12	CTG MORTAR 120MM FULL RANGE PRACTIC	123	49,539	123	49,539	123	49,539			123	49,539
13	CTG MORTAR 120MM HE XM933 W/PD FUZE	-	-		-		-				-
14	CTG MORTAR 120MM ILLUM XM930 W/MTS	10	19,360	10	19,360	10	19,360			10	19,360
15	CTG MORTAR 120MM SMOKE XM929 W/MO	27	30,106	27	30,106	27	30,106			27	30,106
	TANK AMMUNITION				-		-				
16	CTG 120MM APFSDS-T M829A2	23	79,703	23	91,703		91,703		12,000		91,703
17	CTG 120MM HEAT MP-T M830A1	-	-		45,000		45,000		31,000		31,000
18	CTG TANK 120MM TP-T M831/M831A1	89	52,228	89	54,628		54,628		2,400		54,628
19	CTG TANK 120MM TPCSDS-T M865	211	115,650	211	118,850		118,850		3,200		118,850
	ARTILLERY AMMUNITION				-						
20	CTG ARTY 75MM BLANK M337A1	-	-		-		-				-
21	CTG ARTY 105MM DPICM XM915	6	14,185	6	14,185	6	14,185				14,185
22	CTG ARTY 105MM HERA M913	-	-		27,000		-				-
23	PROJ ARTY 155MM SMOKE WP M825	-	15,053		15,053		15,053				15,053
24	PROJ ARTY 155MM HE M795	-	-		55,000		55,000				-
25	PROJ ARTY 155MM SADARM M898	322	60,259	638	93,759		93,759		33,500		93,759
	MINES				-						
26	MINE, TRAINING, ALL TYPES	-	1,930		1,930		1,930				1,930
27	MINE AT/AP M87 (VOLCANO)	-	-		35,000		-				-
28	WIDE AREA MUNITIONS	261	19,299	261	19,299	261	19,299			261	19,299
	ROCKETS				-						
29	BUNKER DEFEATING MUNITION (BDM)	-	-		10,000		-		10,000		10,000
30	ROCKET, HYDRA 70, ALL TYPES	-	26,737		26,737		26,737				26,737

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(Dollars in Thousands)

Line No	Title	FY 1997 Qty	FY 1997 Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Change Qty	Conference Change Cost	Conference Agreement Qty	Conference Agreement Cost
	OTHER AMMUNITION										
31	DEMOLITION MUNITIONS, ALL TYPES	-	20,220		20,220		20,220				20,220
32	GRENADES, ALL TYPES	-	7,654		4,154		7,654		(3,500)		4,154
33	SIGNALS, ALL TYPES	-	10,196		1,296		10,196		(8,900)		1,296
34	SIMULATORS, ALL TYPES		2,771		2,771		2,771				2,771
34a	SELECTABLE LIGHTWEIGHT ATTACK MUNITIONS		-		3,000		3,000		3,000		3,000
	MISCELLANEOUS										
35	AMMO COMPONENTS, ALL TYPES	-	4,921		4,921		4,921				4,921
36	CAD/PAD ALL TYPES		3,813		3,813		3,813				3,813
37	ITEMS LESS THAN $2 MILLION	-	663		663		663				663
38	AMMUNITION PECULIAR EQUIPMENT		5,653		5,653		5,653				5,653
39	FIRST DESTINATION TRANSPORTATION (AM	-	5,427		5,427		5,427				5,427
	AMMUNITION PRODUCTION BASE SUPPORT										
	PRODUCTION BASE SUPPORT										
40	PROVISION OF INDUSTRIAL FACILITIES	-	38,508		38,508		38,508				38,508
40a	ARMMENT RETOOLING AND MANUFACTURING SUPPORT (		-		-		58,000		58,000		58,000
41	COMPONENTS FOR PROVE-OUT	-	1,061		1,061		1,061				1,061
42	LAYAWAY OF INDUSTRIAL FACILITIES	-	17,622		17,622		17,622				17,622
43	PROVING GROUND MODERNIZATION	-	-		-		-				-
44	MAINTENANCE OF INACTIVE FACILITIES	-	31,899		31,899		31,899				31,899
45	CONVENTIONAL AMMO DEMILITARIZATION	-	88,603		88,603		88,603				88,603
46	FLEXIBLE MANUFACTURING CENTERS		-		-		-				-
	TOTAL, PROCUREMENT OF AMMUNITION, ARMY		853,428	1,409	1,160,728		1,156,728		149,600		1,003,028

Overview

The budget request for fiscal year 1997 contained an authorization of $2,627.4 million for Other Procurement, Army in the Department of Defense. The House bill would authorize $2,802.2 million. The Senate amendment would authorize $3.298.9 million. The conferees recommended an authorization of $2,990.2 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

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(Dollars in Thousands)

Line No	Title	FY 1997 Qty	FY 1997 Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Change Qty	Conference Change Cost	Conference Agreement Qty	Conference Agreement Cost
	OTHER PROCUREMENT, ARMY										
	TACTICAL AND SUPPORT VEHICLES										
	TACTICAL VEHICLES										
1	TACTICAL TRAILERS/DOLLY SETS		5,159		5,159		5,159				5,159
2	SEMITRAILER FB BB/CONT TRANS 22 1/2 T	26	1,911	26	1,911	26	1,911			26	1,911
3	SEMITRAILER VAN CGO SUPPLY 12T 4WHL M	51	4,471	51	4,471	51	4,471			51	4,471
4	HI MOB MULTI-PURP WHLD VEH (HMMWV)(M	1,126	96,785	1,126	96,785		162,785		66,000		162,785
5	FAMILY OF MEDIUM TACTICAL VEH (MYP)	1,603	233,094	1,603	233,094		238,094			1,603	233,094
6	FAMILY OF HEAVY TACTICAL VEHICLES (MYP		163,343	126	196,343		246,343		83,000		246,343
7	ARMORED SECURITY VEHICLES (COMBAT SP	24	9,240	24	9,240	24	9,240			24	9,240
8	MEDIUM TRUCK EXTENDED SVC PGM(ESP) (P										
9	MODIFICATION OF IN SVC EQUIP		2,698		2,698		2,698				2,698
10	ITEMS LESS THAN $2.0M (TAC VEH)		193		193		193				193
	NON-TACTICAL VEHICLES										
11	PASSENGER CARRYING VEHICLES	14	200	14	200	14	200			14	200
12	GENERAL PURPOSE VEHICLES		200		200		200				200
13	SPECIAL PURPOSE VEHICLES		200		200		200				200
	SUPPORT EQUIPMENT AND FACILITIES										
14	SYSTEM FIELDING SUPPORT PEO		1,414		1,414		1,414				1,414
15	PROJECT MANAGEMENT SUPPORT		622		622		622				622
16	SYSTEM FIELDING SUPPORT (TACOM)		1,927		1,927		1,927				1,927
	COMMUNICATIONS AND ELECTRONICS EQUIPMENT										
	COMM - JOINT COMMUNICATIONS										
17	JCSE EQUIPMENT (USREDCOM)		2,860		2,860		2,860				2,860
	COMM - SATELLITE COMMUNICATIONS										
18	DEFENSE SATELLITE COMMUNICATIONS SYS		97,528		82,528		97,528				97,528
19	SAT TERM, EMUT (SPACE)	620	18,632	620	18,632	620	18,632			620	18,632
20	NAVSTAR GLOBAL POSITIONING SYSTEM (SP	12,017	26,288	12,017	26,288	12,017	26,288			12,017	26,288
21	GROUND COMMAND POST		711		711		711				711
22	SMART-T (SPACE)		45,427		45,427		45,427				45,427
23	SCAMP (SPACE)		23,555		23,555		23,555				23,555
24	MOD OF IN-SVC EQUIP (TAC SAT)		5,444		5,444		5,444				5,444
	COMM - COMBAT SUPPORT COMM										
25	MSE MOD IN SERVICE		9,848		9,848		9,848				9,848
	COMM - C3 SYSTEM										
26	COMMAND CENTER IMPROVEMENT PROG (CC		892		892		892				892
27	SOUTHCOM HQ RELOCATION		26,984		26,984		26,984				26,984
28	ARMY GLOBAL CMD & CONTROL SYS (AGCC		20,462		17,462		20,462				20,462

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Line No	Title	FY 1997 Qty	FY 1997 Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Change Qty	Conference Change Cost	Conference Agreement Qty	Conference Agreement Cost
	COMM - COMBAT COMMUNICATIONS										
29	ARMY DATA DISTRIBUTION SYSTEM (ADDS)	-	47,987		72,987		67,987		20,000		67,987
30	MOBILE SUBSCRIBER EQUIP (MSE)	-	6,398		6,398		6,398				6,398
31	SINCGARS FAMILY	-	297,496		297,496		340,796		30,000		327,496
32	EAC COMMUNICATIONS	-	4,089		4,089		44,089		40,000		44,089
33	MOD OF IN SVC EQUIP (EAC COMM)	-	10,041		10,041		10,041				10,041
34	TAC RADIO	1,000	35,743	1,000	35,743	1,000	35,743			1,000	35,743
35	C E CONTINGENCY/FIELDING EQUIP	-	577		577		577				577
	COMM - INTELLIGENCE COMM										
36	JWICS CONNECTIVITY	-	666		666		666				666
37	CI AUTOMATION ARCHITECTURE		2,452		2,452		2,452				2,452
38	CI CONUS BASED LAN	-	725		725		725				725
	INFORMATION SECUTITY										
39	TSEC - INFORMATION SYSTEM SECURITY	-	10,678		10,678		10,678				10,678
39a	SECURE TERMINAL EQUIPMENT				4,500						
40	TSEC - JCSE EQIP	-	-		-		-				-
	COMM - LONG HAUL COMMUNICATIONS										
41	TERRESTRIAL TRANSMISSION	-	6,732		6,732		6,732				6,732
42	BASE SUPPORT COMMUNICATIONS	-	1,070		1,070		1,070				1,070
43	ARMY DISN ROUTER	-	2,077		2,077		2,077				2,077
44	ELECTROMAG COMP PROG (EMCP)	-	473		473		473				473
45	WW TECH CON IMP PROG (WWTCIP)		807		807		807				807
	COMM - BASE COMMUNICATIONS										
46	INFORMATION SYSTEMS		24,668		24,668		24,668				24,668
47	DEFENSE MESSAGE SYSTEM (DMS)	-	5,792		5,792		5,792				5,792
48	LOCAL AREA NETWORK (LAN)	-	17,726		17,726		17,726				17,726
49	PENTAGON INFORMATION MGT AND TELECO	-	59,901		54,901		59,901		(5,000)		54,901
	FT. CARSON COMMUNICATIONS										
	ELECT EQUIP - NAT FOR INT. PROG (NFIP)										
50	FOREIGN COUNTERINTELLIGENCE PROG (FCI)	-	536		536		536				536
51	GENERAL DEFENSE INTELL PROG (GDIP)	-	12,649		16,649		12,149				12,649
52	ITEMS LESS THAN $2.0M (INTEL SPT) - TIARA	-	2,151		6,551		2,151				2,151
	ELECT EQUIP - TACT INT REL ACT (TIARA)										
53	ALL SOURCE ANALYSIS SYS (ASAS) (TIARA)	-	12,297		12,297		23,997				12,297
54	JTT/CIBS M (TIARA)	58	14,010	58	14,010	58	14,010			58	14,010
55	IEW - GND BASE COMMON SENSORS (TIARA)	-	47,091		47,091		47,091				47,091
56	DEFENSE AIRBORNE RECONN PROGRAM (DAR	-	-		-						-
57	JOINT STARS (ARMY) (TIARA)	-	85,428		85,428		85,428				85,428
58	INTEGRATED BROADCAST TERMINAL MODS (	-	3,365		3,365		3,365				3,365

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Line No	Title	FY 1997 Qty	FY 1997 Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Change Qty	Conference Change Cost	Conference Agreement Qty	Conference Agreement Cost
59	DIGITAL TOPOGRAPHIC SPT SYS (DTSS) (TIA	4	6,425	4	6,425	4	6,425			4	6,425
60	DRUG INTERDICTION PROGRAM (DIP) (TIARA)										
61	TACTICAL EXPLOITATION OF NATIONAL CAP		1,758		1,758		1,758				1,758
62	JOINT TACTICAL GROUND STATION										
63	TROJAN (TIARA)		2,603		2,603		2,603				2,603
64	MOD OF IN SVC EQUIP (INTEL SPT) (TIARA)		14,452		14,452		14,452				14,452
65	ITEMS LESS THAN $2.0M (TIARA)		516		516		516				516
	ELECT EQUIP - ELECTRONIC WARFARE (EW)										
66	COUNTERINTELLIGENCE/SECURITY COUNTER		1,642		1,642		1,642				1,642
	ELECT EQUIP - TACTICAL SURV. (TAC SURV)										
67	LT SPEC DIV INTERIM SENSOR (LSDIS)										
68	FAAD GBS	16	51,226	28	68,826	52	80,426	12	17,600	28	68,826
69	NIGHT VISION DEVICES		111,872		111,872		245,972		67,000		178,872
70	PHYSICAL SECURITY SYSTEMS										
71	ARTILLERY ACCURACY EQUIP		4,655		4,655		4,655				4,655
72	MOD OF IN-SVC EQUIP (TAC SURV)		15,114		15,114		15,114				15,114
73	COMPUTER BALLISTICS: MORTAR XM-23	233	6,850	233	6,850	223	6,850			233	6,850
74	INTEGRATED MET SYS SENSORS (IMETS) TI	6	3,144	6	3,144	6	3,144			6	3,144
75	SHF TERM		9,134		9,134		9,134				9,134
	ELECT EQUIP - TACTICAL C2 SYSTEMS										
76	ADV FIELD ARTILLERY TACT DATA SYS (AFA	187	31,569	187	31,569		35,069			187	31,569
77	FIRE SUPPORT ADA CONVERSION		87		87		87				87
78	CMBT SVC SUPT CONTROL SYS (CSSCS)	51	5,813	51	5,813	51	5,813			51	5,813
79	CORPS/THEATER ADP SVC CTR (CTASC)										
80	FAAD C2	4	30,761	4	30,761	4	30,761			4	30,761
81	FORWARD ENTRY DEVICE (FED)		2,134		2,134		2,134				2,134
82	LIFE CYCLE SOFTWARE SUPPORT (LCSS)		2,030		2,030		2,030				2,030
83	LOGTECH		4,395		4,395		10,395		3,000		7,395
84	ISYSCON EQUIPMENT		9,833		9,833		9,833				9,833
85	MANEUVER CONTROL SYSTEM (MCS)	155	19,126	155	16,126	155	19,126			155	19,126
86	STAMIS TACTICAL COMPUTERS (STACOMP)		27,211		69,211		67,711		25,000		52,211
87	STANDARD INTEGRATED CMD POST SYSTEM		26,304		26,304		39,004		10,300		36,604
	ELECT EQUIP - AUTOMATION										
88	AUTOMATED DATA PROCESSING EQUIP		136,386		134,386		136,386		(2,000)		134,386
89	RESERVE COMPONENT AUTOMATION SYS (R		72,589		72,589		72,589				72,589
	ELECT EQUIP - AUDIO VISUAL SYS (A/V)										
90	AFRTS		359		359		359				359
91	ITEMS LESS THAN $2.0M (A/V)		2,115		2,115		2,115				2,115
	ELECT EQUIP-TEST MEAS&DIAG EQUIP (TMDE)										

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Line No	Title	FY 1997 Qty	FY 1997 Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Change Qty	Conference Change Cost	Conference Agreement Qty	Conference Agreement Cost
92	CALIBRATION SETS EQUIPMENT	-	11,104		11,104		11,104				11,104
93	INTEGRATED FAMILY OF TEST EQUIP (IFTE)	-	1,506		1,506		1,506				1,506
94	TMDE MODERNIZATION (TMOD)	-	8,239		13,239		8,239				8,239
	ELECT EQUIP - SUPPORT_				-						
95	INSTALLATION C4 UPGRADE (ICU)	-	1,111		1,111		1,111				1,111
96	PRODUCTION BASE SUPPORT (C-E)	-	687		687		687				687
	OTHER SUPPORT EQUIPMENT										
	CHEMICAL DEFENSIVE EQUIPMENT										
97	COLL PROT EQUIP, NBC TEMPER, TENT M28	-	-		-		-				
98	MASK, PROTECTIVE, NBC M40/M42	-	-		-		-				-
99	REMOTE SENSING CHEMICAL AGENT ALARM	-			-		-				
100	IMPROVED CHEMICAL AGENT MONITOR	-	-		-		-				-
101	AUTO CHEMICAL AGENT ALARM (ACADA), X	-	-		-		-				-
102	GEN SMK MECH:MTRZD DUAL PURP XM56	66	12,515	66	12,515	66	12,515			66	12,515
103	GENERATOR, SMOKE, MECH M58	40	11,587	40	11,587	40	11,587			40	11,587
104	GEN SET, SMOKE, MECH: PUL JET,XM157	118	3,475	118	3,475	118	3,475			118	3,475
105	JOINT BIOLOGICAL DEFENSE PROGRAM	-	-		-		-				-
	BRIDGING EQUIPMENT				-						
106	RIBBON BRIDGE	-	4,300		4,300		4,300				4,300
	ENGINEER (NON-CONSTRUCTION) EQUIPMENT_				-						
107	DISPENSER, MINE M139	-	962		962		962				962
	COMBAT SERVICE SUPPORT EQUIPMENT_				-						
108	AIR CONDITIONERS VARIOUS SIZE/CAPACITY	-	1,462		1,462		1,462				1,462
109	CHEM/BIO PROTECTIVE SHELTER	-	-		-		-				
110	SPACE HEATER	258	2,317	258	2,317	258	2,317			258	2,317
111	FORCE PROVIDER	2	11,661	4	24,461	2	11,661	1	6,400	3	18,061
112	REFRIGERATION EQUIPMENT	-	4,297		4,297		4,297				4,297
113	ITEMS LESS THAN $2.0M (CSS-EQ)	-	2,688		2,688		2,688				2,688
	PETROLEUM EQUIPMENT_				-						
114	LAB PETROLEUM MODULAR BASE	-	-		-		-				-
115	INLAND PETROLEUM DISTRIBUTION SYSTEM	-	1,064		1,064		61,064				1,064
116	HEMTT AVIATION REFUELING SYSTEM	-	-		-		-				-
117	ITEMS LESS THAN $2.0M (POL)	-	5,331		5,331		5,331				5,331
	WATER EQUIPMENT_				-						
118	FWD AREA WTR POINT SUP SYSTEM	-	-		-		-				-
119	SMALL MOBILE WATER CHILLER (SMWC)	-	-		-		-				-
120	ITEMS LESS THAN $2.0M (WATER EQ)	-	2,970		2,970		2,970				2,970
	MEDICAL EQUIPMENT_				-						

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Line No	Title	FY 1997 Qty	FY 1997 Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Change Qty	Conference Change Cost	Conference Agreement Qty	Conference Agreement Cost
121	COMBAT SUPPORT MEDICAL	-	15,851		15,851		15,851				15,851
	MAINTENANCE EQUIPMENT				-						
122	SHOP EQ CONTACT MAINTENANCE TRK MTD	31	1,687	31	1,687	31	1,687			31	1,687
123	ITEMS LESS THAN $2.0M (MAINT EQ)	-	1,339		1,339		1,339				1,339
	CONSTRUCTION EQUIPMENT										
124	ROLLER, VIBRATORY, SELF PROPELLED (CCE)	-	-		-						-
125	HYDRAULIC EXCAVATOR	25	6,250	25	6,250	25	6,250			25	6,250
126	DEPLOYABLE UNIVERSAL COMBAT EARTH M	20	7,707	20	7,707	20	7,707			20	7,707
127	CRANE, WHEEL MTD, 25T, 3/4 CU YD, HT	21	6,142	21	6,142	21	6,142			21	6,142
128	ITEMS LESS THAN $2.0M (CONST EQUIP)	-	382		382		60,382				382
	RAIL FLOAT CONTAINERIZATION EQUIPMENT				-						
129	PUSHER TUG, SMALL	2	6,877	2	6,877	2	6,877			2	6,877
130	FLOATING CRANE, 100-250 TON	1	14,328	1	14,328	1	14,328			1	14,328
131	CAUSEWAY SYSTEMS	-	-		-		-				-
132	RAILWAY CAR, FLAT, 100 TON	138	14,464	138	14,464	138	14,464			138	14,464
133	ITEMS LESS THAN $2.0M (FLOAT/RAIL)	-	5,728		5,728		6,728				5,728
	GENERATORS				-						
134	GENERATORS AND ASSOCIATED EQUIP	-	13,187		61,187		13,187				13,187
	MATERIAL HANDLING EQUIPMENT				-						
135	TRUCK, FORK LIFT, DE, PT, RT, 50000 LB	-	-		-		-				-
136	ALL TERRAIN LIFTING ARTICULATING SYSTE	151	15,953	151	15,953	151	15,953			151	15,953
137	ITEMS LESS THAN $2.0M (MHE)	-	2,666		2,666		2,666				2,666
	TRAINING EQUIPMENT				-						
138	COMBAT TRAINING CENTERS SUPPORT	-	4,714		4,714		4,714				4,714
139	TRAINING DEVICES, NONSYSTEM	-	82,724		84,224		82,724		1,500		84,224
140	SIMNET/CLOSE COMBAT TACTICAL TRAINER	-	78,400		78,400		78,400				78,400
141	FIRE SUPPORT COMBINED ARMS TACTICAL T	-	17,390		17,390		17,390				17,390
	OTHER SUPPORT EQUIPMENT				-						
142	RECONFIGURABLE SIMULATORS	-	13,835		13,835		13,835				13,835
143	PHYSICAL SECURITY SYSTEMS (OPA3)	-	7,232		7,232		7,232				7,232
144	SYSTEM FIELDING SUPPORT (OPA-3)	-	9,555		9,555		9,555				9,555
145	BASE LEVEL COM'L EQUIPMENT	-	-		-		27,000				-
146	ARMS CONTROL COMPLIANCE	-	-		-		-				-
147	MODIFICATION OF IN-SVC EQUIPMENT (OPA-	-	14,696		14,696		14,696				14,696
148	PRODUCTION BASE SUPPORT (OTH)	-	1,915		1,915		1,915				1,915
149	SPECIAL EQUIPMENT FOR USER TESTING	-	13,549		13,549		13,549				13,549
150	ITEMS LESS THAN $2.0M (OTH SPT EQ)	-	-		-		-				-
151	OPA INITIAL SPARES	-	-		-		-				-
152	TRACTOR VAPOR	-	2,174		2,174		2,174				2,174

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153	NATURAL GAS UTILIZATION										
154	CLOSED ACCOUNT ADJUSTMENTS										
154a	SOLDIER ENHANCEMENT PROGRAM				5,000						
	SPARE AND REPAIR PARTS										
	OPA1										
155	INITIAL SPARES - TSV		94		94		94				94
	OPA2										
156	INITIAL SPARES - C&E		60,503		60,503		60,503				60,503
	OPA3										
157	INITIAL SPARES - OTHER SUPPORT EQUIP		1,006		1,006		1,006				1,006
	TOTAL, OTHER PROCUREMENT, ARMY		2,627,440	18,208	2,802,240		3,298,940		362,800		2,990,240

High Mobility Multipurpose Wheeled Vehicle (HMMWV)

The budget request included $96.8 million to procure 1,126 HMMWVs.

The House bill would support the budget request.

The Senate amendment would authorize an increase of $41.0 million to support the production base, for a total of 2,350 vehicles, and an additional $25.0 million to procure an additional 233 up-armored HMMWVs (UAHMMWVs), for a total procurement of 360 in fiscal year 1997.

The House recedes.

The number of vehicles supported in the budget request reflects a significant reduction from previous years, despite the fact that there remains a valid requirement for these vehicles. The conferees understand that the minimum sustaining rate to maintain a viable supply of required vehicles is not achieved by the current budget request.

Additionally, the conferees are concerned about the number of UAHMMWVs being produced. In light of lessons learned in Bosnia and recognizing the importance of force protection, the conferees agree that more UAHMMWVs should be procured in order to meet the needs of the military services and maintain industrial production capacity at a minimum level.

The conferees agree to authorize $162.8 million for HMMWV vehicles.

Family of Heavy Tactical Vehicles (FHTV)

The budget request included $163.3 million to procure vehicles necessary to support modern and highly mobile combat units.

The House bill would authorize an increase of $33.0 million for the FHTV program.

The Senate amendment would authorize an increase of $123.0 million for the FHTV program.

The conferees agree to authorize an increase of $83.0 million to the budget request to procure the heavy tactical vehicles, as indicated below:

	Dollars (M) Increase	Dollars (M) Authorized
Heavy Expanded Mobility Tactical Transporter (HEMTT)	33.0	33.0
Palletized Loading System (PLS)	50.0	127.4

Enhanced Position Location Reporting System (EPLRS)

The budget request included $48.0 million to procure this critical battlefield system. The EPLRS provides real-time data distribution and serves to enhance situational awareness.

The House bill would authorize $25.0 million to procure additional EPLRS units with installation kits.

The Senate amendment would authorize $20.0 million to procure 485 additional EPLRS units with installation kits.

The conferees agree to authorize $68.0 million for a total procurement in fiscal year 1997 of 1285 systems.

SINCGARS family

The budget request included $297.5 million to procure 25,616 ground radios, 593 airborne radios, and 13,405 data transfer devices.

The House bill would support the budget request.

The Senate amendment would authorize an increase of $43.3 million for SINCGARS radios and installation kits.

The conferees understand that some prior year funding has been withdrawn by the Department of Defense due to internal budget decisions. These reductions have had an adverse impact on the fielding schedule. The conferees believe the original schedule should be maintained and are encouraged to note that an investment of an additional $30.0 million would procure approximately 4,500 radios and save $10.0 million.

The conferees agree to a total of $327.5 million for SINCGARS in fiscal year 1997.

Army communications

The budget request included $4.1 million to support echelon above corps (EAC) communications activities.

The House bill would support the budget request.

The Senate amendment would authorize an increase of $40.0 million.

The House recedes.

The Army continues to modernize the Area Common User System and to transition to the Warfighter Information Network to capitalize on advances made in information technology. The conferees understand that a shortfall exists to continue this work in fiscal year 1997 and therefore agree to authorize $44.1 million for this purpose.

Forward Area Air Defense (FAAD) Ground-Based Sensor

The budget request included $51.2 million to procure 16 key radar-based sensors for forward deployed Army units.

The House bill would authorize an increase of $17.6 million for FAAD Ground-Based Sensors.

The Senate amendment would authorize an increase of $29.2 million.

The Senate recedes.

The FAAD sensor serves to acquire targets and alert forces of the proximity of fixed wing aircraft, rotary wing aircraft, unmanned aerial vehicles and cruise missiles. The conferees are aware that the current production rate is uneconomical and prevents this key force protection device from reaching the field as soon as required.

The conference agree to authorize $68.8 million for FAAD sensors.

Night vision devices

The budget request included $111.9 million to continue fielding critical night vision devices that will allow the Army to "own the night."

The House bill would support the budget request.

The Senate amendment would authorize an increase of $134.1 million for night vision devices.

The conferees agree to authorize the following increases: $24.5 million to fill the requirement for approximately 1,000 thermal weapon sights (TWS) for Special Operations Forces (SOF); $24.5 million to procure approximately 7,500 night vision goggles (NVG) for critical combat units in the SOF and other light units; $9.1 million for aiming lights, including $4.1 million to procure 19,260 AN/PAQ–4B&4C aiming lights to fill the modified infantry basis of issue plan and upgrade existing lights and $5.0 million to procure 5,100 AN/PEQ–2 illuminator/aiming lights for the Army and 2,500 devices for the Marine Corps; and $8.9 million for initial spares and facilitization of total package fielding for these devices.

The conferees agree to authorize $178.9 million for the procurement of night vision equipment.

Standardized Integrated Command Post System (SICPS)

The budget request included $26.3 million to procure tents, shelters and kits for SICPS.

The House bill would support the budget request.

The Senate amendment would authorize an increase of $12.7 million for the SICPS.

The conferees agree to authorize an increase of $10.3 million to buy the shelters required through fiscal year 1997 and to ensure that this fielding occurs on schedule.

The conferees agree to authorize $36.6 million for new shelters.

Total Distribution System (TDS)

The budget request included $4.4 million for Army logistics requirements to distribute, track, and account for supplies and equipment in peacetime and in war.

The House bill would support the budget request.

The Senate amendment would authorize an increase of $6.0 million.

The conferees agree to authorize an increase of $3.0 million.

The conferees support the timely fielding of logistics support equipment and note the corresponding increase in efficiency and cost savings in managing inventory. The TDS will enhance logistics operations and should be fielded throughout the Army as soon as practicable.

The conferees agree to authorize $7.4 million to support logistical enhancements.

STAMIS Tactical Computers (STACOMP)

The budget request included $27.2 million for computer equipment.

The House bill would authorize an increase of $42.0 million.

The Senate amendment would authorize an increase of $30.5 million.

The conferees agree to authorize an increase of $25.0 million for computer hardware and software enhancements necessary to meet Army efforts to keep pace with rapidly changing technology.

Force Provider

The budget request included $11.7 million for the Force Provider program.

The House bill would authorize an increase of $12.8 million for the program.

The Senate amendment would support the budget request.

The conferees agree to authorize $18.1 million for Force Provider.

Generators and associated equipment

The budget request included $13.2 million for generators and associated equipment.

The House bill would authorize an increase of $58.0 million to procure generators.

The Senate amendment would support the budget request.

The House recedes.

Tranining devices, non-system

The budget request included $82.7 million for training devices.

The House bill would authorize an increase of $1.5 million to procure electronically scored targeting systems for the U.S. Army marksmanship training unit.

The Senate amendment would support the budget request.

The Senate recedes.

The conferees agree to authorize $84.2 million for training devices.

Overview

The budget request for fiscal year 1997 contained an authorization of $5,882.0 million for Aircraft Procurement, Navy in the Department of Defense. The House bill would authorize $6,669.0 million. The Senate amendment would authorize $6,911.4 million. The conferees recommended an authorization of $7,034.9 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Title I - Procurement

(Dollars in Thousands)

Line No	Title	FY 1997 Qty	FY 1997 Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Change Qty	Conference Change Cost	Conference Agreement Qty	Conference Agreement Cost
	AIRCRAFT PROCUREMENT, NAVY										
	COMBAT AIRCRAFT										
	COMBAT AIRCRAFT										
1	AV-8B (V/STOL)HARRIER	10	302,946	14	414,946	12	380,946	2	68,000	12	370,946
1	LESS: ADVANCE PROCUREMENT (PY)		(20,932)		(20,932)		(20,932)				(20,932)
2	ADVANCE PROCUREMENT (CY)		22,897		22,897		22,897				22,897
3	F/A 18C/D (FIGHTER) HORNET					6	234,000	6	234,000	6	234,000
3	LESS: ADVANCE PROCUREMENT (PY)										
4	ADVANCE PROCUREMENT (CY)										
5	F/A 18E/F (FIGHTER) HORNET	12	2,089,571	12	2,089,571	12	2,089,571			12	2,089,571
5	LESS: ADVANCE PROCUREMENT (PY)		(229,715)		(229,715)		(229,715)				(229,715)
6	ADVANCE PROCUREMENT (CY)		294,867		294,867		294,867				294,867
7	CH/MH-53E (HELICOPTER) SUPER STALLION										
7a	CH-53 FLIGHT SIMULATOR						1,000				
7	LESS: ADVANCE PROCUREMENT (PY)										
8	V-22 (MEDIUM LIFT)	4	547,475	6	779,475	6	828,475	2	232,000	6	779,475
8	LESS: ADVANCE PROCUREMENT (PY)		(46,571)		(46,571)		(46,571)				(46,571)
9	ADVANCE PROCUREMENT (CY)		57,753		67,753		127,753		70,000		127,753
10	AH-1W (HELICOPTER) SEA COBRA										
11	SH-60B (ASW HELICOPTER) SEAHAWK		6,432		6,432		6,432				6,432
11	LESS: ADVANCE PROCUREMENT (PY)										
12	SH-60F CV (ASW HELICOPTER)										
13	E-2C (EARLY WARNING) HAWKEYE	2	169,225	3	243,225	4	308,225	2	139,000	4	308,225
13	LESS: ADVANCE PROCUREMENT (PY)		(41,723)		(41,723)		(41,723)				(41,723)
14	ADVANCE PROCUREMENT (CY)		20,973		20,973		20,973				20,973
15	KC-130J			4	209,200			4	209,200	4	209,200
	TRAINER AIRCRAFT										
	TRAINER AIRCRAFT										
15	T-45TS (TRAINER) GOSHAWK	12	301,754	12	301,754	12	301,754			12	301,754
15	LESS: ADVANCE PROCUREMENT (PY)		(29,002)		(29,002)		(29,002)				(29,002)
16	ADVANCE PROCUREMENT (CY)		26,353		26,353		26,353				26,353
17	T-39N SABRELINER										
	OTHER AIRCRAFT										
	OTHER AIRCRAFT										
18	HH-60H (HELICOPTER)										
	MODIFICATION OF AIRCRAFT										
	MODIFICATION OF AIRCRAFT										
19	EA-6 SERIES		100,620		195,620		173,620		101,000		201,620

Title I - Procurement

(Dollars in Thousands)

Line No	Title	FY 1997 Qty	FY 1997 Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Change Qty	Conference Change Cost	Conference Agreement Qty	Conference Agreement Cost
20	AV 8 SERIES	-	22,852		22,852		22,852				22,852
21	F-14 SERIES	-	231,974		234,574		231,974		2,600		234,574
22	ADVERSARY	-	117		117		117				117
23	ES-3 SERIES	-	7,113		7,113		7,113				7,113
24	F 18 SERIES	-	156,486		151,486		206,486		(2,000)		154,486
25	H 46 SERIES	-	35,334		35,334		35,334				35,334
26	AH 1W SERIES		23,950		23,950		23,950				23,950
27	H 53 SERIES	-	44,567		54,567		58,567		14,000		58,567
28	SH 60 SERIES		47,790		56,790		67,790				47,790
29	H 1 SERIES	-	9,339		9,339		9,339				9,339
30	H 3 SERIES	-	4,860		4,860		4,860				4,860
31	EP 3 SERIES	-	35,429		45,429		35,429		1,000		36,429
32	P 3 SERIES	-	128,560		110,960		197,960		46,200		174,760
32a	LESPA				3,800						-
33	S 3 SERIES	-	36,413		36,413		36,413				36,413
34	E 2 SERIES	-	23,143		23,143		23,143				23,143
35	TRAINER A/C SERIES	-	3,652		3,652		3,652				3,652
36	C-130 SERIES	-	2,967		2,967		2,967				2,967
37	TEWSG		661		661		661				661
38	CARGO/TRANSPORT A/C SERIES	-	24,884		24,884		24,884				24,884
39	E 6 SERIES	-	100,045		100,045		100,045				100,045
40	EXECUTIVE HELICOPTERS SERIES	-	21,061		21,061		21,061				21,061
41	SPECIAL PROJECT AIRCRAFT	-	12,809		12,809		12,809				12,809
42	T 45 SERIES	-	5,642		5,642		5,642				5,642
43	POWER PLANT CHANGES		13,633		13,633		13,633				13,633
44	MISC FLIGHT SAFETY CHANGES	-	199		199		199				199
45	COMMON ECM EQUIPMENT	-	20,069		70,069		20,069		47,974		68,043
	REEF POINT										-
46	COMMON AVIONICS CHANGES	-	87,841		87,841		87,841				87,841
	PASSENGER SAFETY MODIFICATIONS										
	AIRCRAFT SPARES AND REPAIR PARTS										
	AIRCRAFT SPARES AND REPAIR PARTS										
47	SPARES AND REPAIR PARTS	-	839,987		839,987		839,987				839,987
	AIRCRAFT SUPPORT EQUIPMENT AND FACILITIE										
	AIRCRAFT SUPPORT EQUIPMENT AND FACILITIES										
48	COMMON GROUND EQUIPMENT	-	313,070		303,070		313,070		(10,000)		303,070
49	AIRCRAFT INDUSTRIAL FACILITIES	-	14,814		14,814		14,814				14,814
50	WAR CONSUMABLES	-	16,941		16,941		16,941				16,941
51	OTHER PRODUCTION CHARGES	-	11,940		11,940		11,940				11,940

Title I - Procurement

(Dollars in Thousands)

Line No	Title	FY 1997 Qty	FY 1997 Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Change Qty	Conference Change Cost	Conference Agreement Qty	Conference Agreement Cost
52	SPECIAL SUPPORT EQUIPMENT	.	8,922		8,922		8,922				8,922
53	FIRST DESTINATION TRANSPORTATION	.	1,965		1,965		1,965				1,965
54	CANCELLED ACCOUNT ADJUSTMENTS	.	.		.		.				.
	TOTAL, AIRCRAFT PROCUREMENT, NAVY		5,881,952	51	6,668,952		6,911,352		1,152,974		7,034,926

AV–8B remanufacture

The budget request included $282.0 million to procure 10 remanufactured AV–8B aircraft and $22.9 million for advance procurement of 12 aircraft in fiscal year 1998. The planned procurement of 12 remanufactured Harrier aircraft in fiscal year 1997, which was reflected in last year's budget request, was reduced to 10 because of resource constraints. The Harrier II Plus configuration provides day/night/adverse weather improvements to the AV–8B aircraft.

The House bill would authorize an additional $112.0 million to procure four more AV–8B remanufactured aircraft in order to accelerate the fielding of this much-needed and safety-related improvement.

The Senate amendment would authorize an increase of $68.0 million to procure an additional two aircraft and the necessary of integrated logistics support for the AV–8B program that the future years defense program currently would defer until fiscal years 1999 and 2000.

The House recedes.

Flight simulators

The budget request included no funding for flight simulators for various Marine Corps aircraft.

The Senate amendment would support the use of flight simulators for Marine Corps training by authorizing an increase of $60.0 million to procure or upgrade simulators for the V–22, AV–8B, and CH–53D.

The House bill would authorize the requested amount.

The Senate recedes.

F–14 aircraft modifications

The budget request included $232.0 million for F–14 modifications, of which $13.9 million was for continued operation and maintenance of the F–14 tactical air reconnaissance pod system (TARPS).

The House bill would authorize an increase of $2.6 million to fund continued TARPS reliability/supportability upgrades.

The Senate amendment would authorize the request.

The Senate recedes.

The conferees are aware of the continued reliance on TARPS by the Navy and accordingly agree to authorize the addition of $2.6 million for TARPS upgrades.

E–2C airborne early warning aircraft

The budget request included $169.2 million for procurement of two E–2C early warning aircraft.

The House bill would increase the requested amount by $74.0 million to purchase one additional aircraft.

The Senate amendment would increase the requested amount by $139.0 million for two additional aircraft.

The Navy resumed production in fiscal year 1995 of the E–2C, with the intent of purchasing four aircraft per year for a total of 36 aircraft. That planned acquisition rate has been reduced from four aircraft to two in the budget request for fiscal year 1997. The

conferees understand that procuring two more E–2C aircraft would lead to a savings of $13.2 million per aircraft. Accordingly, the conferees recommend an increase of $139.0 million to acquire a total of four E–2C aircraft in fiscal year 1997.

Helicopter crash attenuating seats

The budget request included no funding for the procurement of crash attenuating seats for the H–53 helicopter.

Section 136 of the National Defense Authorization Act for Fiscal Year 1996 directed the initiation of a program to provide crash attenuating troop seats for H–53 helicopters, using commercially developed, energy absorbing seats. As a result of this provision, the Department of Defense initiated efforts to define the requirements for a competition for procuring such seats as non-developmental items (NDI). The necessary program definition has been completed and the program is nearing release of the standards needed to begin a full and open competition to procure such seats.

The House bill would authorize an increase of $10.0 million for the competitive procurement of NDI crash attenuating seats for the H–53 helicopter.

The Senate amendment would authorize an increase of $14.0 million for the competitive procurement of NDI crash attenuating seats for the H–53 helicopter.

The House recedes.

EP–3 modifications

The budget request included $35.4 million for EP–3 modifications.

The House bill would authorize an increase of $10.0 million to reinstate a level-of-effort upgrade program for those aspects of overall system capabilities not uniquely addressed by centrally-directed, joint development programs. The House bill would also include a new procurement funding line for procurement of the lightweight environmentally sealed parachute assembly (LESPA) and authorize an increase of $3.8 million for LESPA. A portion of this increase would be for support of the EP–3 aircraft.

The Senate amendment would authorize the requested amount.

The conferees agree to an increase of $1.0 million for procurement of LESPA.

P–3 intelligence support

The budget request included $17.6 million within the P–3 aircraft modifications line to procure non-developmental, commercial off-the-shelf (COTS), roll-on/roll-off signals intelligence (SIGINT) sensors for use aboard P–3C aircraft.

The House bill and Senate amendment would not authorize the $17.6 million included in the budget request for the procurement of COTS SIGINT sensors in fiscal year 1997.

The conferees are concerned that the Navy has not developed a sound operational concept for employing the SIGINT capability that it proposes to add to the P–3C aircraft. Nor is it clear that the Navy's proposal relates well to the capability already provided by

its existing fleet of EP–3 aircraft. Important questions that should be answered to address the conferees' concerns include:

(1) To what degree would P–3C aircraft equipped with such a COTS SIGINT package be interoperable with other SIGINT platforms? and

(2) Are sufficient specially trained personnel available to support both existing SIGINT systems and this one as well?

P–3C modifications

The budget request included $34.7 million for the P–3C anti-surface warfare improvement program (AIP). This amount would procure one P–3C AIP kit and additional training equipment, support equipment, and logistics support for the P–3C AIP program.

The Senate amendment would authorize an increase of $87.0 million for the procurement of 11 additional P–3C AIP kits and associated equipment and support in order to maintain the acquisition schedule requested by the operational commanders in chief (CINCs) and to procure the kits at a more cost effective rate.

The House bill would authorize the requested amount for P–3 modifications but would include a new procurement funding line for procurement of the lightweight environmentally sealed parachute assembly (LESPA) and authorize an increase of $3.8 million for LESPA. A portion of this increase would be for support of the P–3C aircraft.

The conferees agree to authorize an increase of $61.0 million for the procurement of seven additional P–3C AIP kits and associated equipment and support. Reporting requirements for the P–3C AIP program associated with submission of the fiscal year 1998 budget request are contained in the Senate report (S. Rept. 104–267). The conferees also agree to authorize an increase of $2.8 million for LESPA procurement.

Lightweight environmentally sealed parachute assembly

The budget request included no funding for procurement of (LESPA) units.

The House bill would establish a new funding line for LESPA and authorize an increase of $3.8 million for procurement of LESPA units.

The Senate amendment would authorize the requested amount.

The conferees agree to authorize an increase of $3.8 million for LESPA but distribute this increase to existing programs as discussed elsewhere in this statement of managers.

Airborne self protection jammer (ASPJ)

The Budget request did not include funds for acquisition of the ASPJ.

The House bill would add $50.0 million to Aircraft Procurement Navy (APN) line 45, electronics counter-measures (ECM) equipment.

The Senate amendment would add $50 million for 36 sets of ASPJ to APN 5 line 24, F–18 series modifications.

The conferees agree to provide an additional 36 sets of ASPJ as a one-time acquisition for contingency deployments, realizing

that the ASPJ system is available now and that the integrated defensive electronic countermeasures (IDECM) system is under development and will not be available until fiscal year 2002. The conferees recommend an increase of $47.9 million in line 45 to buy 36 ASPJ systems, including aircraft interface units (racks), spares and additional integrated logistic support for three deployed F/A–18C/D squadrons.

The conferees recognize that the Navy is developing IDECM to serve as the long-term ECM system for the F/A–18E/F, and expect the Navy to upgrade the 36 sets into an IDECM configuration as soon as technically feasible. The conferees encourage the Navy to explore long-term solutions for the F/A–18C/D.

The conferees continue to support the IDECM program. The procurement of 36 ASPJ systems is intended to provide a contingency response capability, and does not reflect the conferees commitment to additional procurement of ASPJ systems or to restarting series production for U.S. government customers at this time.

Overview

The budget request for fiscal year 1997 contained an authorization of $1,400.4 million for Weapons Procurement, Navy in the Department of Defense. The House bill would authorize $1,305.2 million. The Senate amendment would authorize $1,513.3 million. The conferees recommended an authorization of $1,345.4 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Title I - Procurement

(Dollars in Thousands)

Line No	Title	FY 1997 Qty	FY 1997 Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Change Qty	Conference Change Cost	Conference Agreement Qty	Conference Agreement Cost
	WEAPONS PROCUREMENT, NAVY										
	BALLISTIC MISSILES										
	BALLISTIC MISSILES										
1	TRIDENT I										
2	TRIDENT II	7	299,827	7	292,127	7	299,827		(2,000)		297,827
2	LESS: ADVANCE PROCUREMENT (PY)		(32,335)		(32,335)		(32,335)				(32,335)
3	ADVANCE PROCUREMENT (CY)		53,533		53,533		53,533				53,533
	SUPPORT EQUIPMENT AND FACILITIES										
4	MISSILE INDUSTRIAL FACILITIES		2,124		2,124		2,124				2,124
	OTHER MISSILES										
	STRATEGIC MISSILES										
5	TOMAHAWK	120	88,513	120	88,513		120,513			120	88,513
	TACTICAL MISSILES										
6	AMRAAM	37	36,091	100	56,091	100	56,091	63	22,000	100	56,091
7	HARPOON			50	40,000			25	20,000	25	20,000
8	JSOW	100	64,426	100	64,426	100	64,426				64,426
9	STANDARD MISSILE	127	197,463	127	197,463		237,463		40,000		237,463
10	RAM	140	48,663	140	48,663	140	48,663			140	48,663
11	AERIAL TARGETS		73,147		73,147		73,147				73,147
12	DRONES AND DECOYS										
13	OTHER MISSILE SUPPORT		18,044		18,044		18,044				18,044
	PENGUIN										
	MODIFICATION OF MISSILES										
14	TOMAHAWK MODS						14,400		14,400		14,400
15	SPARROW MODS		2,530		2,530		2,530				2,530
16	SIDEWINDER MODS		1,301		1,301		1,301				1,301
17	HARPOON MODS		22,893		22,893		22,893				22,893
18	STANDARD MISSILES MODS		18,540		18,540		18,540				18,540
	SUPPORT EQUIPMENT AND FACILITIES										
19	WEAPONS INDUSTRIAL FACILITIES		34,260		34,260		34,260				34,260
20	FLEET SATELLITE COMM (MYP) (SPACE)		113,242		113,242		117,742				113,242
	ORDNANCE SUPPORT EQUIPMENT										
21	ORDNANCE SUPPORT EQUIPMENT		19,126		19,126		19,126				19,126
	TORPEDOES AND RELATED EQUIPMENT										
	TORPEDOES AND RELATED EQUIPMENT										
22	ASW TARGETS		5,052		5,052		5,052				5,052
23	VERTICAL LAUNCHED ASROC (VLA)										

Title I - Procurement

(Dollars in Thousands)

Line No	Title	FY 1997 Qty	FY 1997 Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Change Qty	Conference Change Cost	Conference Agreement Qty	Conference Agreement Cost
	MOD OF TORPEDOES AND RELATED EQUIP										
24	MK-46 TORPEDO MODS	-	1,761		1,761		1,761				1,761
25	MK-48 TORPEDO ADCAP MODS		63,892		63,892		63,892				63,892
	SUPPORT EQUIPMENT										
26	TORPEDO SUPPORT EQUIPMENT	-	22,537		22,537		22,537				22,537
27	ASW RANGE SUPPORT	-	14,820		14,820		14,820				14,820
	DESTINATION TRANSPORTATION										
28	FIRST DESTINATION TRANSPORTATION	-	2,620		2,620		2,620				2,620
	OTHER WEAPONS										
	GUNS AND GUN MOUNTS										
29	SMALL ARMS AND WEAPONS	-	870		870		870				870
	MODIFICATION OF GUNS AND GUN MOUNTS										
30	CIWS MODS	-	25,430		25,430		25,430				25,430
31	5/54 GUN MOUNT MODS	-	2,875		2,875		2,875				2,875
32	MK-75 76MM GUN MOUNT MODS	-	685		685		685				685
33	MODS UNDER $2 MILLION	-	1,607		1,607		1,607				1,607
	OTHER										
34	CANCELLED ACCOUNT ADJUSTMENTS	-	-		-		-				-
35	PRIOR YEAR DEFICIENCIES	-	-		-		-				-
	OTHER ORDNANCE										
	AIR LAUNCHED ORDNANCE				-		-				
36	GENERAL PURPOSE BOMBS	-	27,150		-		27,150		(27,150)		-
37	2.75 INCH ROCKETS	-	9,433		-		9,433		(9,433)		-
38	MACHINE GUN AMMUNITION	-	5,341		-		5,341		(5,341)		-
39	PRACTICE BOMBS	-	11,131		-		11,131		(11,131)		-
40	CARTRIDGES & CART ACTUATED DEVICES	-	21,939		-		21,939		(21,939)		-
41	AIRCRAFT ESCAPE ROCKETS	-	8,172		-		8,172		(8,172)		-
42	AIR EXPENDABLE COUNTERMEASURES	-	21,980		-		21,980		(21,980)		-
43	MARINE LOCATION MARKERS	-	580		-		580		(580)		-
44	JATOS	-	4,166		-		4,166		(4,166)		-
	SHIP ORDNANCE				-						
45	5 INCH/54 GUN AMMUNITION	-	13,495		-		13,495		(13,495)		-
46	76MM GUN AMMUNITION	-	2,738		-		2,738		(2,738)		-
47	OTHER SHIP GUN AMMUNITION	-	4,133		-		4,133		(4,133)		-
	OTHER ORDNANCE				-						
48	SMALL ARMS & LANDING PARTY AMMO	-	3,126		-		3,126		(3,126)		-
49	PYROTECHNIC AND DEMOLITION	-	10,131		-		10,131		(10,131)		-
50	MINE NEUTRALIZATION DEVICES	-	5,840		-		5,840		(5,840)		-

Title I - Procurement

(Dollars in Thousands)

Line No	Title	FY 1997 Qty	FY 1997 Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Change Qty	Conference Change Cost	Conference Agreement Qty	Conference Agreement Cost
	SPARES AND REPAIR PARTS										
	SPARES AND REPAIR PARTS										
61	SPARES AND REPAIR PARTS		47,471		47,471		47,471				47,471
	TOTAL, WEAPONS PROCUREMENT, NAVY		1,400,363		1,305,308		1,513,263		(54,955)		1,345,408

Tomahawk land attack missile

The budget request included $88.5 million for the procurement of 120 Tomahawk missiles and no funding for the remanufacture of Block IIC Tomahawk missiles to the Block IIIC configuration. The budget request also contained $15.8 million for recertification of the Tomahawk Block IIC missiles with maintenance due dates in fiscal years 1996 and 1997.

The Senate report (S. Rept. 104–267) noted that tactical use of the Tomahawk missile has increased at a time when budget reductions have reduced procurement below previously planned levels and resulted in inadequate funding for a required five-year recertification of existing Block IIC missiles. As a consequence, the Navy has been forced to rely on the practice of transferring missiles from redeploying ships to those that are preparing to deploy. Funding at the budget request level would be inadequate to permit the Navy to satisfy its deployment loadout requirements after fiscal year 1996. The Senate report also noted that funding for development of the Tomahawk Block IV missile has been reduced substantially from the planned level reported in the fiscal year 1996 budget request, thereby delaying this important program.

The Senate amendment would authorize an increase of $32.0 million above the budget request for the procurement of new Block IIIC missiles, $14.4 million for remanufacture of Block IIC missiles to the Block IIIC configuration, $40.6 million for the recertification of existing Block IIC missiles, and $29.0 million in PE 24229N for continued development of the Tomahawk Block IV missile.

The House bill would authorize the requested amount.

The conferees agree to authorize an increase of $14.4 million for remanufacture of Block IIC missiles to the Block IIIC configuration and $40.6 million for the recertification of existing Block IIC missiles.

Standard missile procurement

The budget request included $197.5 million for the procurement of Standard missiles for the Navy.

The Senate amendment would authorize an increase of $40.0 million above the budget request for the procurement of additional SM2 Block IV missiles to help stabilize the production base for the Block IV variant and to support ballistic missile defense development options.

The House bill would authorize the requested amount.

The House recedes.

Overview

The budget request for fiscal year 1997 contained an authorization of $4,911.9 million for Shipbuilding and Conversion Procurement, Navy in the Department of Defense. The House bill would authorize $5,479.9 million. The Senate amendment would authorize $6,567.3 million. The conferees recommended an authorizaiton of $6,193.3 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Title I - Procurement

(Dollars in Thousands)

Line No	Title	FY 1997 Qty	FY 1997 Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Change Qty	Conference Change Cost	Conference Agreement Qty	Conference Agreement Cost
	SHIPBUILDING & CONVERSION, NAVY										
	OTHER WARSHIPS										
	OTHER WARSHIPS										
1	CARRIER REPLACEMENT PROGRAM	-	-		-		-				-
1	LESS: ADVANCE PROCUREMENT (PY)	-	-		-		-				-
2	SSN 21	-	699,071		699,071		804,071				699,071
2	LESS: ADVANCE PROCUREMENT (PY)		-		-		-				-
3	NEW SSN	-	-		-		-				-
4	ADVANCE PROCUREMENT (CY)	-	296,186		800,186		997,186		701,000		997,186
5	CVN REFUELING OVERHAULS	-	237,029		237,029		237,029				237,029
6	CGN REFUELING OVERHAULS	-	-		-		-				-
6	LESS: ADVANCE PROCUREMENT (PY)	-	-		-		-				-
7	DDG-51	4	3,483,030	4	3,483,030	4	3,483,030			4	3,483,030
7	LESS: ADVANCE PROCUREMENT (PY)	-	(108,337)		(108,337)		(108,337)				(108,337)
8	ADVANCE PROCUREMENT (CY)	-	9,379		9,379		759,379		525,000		534,379
	SHIP SELF DEFENSE										-
	AMPHIBIOUS SHIPS										
	AMPHIBIOUS SHIPS										
9	COMPLETION OF LSD-52	-	-		-		-				-
10	LHD-1 AMPHIBIOUS ASSAULT SHIP (MYP)	-			-		-				-
10	LESS: ADVANCE PROCUREMENT (PY)	-	-		-		-				-
11	ADVANCE PROCUREMENT (CY)	-	-		-		-				-
12	LPD-17	-	-		-		-				-
	AUXILIARIES, CRAFT, AND PRIOR-YEAR PROGR										
	AUXILIARIES, CRAFT AND PRIOR YEAR PROGRAM COS										
13	AE(C)	2	59,665	2	59,665	2	59,665			2	59,665
14	OCEANOGRAPHIC SHIPS	-	-	1	54,000	1	54,400	1	54,400	1	54,400
14a	OCEANOGRAPHIC SHIPS-SWATH				-	1	45,000	1	45,000	1	45,000
	LCAC SLEP										
15	SERVICE CRAFT	-	-		-		-				-
15a	FAST PATROL CRAFT				20,000						-
16	OUTFITTING	-	91,990		91,990		91,990		(44,000)		47,990
17	POST DELIVERY	-	141,855		131,855		141,855				141,855
18	AFS (C)	-	-		-		-				-
19	FIRST DESTINATION TRANSPORTATION	-	2,062		2,062		2,062				2,062
20	SSN MAIN STEAM CONDENSERS	-	-		-		-				-
	TOTAL, SHIPBUILDING & CONVERSION, NAVY		4,911,930		5,479,930		6,567,330		1,281,400		6,193,330

Oceanographic survey ship

The National Defense Authorization Act for Fiscal Year 1996 authorized $15.6 million of advance procurement for an oceanographic survey ship, TAGS–64. The budget request did not contain the additional increment needed to fully fund this ship. The future years defense program would not procure this ship until fiscal year 1999. Procurement of this ship through an existing contract option, to satisfy a well documented requirement, would result in substantial cost savings.

The House bill would authorize an increase of $54.0 million to the budget request to complete procurement of TAGS–64.

The Senate amendment would authorize an increase of $54.4 million to the budget request to complete procurement of TAGS–64.

The House recedes.

SWATH oceanographic research ship

The budget request included no funding for the procurement of oceanographic research ships.

The Senate amendment would authorize an increase to the budget request of $45.0 million to provide the additional funding needed to build a small water plane area, twin-hulled (SWATH) oceanographic research vessel based on the TAGOS–23 class of surveillance ships. In order to resolve a documented backlog of additional oceanographic survey work the Senate report (S. Rept. 104–267) would direct the Navy to negotiate a time sharing agreement with the university or institute that will operate the new SWATH oceanographic vessel, whereby a certain portion of the ship's annual operating time would be dedicated to meeting the Navy's oceanographic survey needs.

The House bill would authorize the requested amount.

The House recedes.

Fast patrol craft

The budget request included no funds for a fast patrol craft.

The House bill would authorize an increase of $20.0 million to acquire an advanced fast patrol craft for operations in littoral waters. The report accompanying the House bill (H. Rept. 104–563) noted the need for such craft to avoid the current Navy practice of placing cruisers and destroyers in areas where they are vulnerable to shore-based cruise missiles, mines, and quiet diesel submarines. Such a fast patrol craft could provide a highly capable, multi-mission adjunct to the Navy's current fleet.

The Senate amendment would authorize the requested amount.

The House recedes.

Outfitting

The budget request included $92.0 million for outfitting of new construction Navy ships and conversions.

The House bill and Senate amendment would authorize the requested amount.

The conferees agree to a decrease of $44.0 million from the budget request for outfitting of new construction Navy ships and conversions.

Post delivery

The budget request included $141.9 million for post delivery of new construction ships and conversions.

The House bill would reduce the budget request amount by $10.0 million.

The Senate amendment would authorize the requested amount.

The House recedes.

Overview

The budget request for fiscal year 1997 contained an authorization of $0 million for Ammunition Procurement, Navy and Marine Corps in the Department of Defense. The House bill would authorize $599.2 million. The Senate amendment would authorize $0 million. The conferees recommended an authorization of $293.2 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Title I - Procurement

(Dollars in Thousands)

Line No	Title	FY 1997 Qty	FY 1997 Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Change Qty	Conference Change Cost	Conference Agreement Qty	Conference Agreement Cost
	PROCUREMENT OF AMMUNITION, NAVY & MARINE CORP										
	PROC AMMO, NAVY										
	NAVY AMMUNITION										
1	GENERAL PURPOSE BOMBS				27,150				27,150		27,150
2	2.75 INCH ROCKETS				9,433				9,433		9,433
3	MACHINE GUN AMMUNITION				5,341				5,341		5,341
4	PRACTICE BOMBS				11,131				11,131		11,131
5	CARTRIDGES & CART ACTUATED DEVICES				21,939				21,939		21,939
6	AIRCRAFT ESCAPE ROCKETS				8,172				8,172		8,172
7	AIR EXPENDABLE COUNTERMEASURES				21,980				21,980		21,980
8	MARINE LOCATION MARKERS				580				580		580
9	DEFENSE NUCLEAR AGENCY MATERIAL										
10	JATOS				4,166				4,166		4,166
	NAVY AMMUNITION										
11	5 INCH/54 GUN AMMUNITION				13,495				13,495		13,495
12	CIWS AMMUNITION										
13	76MM GUN AMMUNITION				2,738				2,738		2,738
14	OTHER SHIP GUN AMMUNITION				4,133				4,133		4,133
	NAVY AMMUNITION										
15	SMALL ARMS & LANDING PARTY AMMO				3,126				3,126		3,126
16	PYROTECHNIC AND DEMOLITION				10,131				10,131		10,131
17	MINE NEUTRALIZATION DEVICES				5,840				5,840		5,840
18	SHIP EXPENDABLE COUNTERMEASURES										
	PROC AMMO, MC										
	MARINE CORPS AMMUNITION										
19	5.56 MM, ALL TYPES				50,425				25,425		25,425
20	7.62 MM, ALL TYPES				14,493				11,493		11,493
21	.50 CALIBER				13,052				6,052		6,052
22	40 MM, ALL TYPES				3,210				3,210		3,210
23	60 MM HE M888				5,127				5,127		5,127
24	81 MM HE				1,731				1,731		1,731
25	81 MM SMOKE SCREEN				22,573				2,573		2,573
26	81MM ILLUMINATION (M853)				10,000						
27	120MM TPCSDS-T M865				2,545				2,545		2,545
27a	120MM APFSDS-T M829A2				12,000						
28	120 MM TP-T M831				1,723				1,723		1,723
28a	120MM HEAT-MP				21,000						
29	155MM CHG. PROP. RED BAG										

Title I - Procurement

(Dollars in Thousands)

Line No	Title	FY 1997 Qty	FY 1997 Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Change Qty	Conference Change Cost	Conference Agreement Qty	Conference Agreement Cost
29a	155MM D864, BASE BLEED				40,000						
30	FUZE, ET, XM762				6,000						
30a	FUZE, PROXIMITY				11,807				4,807		4,807
31	CTG 25MM, ALL TYPES				3,793				2,793		2,793
32	9 MM ALL TYPES				5,686				686		686
33	GRENADES, ALL TYPES				30,000						
34	ROCKETS, ALL TYPES				85,000				45,000		45,000
34a	LINEAR CHG, ALL TYPES				98,000						
34b	CHG, DEMOLITION				9,118				9,118		9,118
35	AMMO MODERNIZATION										
	MARINE CORPS AMMUNITION				2,601				1,601		1,601
36	ITEMS LESS THAN $2 MIL								20,000		20,000
	M757 CHARGE ASSEMBLY				599,239				293,239		293,239
	TOTAL, PROCUREMENT OF AMMUNITION, NAVY & MARIN										

Overview

The budget request for fiscal year 1997 contained an authorization of $2,714.2 million for Other Procurement, Navy in the Department of Defense. The House bill would authorize $2,871.5 million. The Senate amendment would authorize $3,005.0 million. The conferees recommended an authorization of $2,893.8 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Title I - Procurement

(Dollars in Thousands)

Line No	Title	FY 1997 Qty	FY 1997 Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Change Qty	Conference Change Cost	Conference Agreement Qty	Conference Agreement Cost
	OTHER PROCUREMENT, NAVY										
	SHIPS SUPPORT EQUIPMENT										
	SHIP PROPULSION EQUIPMENT										
1	LM 2500 GAS TURBINE		7,898		7,898		7,898				7,898
2	ALLISON 501K GAS TURBINE		3,445		3,445		3,445				3,445
3	STEAM PROPULSION IMPROVEMENT		248		248		248				248
4	OTHER PROPULSION EQUIPMENT		7,922		7,922		7,922				7,922
	GENERATORS										
5	OTHER GENERATORS		588		588		588				588
	PUMPS										
6	OTHER PUMPS		78		78		78				78
7	SUBMARINE PUMP RETROFIT KITS										
	AIR COMPRESSORS										
8	HIGH PRESSURE AIR COMPRESSORS										
	PROPELLERS										
9	SUBMARINE PROPELLERS		39,182		39,182		39,182				39,182
10	OTHER PROPELLERS AND SHAFTS		2,897		2,897		2,897				2,897
	NAVIGATION EQUIPMENT										
11	ELEC SUSPENDED GYRO NAVIGATOR										
12	OTHER NAVIGATION EQUIPMENT		17,200		27,200		27,200		10,000		27,200
	UNDERWAY REPLENISHMENT EQUIPMENT										
13	UNDERWAY REPLENISHMENT EQUIPMENT		11,858		11,858		11,858				11,858
	PERISCOPES										
14	SUB PERISCOPES & IMAGING EQUIP		32,625		32,625		32,625				32,625
	OTHER SHIPBOARD EQUIPMENT										
15	FIREFIGHTING EQUIPMENT		9,175		9,175		9,175				9,175
16	COMMAND AND CONTROL SWITCHBOARD		6,924		6,924		6,924				6,924
17	POLLUTION CONTROL EQUIPMENT		135,218		130,218		135,218				135,218
18	SUBMARINE SILENCING EQUIPMENT		3,365		3,365		3,365				3,365
19	SURFACE SHIP SILENCING EQUIPMENT										
20	SUBMARINE BATTERIES		9,513		9,513		9,513				9,513
21	SSN21 CLASS SUPPORT EQUIPMENT		21,217		21,217		21,217				21,217
22	STRATEGIC PLATFORM SUPPORT EQUIP		9,229		9,229		9,229				9,229
23	DSSP EQUIPMENT		5,217		5,217		5,217				5,217
24	MINESWEEPING EQUIPMENT		4,089		4,089		4,089				4,089
25	HM&E ITEMS UNDER $2 MILLION		35,545		35,545		35,545				35,545
26	SURFACE IMA		2,437		2,437		2,437				2,437
27	RADIOLOGICAL CONTROLS		192		192		192				192

Title I - Procurement

(Dollars in Thousands)

Line No	Title	FY 1997 Qty	FY 1997 Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Change Qty	Conference Change Cost	Conference Agreement Qty	Conference Agreement Cost
28	MINI/MICROMINI ELECTRONIC REPAIR	-	963		963		963				963
29	SUBMARINE LIFE SUPPORT SYSTEM	-	-		-		-				-
	REACTOR PLANT EQUIPMENT										
30	REACTOR POWER UNITS	-	223,392		213,392		223,392		(30,000)		193,392
31	REACTOR COMPONENTS		185,551		183,051		185,551		(2,500)		183,051
	OCEAN ENGINEERING										
32	DIVING AND SALVAGE EQUIPMENT	-	8,662		8,662		8,662				8,662
33	EOD UNDERWATER EQUIPMENT		5,181		5,181		7,681				5,181
	SMALL BOATS										
34	STANDARD BOATS		4,576		4,576		4,576				4,576
	TRAINING EQUIPMENT										
35	OTHER SHIPS TRAINING EQUIPMENT	-	1,464		1,464		1,464				1,464
	PRODUCTION FACILITIES EQUIPMENT										
36	PRODUCTION SUPPORT FACILITIES	-	2,930		2,930		2,930				2,930
37	OPERATING FORCES IPE	-	911		911		911				911
	OTHER SHIP SUPPORT										
38	NUCLEAR ALTERATIONS	-	68,485		68,485		68,485				68,485
39	FLEET MODERNIZATION PROGRAM	-	-		-		-				
	COMMUNICATIONS AND ELECTRONICS EQUIPMENT										
	SHIP RADARS										
40	AN/SPS-40	-	7,663		7,663		7,663				7,663
41	AN/SPS-48	-	12,847		12,847		12,847				12,847
42	AN/SPS-49	-	12,136		12,136		12,136				12,136
43	AN/SYS-0	-	861		861		861				861
44	MK 23 TARGET ACQUISITION SYSTEM	-	1,347		1,347		1,347				1,347
45	RADAR SUPPORT	-	-		16,000		16,900		16,900		16,900
46	SURFACE ELECTRO-OPTICAL SYSTEM	-	-		-		-				-
	SHIP SONARS										
47	SURFACE SONAR SUPPORT EQUIPMENT	-	6,888		6,888		6,888				6,888
47a	DOPPER SONAR VELOCITY LOG				1,000						-
48	AN/SQQ-89 SURF ASW COMBAT SYSTEM	-	24,674		24,674		24,674				24,674
49	SSN ACOUSTICS	-	44,134		44,134		44,134				44,134
50	SURFACE SONAR WINDOWS AND DOME	-	-		-		-				-
51	SONAR SUPPORT EQUIPMENT	-	17,302		17,302		17,302				17,302
52	SONAR SWITCHES AND TRANSDUCERS	-	10,669		10,669		10,669				10,669
	ASW ELECTRONIC EQUIPMENT										
53	SUBMARINE ACOUSTIC WARFARE SYSTEM	-	7,840		7,840		7,840				7,840
54	SSTD	-	5,701		18,201		18,201		12,500		18,201

Title I - Procurement

(Dollars in Thousands)

Line No	Title	FY 1997 Qty	FY 1997 Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Change Qty	Conference Change Cost	Conference Agreement Qty	Conference Agreement Cost
55	ACOUSTIC COMMUNICATIONS	-	228		228		228				228
56	FIXED SURVEILLANCE SYSTEM	-	34,635		34,635		34,635				34,635
57	SURTASS	-	10,590		10,590		10,590				10,590
58	ASW OPERATIONS CENTER	-	10,126		10,126		10,126				10,126
59	CARRIER ASW MODULE	-	144		144		144				144
	ELECTRONIC WARFARE EQUIPMENT										
60	AN/SLQ-32		6,358		6,358		6,358				6,358
61	AN/WLR-1		173		173		173				173
62	AN/WLR-8										
63	INFORMATION WARFARE SYSTEMS		4,671		4,671		4,671				4,671
64	EW SUPPORT EQUIPMENT	-	7,949		7,949		7,949				7,949
65	C-1 COUNTERMEASURES		558		558		558				558
	RECONNAISSANCE EQUIPMENT										
66	COMBAT DF	-	10,547		10,547		10,547				10,547
67	OUTBOARD	-	295		295		295				295
68	BATTLE GROUP PASSIVE HORIZON EXTEN	-	38,957		38,957		38,957				38,957
	SUBMARINE SURVEILLANCE EQUIPMENT										
69	AN/WLQ-4	-	4,208		4,208		4,208				4,208
70	SUBMARINE SUPPORT EQUIPMENT PROG	-	5,418		5,418		5,418				5,418
	OTHER SHIP ELECTRONIC EQUIPMENT										
71	NAVY TACTICAL DATA SYSTEM	-	18,220		30,220		18,220		12,000		30,220
72	TACTICAL FLAG COMMAND CENTER	-	23,941		23,941		27,441		3,500		27,441
73	NAVAL TACTICAL COMMAND SUPPORT SYS	-	32,555		32,555		32,555				32,555
74	LINK 16 HARDWARE	-	17,808		31,408		17,808				17,808
75	MINESWEEPING SYSTEM REPLACEMENT	-	22,853		22,853		48,698		25,845		48,698
76	SHALLOW WATER MCM	-	961		961		961				961
77	EMSP (MYP)	-	-				-				-
78	NAVSTAR GPS RECEIVERS (SPACE)	-	4,943		4,943		4,943				4,943
79	HF LINK-11 DATA TERMINALS	-	3,239		3,239		3,239				3,239
80	ARMED FORCES RADIO AND TV	-	3,363		3,363		3,363				3,363
81	STRATEGIC PLATFORM SUPPORT EQUIP	-	4,054		36,054		4,054		32,000		36,054
	TRAINING EQUIPMENT										
82	OTHER SPAWAR TRAINING EQUIPMENT	-	1,592		1,592		1,592				1,592
83	OTHER TRAINING EQUIPMENT	-	28,343		28,343		28,343				28,343
	AVIATION ELECTRONIC EQUIPMENT										
84	MATCALS	-	4,151		4,151		4,151				4,151
85	SHIPBOARD AIR TRAFFIC CONTROL	-	13,434		13,434		13,434				13,434
86	AUTOMATIC CARRIER LANDING SYSTEM	-	18,990		18,990		18,990				18,990
87	TACAN	-	2,266		2,266		2,266				2,266

Title I - Procurement

(Dollars in Thousands)

Line No	Title	FY 1997 Qty	FY 1997 Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Change Qty	Conference Change Cost	Conference Agreement Qty	Conference Agreement Cost
88	AIR STATION SUPPORT EQUIPMENT	-	9,722		9,722		9,722				9,722
89	MICROWAVE LANDING SYSTEM		7,217		7,217		7,217				7,217
90	FACSFAC	-	3,910		3,910		3,910				3,910
91	ID SYSTEMS	-	4,702		4,702		4,702				4,702
92	SURFACE IDENTIFICATION SYSTEMS	-					-				
93	TAC A/C MISSION PLANNING SYS(TAMPS)	-	7,131		7,131		7,131				7,131
	OTHER SHORE ELECTRONIC EQUIPMENT										
94	TADIX B	-	4,243		15,243		4,243		11,000		15,243
95	NATIONAL IMAGERY SUPPORT	-			-						-
96	NCCS ASHORE	-	6,264		6,264		6,264				6,264
97	RADIAC	-	3,491		3,491		3,491				3,491
98	GPETE	-	9,354		9,354		9,354				9,354
99	INTEG COMBAT SYSTEM TEST FACILITY	-	4,951		4,951		4,951				4,951
100	CALIBRATION STANDARDS	-	2,183		2,183		2,183				2,183
101	FMI CONTROL INSTRUMENTATION	-	5,423		5,423		5,423				5,423
102	SHORE ELEC ITEMS UNDER $2 MILLION	-	4,070		4,070		4,070				4,070
	SHIPBOARD COMMUNICATIONS										
103	SHIPBOARD TACTICAL COMMUNICATIONS	-	8,779		8,779		13,279		4,500		13,279
104	PORTABLE RADIOS	-	1,433		1,433		1,433				1,433
105	SINCGARS	-	4,699		4,699		4,699				4,699
106	SHIP COMMUNICATIONS AUTOMATION	-	15,006		15,006		15,006				15,006
107	SHIP COMM ITEMS UNDER $2 MILLION	-	9,560		9,560		9,560				9,560
	SUBMARINE COMMUNICATIONS										
108	SHORE LF/VLF COMMUNICATIONS	-	4,140		4,140		4,140				4,140
109	SUBMARINE COMMUNICATION EQUIPMENT	-	29,430		29,430		29,430				29,430
	SATELLITE COMMUNICATIONS										
110	SATCOM SHIP TERMINALS (SPACE)	-	115,837		115,837		169,537		25,000		140,837
111	SATCOM SHORE TERMINALS (SPACE)	-	24,653		24,653		31,653				24,653
	SHORE COMMUNICATIONS										
112	JCS COMMUNICATIONS EQUIPMENT	-	1,989		1,989		1,989				1,989
113	ELECTRICAL POWER SYSTEMS	-	-		-		-				-
114	NSIPS	-	-		-		-				-
115	JEDMICS	-	4,216		4,216		4,216				4,216
116	WWMCCS COMMUNICATIONS EQUIPMENT	-	1,712		1,712		1,712				1,712
117	NAVAL SHORE COMMUNICATIONS	-	43,315		43,315		43,315				43,315
	CRYPTOGRAPHIC EQUIPMENT										
118	SECURE VOICE SYSTEM	-	15,494		15,494		15,494				15,494
119	SECURE DATA SYSTEM	-	14,532		14,532		14,532				14,532
120	KEY MANAGEMENT SYSTEMS	-	12,580		12,580		12,580				12,580

Title I - Procurement

(Dollars in Thousands)

Line No	Title	FY 1997 Qty	FY 1997 Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Change Qty	Conference Change Cost	Conference Agreement Qty	Conference Agreement Cost
121	CRYPTOGRAPHIC ITEMS UNDER $2 MILL										
	CRYPTOLOGIC EQUIPMENT										
122	CRYPTOLOGIC COMMUNICATIONS EQUIP		1,308		1,308		1,308				1,308
	OTHER ELECTRONIC SUPPORT										
123	EFD/CENGINEERED MAINTENANCE										
	DRUG INTERDICTION SUPPORT										
124	OTHER DRUG INTERDICTION SUPPORT	-									
	AVIATION SUPPORT EQUIPMENT										
	SONOBUOYS										
125	AN/SSQ-36 (BT)	-	923		923		923				923
126	AN/SSQ-62 (DICASS)	-	22,704		39,704		34,904		12,200		34,904
126a	SSQ-53F						31,800		18,000		18,000
127	AN/SSQ-110		35,961		35,961		35,961				35,961
128	AN/SSQ-86 (DLC)										
129	SIGNAL, UNDERWATER SOUND (SUS)		1,118		1,118		1,118				1,118
	AIRCRAFT SUPPORT EQUIPMENT										
130	WEAPONS RANGE SUPPORT EQUIPMENT	-	27,793		27,793		27,793				27,793
131	EXPEDITIONARY AIRFIELDS	-	1,560		1,560		1,560				1,560
132	AIRCRAFT REARMING EQUIPMENT	-	9,321		9,321		9,321				9,321
133	AIRCRAFT LAUNCH & RECOVERY EQUIPMENT		28,975		28,975		28,975				28,975
134	METEOROLOGICAL EQUIPMENT	-	17,048		17,048		17,048				17,048
135	OTHER PHOTOGRAPHIC EQUIPMENT		737		737		737				737
136	AVIATION LIFE SUPPORT	-	13,811		13,811		13,811				13,811
137	AIRBORNE MINE COUNTERMEASURES	-	13,465		38,465		73,165				13,465
138	LAMPS MK III SHIPBOARD EQUIPMENT		15,282		15,282		15,282				15,282
139	REWSON PHOTOGRAPHIC EQUIPMENT		933		933		933				933
140	STOCK SURVEILLANCE EQUIPMENT	-	1,590		1,590		1,590				1,590
141	OTHER AVIATION SUPPORT EQUIPMENT	-	7,884		7,884		7,884				7,884
142	SAFETY & SURVIVABILITY ITEMS	-			14,200						
	ORDNANCE SUPPORT EQUIPMENT										
	SHIP GUN SYSTEM EQUIPMENT										
143	GUN FIRE CONTROL EQUIPMENT	-	10,475		10,475		10,475				10,475
	SHIP MISSILE SYSTEMS EQUIPMENT										
144	MK 92 FIRE CONTROL SYSTEM		1,879		1,879		1,879				1,879
145	HARPOON SUPPORT EQUIPMENT	-	97		97		97				97
146	TARTAR SUPPORT EQUIPMENT	-									
147	POINT DEFENSE SUPPORT EQUIPMENT	-	-		-		-				-
148	AIRBORNE ECM/ECCM	-	341		341		341				341

Title I - Procurement

(Dollars in Thousands)

Line No	Title	FY 1997 Qty	FY 1997 Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Change Qty	Conference Change Cost	Conference Agreement Qty	Conference Agreement Cost
149	ENGAGEMENT SYSTEMS SUPPORT		15,054		15,054		15,054				15,054
150	NATO SEASPARROW		4,710		4,710		4,710				4,710
151	RAM GMLS		50,765		50,765		55,765				50,765
152	SHIP SELF DEFENSE SYSTEM		21,049		21,049		21,049				21,049
153	AEGIS SUPPORT EQUIPMENT		30,398		33,398		30,398		3,000		33,398
154	SURFACE TOMAHAWK SUPPORT EQUIPMENT		75,574		85,574		98,574		10,000		85,574
155	SUBMARINE TOMAHAWK SUPPORT EQUIP										
156	VERTICAL LAUNCH SYSTEMS		12,956		12,956		12,956				12,956
	FBM SUPPORT EQUIPMENT										
157	STRATEGIC PLATFORM SUPPORT EQUIP		2,104		2,104		2,104				2,104
158	STRATEGIC MISSILE SYSTEMS EQUIP		130,151		127,651		130,151				130,151
	ASW SUPPORT EQUIPMENT										
159	SSN COMBAT CONTROL SYSTEMS		16,287		16,287		16,287				16,287
160	SUBMARINE ASW SUPPORT EQUIPMENT		10,004		10,004		10,004				10,004
161	SURFACE ASW SUPPORT EQUIPMENT		5,483		5,483		5,483				5,483
162	ASW RANGE SUPPORT EQUIPMENT		2,422		2,422		2,422				2,422
	OTHER ORDNANCE SUPPORT EQUIPMENT										
163	EXPLOSIVE ORDNANCE DISPOSAL EQUIP		6,253		6,253		7,253				6,253
164	UNMANNED SEABORNE TARGET										
165	ANTI-SHIP MISSILE DECOY SYSTEM		15,109		15,109		24,109		9,000		24,109
166	INDUSTRIAL FACILITIES (CALIBRATION EQUIP		4,132		4,132		4,132				4,132
167	STOCK SURVEILLANCE EQUIPMENT		1,437		1,437		1,437				1,437
	PREDATOR UAV										
	TACTICAL UAV										
	OTHER EXPENDABLE ORDNANCE										
168	FLEET MINE SUPPORT EQUIPMENT		5,430		5,430		5,430				5,430
169	SURFACE TRAINING DEVICE MODS		2,499		2,499		2,499				2,499
170	SUBMARINE TRAINING DEVICE MODS		19,668		19,668		19,668				19,668
171	INDUSTRIAL DEPOT MAINTENANCE		20,626		20,626		20,626				20,626
	CIVIL ENGINEERING SUPPORT EQUIPMENT										
	CIVIL ENGINEERING SUPPORT EQUIPMENT										
172	PASSENGER CARRYING VEHICLES										
173	SPECIAL PURPOSE VEHICLES		47		47		47				47
174	GENERAL PURPOSE TRUCKS		228		228		228				228
175	TRAILERS/TRUCK TRACTORS		76		76		76				76
176	EARTH MOVING EQUIPMENT										
177	CONSTRUCTION & MAINTENANCE EQUIP		62		62		62				62
178	FIRE FIGHTING EQUIPMENT										
179	WEIGHT HANDLING EQUIPMENT										

Title I - Procurement

(Dollars in Thousands)

Line No	Title	FY 1997 Qty	FY 1997 Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Change Qty	Conference Change Cost	Conference Agreement Qty	Conference Agreement Cost
180	AMPHIBIOUS EQUIPMENT		3,183		3,183		9,883		6,700		9,883
181	COMBAT CONSTRUCTION SUPPORT EQUIP		878		878		878				878
182	MOBILE UTILITIES SUPPORT EQUIPMENT		830		830		830				830
183	COLLATERAL EQUIPMENT		338		338		338				338
184	OCEAN CONSTRUCTION EQUIPMENT		134		134		134				134
185	POLLUTION CONTROL EQUIPMENT		32,281		32,281		32,281				32,281
186	OTHER CIVIL ENG SUPPORT EQUIPMENT										
187	NATURAL GAS UTILIZATION EQUIPMENT										
	SUPPLY SUPPORT EQUIPMENT										
	SUPPLY SUPPORT EQUIPMENT										
188	FORKLIFT TRUCKS		3,322		3,322		3,322				3,322
189	OTHER MATERIALS HANDLING EQUIPMENT		2,070		2,070		2,070				2,070
190	OTHER SUPPLY SUPPORT EQUIPMENT										
191	FIRST DESTINATION TRANSPORTATION		7,488		7,488		7,488				7,488
192	SPECIAL PURPOSE SUPPLY SYSTEMS		56,273		56,273		56,273				56,273
	PERSONNEL AND COMMAND SUPPORT EQUIPMENT										
	TRAINING DEVICES										
193	SUBMARINE SONAR TRAINERS										
194	SURFACE COMBAT SYSTEM TRAINERS										
195	SHIP SYSTEM TRAINERS										
196	TRAINING SUPPORT EQUIPMENT										
197	TRAINING DEVICE MODIFICATIONS										
	COMMAND SUPPORT EQUIPMENT										
198	COMMAND SUPPORT EQUIPMENT										
199	EDUCATION SUPPORT EQUIPMENT										
200	MEDICAL SUPPORT EQUIPMENT										
201	INTELLIGENCE SUPPORT EQUIPMENT										
202	ITEMS UNDER $2 MILLION										
203	OPERATING FORCES SUPPORT EQUIPMENT										
203a	OCEANOGRAPHIC SUPPORT EQUIPMENT						6,000				
204	NAVAL RESERVE SUPPORT EQUIPMENT										
205	ENVIRONMENTAL SUPPORT EQUIPMENT										
206	PHYSICAL SECURITY EQUIPMENT										
207	INDUSTRIAL DEPOT MAINTENANCE EQUIP										
	COMPUTER ACQUISITION PROGRAM										
208	COMPUTER ACQUISITION PROGRAM										
	OTHER										
209	CANCELLED ACCOUNT ADJUSTMENTS										

Title I - Procurement

(Dollars in Thousands)

Line No	Title	FY 1997 Qty	FY 1997 Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Change Qty	Conference Change Cost	Conference Agreement Qty	Conference Agreement Cost
	SPARES AND REPAIR PARTS										
	SPARES AND REPAIR PARTS										
210	SPARES AND REPAIR PARTS		208,828		208,828		208,828				208,828
	TOTAL, OTHER PROCUREMENT, NAVY		2,714,195		2,871,495		3,005,040		179,845		2,891,840

Reactor power units

The budget request included $223.4 million for the procurement of reactors and associated equipment for nuclear powered Navy ships.

The House bill would reduce the budget request amount by $10.0 million.

The Senate amendment would authorize the requested amount.

The conferees agree to reduce the budget request amount by $30.0 million. Additional funds authorized for advance procurement of components for nuclear powered submarines will compensate for this reduction.

Reactor components

The budget request included $185.6 million for reactor components.

The House bill would reduce the budget request by $2.5 million.

The Senate amendment would authorize the requested amount.

The Senate recedes.

AN/BPS–16 submarine navigation radar

The budget request included no funding for the procurement of AN/BPS–16 submarine radar navigation sets or mast assemblies.

The Navy has been procuring a commercial off-the-shelf (COTS) variant of the AN/BPS–16 radar navigation set and its associated mast assembly for installation on new construction submarines and for backfit on SSN–688 class submarines that will remain in service in the fleet. Procurement of the COTS variant has resulted in a 40 percent savings over a comparable system built to military specifications. For SSN–688 class submarines, the AN/BPS–16 replaces an existing radar system that has proven unreliable in service and is labor intensive to maintain. Installation of the AN/BPS–16 will improve the operational safety of the SSN–688 fleet by providing a state-of-the-art, all-weather radar for navigating into and out of ports and for performing tactical operations at sea in adverse weather conditions. Procurement of additional AN/BPS–16 radar sets in fiscal year 1997 will also avoid a production break and associated start-up costs for the procurement of additional radar sets currently included in the future years defense program.

The House bill would authorize an increase of $16.0 million for the procurement of additional AN/BPS–16 radar sets to complete the backfit of the AN/BPS–16 commercial off-the-shelf radar into the SSN–688 class submarine fleet.

The Senate amendment would authorize an increase of $16.9 million for the procurement of additional AN/BPS–16 radar sets to complete the backfit of the AN/BPS–16 commercial off-the-shelf radar into the SSN–688 class submarine fleet.

The House recedes.

Mine warfare

The budget request included $22.9 million for the minesweeping replacement program.

The Senate amendment would authorize an increase of $64.0 million to accelerate several of the Navy's highest priority mine countermeasures (MCM) programs and sustain the improvements that have occurred since Desert Storm. A discussion of the rationale for this increase is contained in the Senate report (S. Rept. 104–267).

The House bill would authorize the requested amount.

The conferees agree to authorize an increase of $25.8 million to accelerate the following MCM programs:

Item:	*Funding ($ millions)*
SQQ–32/SLQ–48/SSQ–94/SYQ–13 Spares	6.3
Integrated Combat Weapons System (ICWS)	17.8
MCM Battle Space Profiler (BSP)	1.7

Inertial navigation, information, and ship control system

The House bill would authorize an increase of $32.0 million for procurement and installation of four identical integrated navigation, information, and ship control systems on CG–47 class cruisers.

The Senate amendment would authorize the requested amount.

The conferees agree to an increase of $32.0 million for procurement and installation of integrated navigation, condition assessment, and damage control systems on CG–47 class cruisers. Procurement of standard monitoring and control systems is also authorized, subject to a successful operational evaluation as part of the Navy's Smart Ship initiative, which is discussed elsewhere in this statement of managers.

The conferees are aware that the Navy has an urgent requirement to modernize, automate, and fully integrate bridge and machinery monitoring and control systems on its cruisers and other surface ships, employing commercial off-the-shelf, military qualified systems. Procurement and installation of systems such as an integrated bridge system, an integrated condition assessment system, and a damage control system for surface ships could provide major improvements in performance, lead to reductions in crew size, and reduce the cost of operations. Additional crew reduction may also be achieved through the acquisition of an improved machinery monitoring and control system.

Joint tactical terminal

The budget request included $2.4 million for procurement of the joint tactical terminal (JTT).

The House bill would authorize an additional $11.0 million for the immediate procurement of JTT terminals for AEGIS, amphibious, and flagship surface vessels. The report to accompany the House bill to authorize intelligence programs for fiscal year 1977 (H. Rept. 104–578, Part 1) expressed the view that there is an urgent need to expeditiously procure the functional intelligence support capability provided by the JTT for these ships as soon as pos-

sible in order to ensure interoperability between various intelligence producers and users.

The Senate amendment would authorize the requested amount.

The Senate recedes.

Shipboard integrated communications system

The budget request included no funding for procurement of an integrated communications system for installation aboard aircraft carriers.

The Senate amendment would authorize an increase of $4.5 million above the budget request specifically for the competitive procurement of an existing integrated communications system that can be installed aboard aircraft carriers and other fleet units without delay.

The Senate report (S. Rept. 104–267) expressed concern at the Navy's lack of progress, despite congressional prodding for over two years, on procurement of a commercial off-the-shelf non-developmental integrated communications system to replace obsolete systems now installed on Navy ships. While the Navy has made great strides in increasing the capability and flexibility of communications systems that deliver information to fleet units, a similar emphasis on the internal management of that information aboard ship has been lacking. In a report submitted to Congress on February 12, 1996, the Navy acknowledged that, while current aircraft carrier interior integrated communications systems are outdated and there is little integration between systems within the ship, the Navy is still in the process of defining a baseline system architecture that can meet current demands.

The House bill would authorize the requested amount.

The House recedes.

Challenge Athena

The budget request included no funding for the Chief of Naval Operation's special project Challenge Athena. This budget decision was made despite a series of favorable reports by the Navy's operational commanders on the significant contributions that Challenge Athena has made to the success of their operational deployments.

The Senate amendment would authorize an increase of $41.7 million above the budget request for Challenge Athena, $14.7 million for procurement and $27.0 million for operation of the system.

The House bill would authorize the requested amount.

The conferees agree to authorize a total increase of $28.7 million above the budget request for Challenge Athena, $14.7 million for procurement of Challenge Athena equipment, and $14.0 million for system operation.

Global broadcast service

The budget request included $113.2 million for launch services for UHF follow-on (UFO) satellites 8, 9, and 10. These satellites will support UHF, EHF, and global broadcast service (GBS) communications. However, the budget request did not contain funding for the ground and sea-based equipment needed to implement the GBS capability.

To ensure that the diverse requirements of the Navy's GBS are met in a complementary manner, the Senate amendment would authorize an increase of $50.0 million above the budget request as follows:

(1) $39.0 million for the procurement and installation of shipboard GBS satellite terminals;

(2) $7.0 million for the procurement and installation of shore GBS satellite terminals; and

(3) $4.5 million to provide for launch services for UFO satellites 8, 9, and 10.

The House bill would authorize the requested amount.

The conferees agree to authorize an increase of $10.3 million for the procurement and installation of shipboard GBS satellite terminals.

Sonobuoys

The budget request included $22.7 million for the procurement of AN/SSQ–62 sonobuoys and no funding for the procurement of AN/SSQ–53E sonobuoys. It also contained $5.2 million in PE 63254N for development and demonstration of advanced anti-submarine warfare sensors and processors, including $2.5 million for the advanced deployable low frequency projector (ADLFP). The ADLFP is a candidate for the active project source of the advanced explosive echo ranging sonobuoy.

The House bill would authorize an increase of $17.0 million for the procurement of additional AN/SSQ–62 sonobuoys. It would also authorize an increase of $2.5 million in PE 63254N for the development and demonstration of risk reduction technologies for the ADLFP to insure that shallow water performance requirements are met and system cost is minimized.

The Senate amendment would authorize an increase of $12.2 million for the procurement of additional AN/SSQ–62 sonobuoys and $31.8 million for the procurement of AN/SSQ–53E sonobuoys. It would also authorize $2.5 million in PE 63254N and $2.5 million in PE 64261N for development of the ADLFP and advanced multistatic processing (AMSP).

The conferees agree to authorize an increase of $12.2 million for procurement of AN/SSQ–62 sonobuoys, $18.0 million for procurement of AN/SSQ–53E sonobuoys, and $2.5 million in PE 63254N for development of the ADLFP.

Airborne laser mine detection systems

The budget request included no funding for the procurement of airborne laser mine detection systems.

The House bill would authorize an increase of $25.0 million for the procurement of three Magic Lantern systems and associated spares.

The Senate amendment would authorize an increase of $25.0 million for the procurement of the winner of a competition between two airborne laser mine detection systems, ATD–111 and Magic Lantern.

The conferees agree to authorize the requested amount.

Rolling air frame missile launcher for LSF–52

In fiscal year 1996, Congress authorized and appropriated $20.0 million to install the ship self-defense system (SSDS) MK 1 and the rolling airframe missile (RAM) system in LSD–52, an amphibious ship that is now under construction. This amount was insufficient to fully cover both the hardware procurement and ship installation costs. Consequently, the Navy was unable to purchase one of the two RAM launchers needed for a complete equipment suite. The budget request did not contain funding for this launcher.

The Senate amendment would authorize an increase of $5.0 million above the budget request for the procurement of one RAM launcher for LSD–52.

The House bill would authorize the requested amount.

The Senate recedes.

AEGIS support equipment

The budget request included $30.4 million for AEGIS support equipment.

The House bill would authorize an additional $3.0 million to procure flexible wearable computers for deployment on AEGIS ships as well as other ships that have interactive electronic technical manuals (IETM) available.

The report to accompany the House bill (H. Rept. 104–563) noted that the Committee on National Security of the House of Representatives is aware that the Navy is investigating the possibility of hosting the IETMs on flexible wearable computers. Such a system would allow repair technicians to perform their tasks with hands-free access to the IETM maintenance information, while affording them maximum mobility to operate in confined spaces. The additional funds proposed by the House would permit the Navy to gain at-sea experience with the combined IETM/flexible wearable computer system.

The Senate amendment would authorize the requested amount.

The Senate recedes.

Afloat planning system

The budget request included $1.1 million for the Tomahawk afloat planning system (APS). This amount would be for the installation of systems purchased in prior years.

The APS successfully underwent extensive operational test and evaluation in 1994, and production system installations have been completed on the USS *Carl Vinson* (CVN–70) and the USS *George Washington* (CVN–73). The system is being procured for installation in the Navy's aircraft carriers and for rapid deployment, when required, to meet the strike planning needs of a joint task force commander. It compliments the planning of Tomahawk land attack missile (TLAM) missions by shore-based cruise missile support activities by giving an afloat or deployed commander the ability to modify existing, pre-planned missions or plan new ones. It also provides the centerpiece of the joint service imagery processing system-Navy (JSIPS–N), a system that provides deployed planners real-time capability to receive, process, analyze and exploit tactical sensor imagery. A diversion of funds from this program in fiscal

year 1996 and limiting funding in fiscal year 1997 threaten to severely disrupt the production line, thereby increasing unit costs dramatically and delaying the introduction of a capability that the Navy states will significantly improve its warfighting capability.

Noting that the APS program's development and production efforts have remained on schedule and within cost, and have met or exceeded all specifications, the House bill would authorize an additional $10.0 million to support continued fielding of the APS.

The Senate amendment would authorize an increase of $23.0 million above the budget request for the procurement and installation of additional APS suites in order that the Navy could satisfy its full requirement for them in a cost effective manner.

The Senate recedes.

NULKA decoy development

The budget request included $4.4 million for continued development of the NULKA active countermeasures decoy. It also contained $12.0 million to procure NULKA decoys, launch subsystems, and training systems.

The Senate amendment would authorize an increase of $9.0 million for procurement of additional NULKA rounds and launch subsystems and for production improvements. The Senate amendment would also authorize an increase of $4.0 million in PE 64755N to improve the performance of the NULKA decoy in the presence of friendly emitters and to counter modern threat missiles.

The House bill would authorize the requested amount.

The House recedes.

Elevated causeway (modular)

The budget request included no funding for expanding an existing elevated causeway (modular) (ELCAS(M)) prototype from a length of 2,000 feet to the 3,000 feet needed to satisfy logistics-over-the-shore (LOTS) operational requirements.

Expeditionary logistics support of the Marine Corps or of a joint force could require assault follow-on echelon or other LOTS off-load in a variety of unimproved, adverse beach environments or degraded ports. The ELCAS(M), which the Navy could rapidly install, provides an elevated pier that overcomes high surf conditions, shallow beach gradients, and other hydrographic conditions that inhibit direct shoreside cargo discharge. The Navy has included funding for completion of two ELCAS(M) systems in the future years defense program. However, the Navy would not complete the current ELCAS(M) system until fiscal year 1999 because of budget constraints.

The Senate amendment would authorize an increase of $6.7 million above the budget request to expand the existing prototype system to a full 3,000 foot operational length, and also to acquire the ancillary support and installation equipment, such as lighting, piling, and safety lines, necessary to make it fully operational.

The House bill would authorize the requested amount.

The House recedes.

The Navy budget request also included funding for a program to develop and field a system to meet the amphibious cargo beach-

ing lighter requirement. Procurement for the system would not begin until fiscal year 2001. The Navy has an operational requirement for an amphibious cargo beaching lighter (or barge) that can operate in sea state 3 (SS3). To meet this requirement, the Navy must be able to assemble floating pontoons into larger sections in sea states reaching and exceeding SS3. The Navy designed the ELCAS(M) system to be able to operate sections of the system as a lighter in sea states up to SS3. However, the current design for the ELCAS(M) connector system does not allow the Navy to join the sections into larger units in sea states this high.

The conferees have been informed that the contractor building the ELCAS(M) system has also developed a connector system that could be operated under SS3 conditions. The conferees direct the Navy to prepare a report, and submit it to the congressional defense committees with its fiscal year 1998 budget request, that provides the Navy's analysis of the potential of using this new connector system in conjunction with the current ELCAS(M) sections to meet the amphibious cargo beaching lighter requirement.

Oceanographic equipment

The budget request included no procurement funding for perishable equipment such as fathometers, global positioning satellite receivers, recording equipment, and side-scan sonars to conduct ocean surveys.

The House bill would authorize the requested amount.

The Senate amendment would authorize an increase of $6.0 million above the budget request to provide additional funding for procurement of oceanographic survey equipment.

The Senate recedes.

Overview

The budget request for fiscal year 1997 contained an authorization of $555.5 million for Marine Corps Procurement, Navy in the Department of Defense. The House bill would authorize $546.7 million. The Senate amendment would authorize $816.1 million. The conferees recommended an authorization of $560.1 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Title I - Procurement

(Dollars in Thousands)

Line No	Title	FY 1997 Qty	FY 1997 Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Change Qty	Conference Change Cost	Conference Agreement Qty	Conference Agreement Cost
	PROCUREMENT, MARINE CORPS										
	AMMUNITION										
	AMMUNITION										
1	5.56 MM, ALL TYPES	-	20,425		-		20,425		(20,425)		-
2	7.62 MM, ALL TYPES	-	6,493		-		6,493		(6,493)		-
3	.50 CALIBER	-	6,052		-		6,052		(6,052)		-
4	40 MM, ALL TYPES	-	3,210		-		3,210		(3,210)		-
5	60 MM HE M888	-	5,127				5,127		(5,127)		-
6	81 MM HE	-	1,731				1,731		(1,731)		-
7	81 MM SMOKE SCREEN	-	2,573				2,573		(2,573)		-
8	120MM TPCSDS-T M865	-	2,545		-		2,545		(2,545)		-
9	120 MM TP-T M831	-	1,723				1,723		(1,723)		-
10	CTG 25MM, ALL TYPES	-	4,807		-		4,807		(4,807)		-
11	9 MM ALL TYPES	-	2,793		-		2,793		(2,793)		-
12	GRENADES, ALL TYPES	-	686		-		686		(686)		-
13	AMMO MODERNIZATION	-	9,118		-		9,118		(9,118)		-
13a	155MM CHG. PROP. RED BAG	-			-		24,000				-
13b	155MM DM64, BASE BLEED				-		45,000				-
13c	FUZE, ET, XM762	-	-		-		29,000				-
	OTHER SUPPORT				-						
14	ITEMS LESS THAN $2 MIL	-	1,601		-		1,601		(1,601)		-
	WEAPONS AND COMBAT VEHICLES				-						
	TRACKED COMBAT VEHICLES				-						
15	AAV7A1 PIP	-	14,003		14,003		14,003				14,003
16	LAV PIP	-	8,666		8,666		8,666				8,666
17	MODIFICATION KITS (TRKD VEH)	-	480		480		480				480
18	ITEMS UNDER $2M (TRKD VEH)	-	96		96		96				96
	ARTILLERY AND OTHER WEAPONS				-						-
19	MOD KITS (ARTILLERY)	-	1,114		1,114		1,114				1,114
20	ITEMS UNDER $2M (ALL OTHER)	-	122		122		122				122
	GUIDED MISSILES AND EQUIPMENT				-						-
	GUIDED MISSILES				-						-
21	HAWK MOD	-	2,780		2,780		2,780				2,780
22	AAWS MEDIUM	148	28,214	268	48,214		48,214		20,000		48,214
23	PEDESTAL MOUNTED STINGER (PMS) (MYP)	-	10,562		10,562		10,562				10,562
	OTHER SUPPORT				-						-
24	MODIFICATION KITS	-	1,808		1,808		1,808				1,808
25	ITEMS LESS THAN $2 MILLION	-	96		96		96				96

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	COMMUNICATIONS AND ELECTRONICS EQUIPMENT										
	MANPACK RADIOS										
26	MANPACK RADIOS AND EQUIP										
	VEHICLE MOUNTED RADIOS AND EQUIPMENT										
27	TSC 96 PIP FLEET SATCOM TERMINAL										
	TELEPHONE AND TELETYPE EQUIPMENT										
28	JOINT TACT INFO DIST SYS (CLII)										
	REPAIR AND TEST EQUIPMENT										
29	AUTO TEST EQUIP SYS		12,174		12,174		12,174				12,174
30	ELECTRONIC TEST EQUIP (TEL)		8,559		8,559		8,559				8,559
	OTHER COMM/ELEC EQUIPMENT										
31	SINGLE CHAN GRD & AIR RADIO										
	OTHER SUPPORT (TEL)										
32	MODIFICATION KITS (TEL)										
33	ITEMS LESS THAN $2M (TEL)										
	COMMAND AND CONTROL SYSTEM (NON TEL)										
34	POS LOCATING RPTG SYSTEM (PLRS)										
35	TACTICAL AIR OPER MODULE (TAOM)										
36	ADVANCED TACT AIR COMMAND CENTER										
37	MARINE TACTICAL C2										
38	MULTI SERV ADP FIELD ART TACTICAL DATA										
39	TACTICAL COMBAT OPERATIONS SYS										
	INTELL/COMM EQUIPMENT (NON TEL)										
40	AN/TPQ 36 FIRE FINDER RADAR UPGRADE		30,380		34,180		14,180		3,800		34,180
41	METEOROLOGICAL SYSTEMS										
42	INTELLIGENCE SUPPORT EQUIPMENT		26,372		32,172		42,672		5,800		32,172
43	MOD,KITS (INTEL)		11,955		13,080		11,955		1,125		13,080
44	ITEMS LESS THAN $2M (INTELL)										
	REPAIR AND TEST EQUIPMENT (NON-TEL)										
45	ELECTRONIC TMDE REPAIR FACILITY										
46	MECH TEST TMDE		3,028		3,028		3,028				3,028
	OTHER COMM/ELEC EQUIPMENT (NON TEL)										
47	NIGHT VISION EQUIPMENT		17,182		17,182		17,182				17,182
48	ADP EQUIPMENT										
	OTHER SUPPORT (NON-TEL)										
49	COMMAND POST SYSTEMS		11,402		11,402		11,402				11,402
50	MANEUVER C2 SYSTEMS		7,592		7,592		7,592				7,592

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Line No	Title	FY 1997 Qty	FY 1997 Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Change Qty	Conference Change Cost	Conference Agreement Qty	Conference Agreement Cost
51	RADIO SYSTEMS	.	52,862		52,862		52,862				52,862
52	COMM SWITCHING & CONTROL SYSTEMS	.	16,922		16,922		16,922				16,922
53	TELE/COMM INFRASTRUCTURE TECH SUPP	.	53,616		72,416		89,616		18,800		72,416
54	MOD KITS MAGTF C41	.	43,418		43,418		43,418				43,418
55	ITEMS < $2M MAGTF C41	.	301		301		301				301
56	MODIFICATION KITS (OTHER)	.	4,053		4,053		4,053				4,053
57	ITEMS < $2M (OTHER)	.	2,577		2,577		2,577				2,577
58	AIR OPERATIONS C2 SYSTEMS	.	5,305		5,305		5,305				5,305
59	MARINE ENHANCEMENT PROGRAM	.	7,695		7,695		7,695				7,695
60	TEST CALIB & MAINT SPT	.			.		.				.
61	MODIFICATION KITS (NONTEL)						.				
62	ITEMS LESS THAN $2M (NONTEL)	.			.		.				
	SUPPORT VEHICLES										
	ADMINISTRATIVE VEHICLES				.						
63	COMMERCIAL PASSENGER VEHICLES	88	1,910	88	1,910	88	1,910			88	1,910
64	COMMERCIAL CARGO VEHICLES	.	7,687		7,687		7,687				7,687
	TACTICAL VEHICLES				.						
65	LOGISTICS VEHICLE SYSTEM	.					.				.
66	TRAILERS	.	2,426		2,426		30,726				2,426
	OTHER SUPPORT										
67	MODIFICATION KITS	.	1,503		1,503		1,503				1,503
68	ITEMS LESS THAN $2 MIL	.	446		446		446				446
	ENGINEER AND OTHER EQUIPMENT				.						
	ENGINEER AND OTHER EQUIPMENT				.						
69	ENVIRONMENTAL CONTROL EQUIP ASSORT	.	2,150		2,150		2,150				2,150
70	POWER EQUIPMENT ASSORTED	.	8,477		8,477		8,477				8,477
	MATERIALS HANDLING EQUIPMENT										
71	COMMAND SUPPORT EQUIPMENT	.	.		.						.
72	AMPHIBIOUS RAID EQUIPMENT	.	277		277		277				277
73	PHYSICAL SECURITY EQUIPMENT	.	5,985		5,985		5,985				5,985
74	GARRISON MOBILE ENGR EQUIP	.	5,134		5,134		5,134				5,134
75	TELEPHONE SYSTEM	.	.		.		.				.
76	WAREHOUSE MODERNIZATION	.	.		.		.				.
77	MATERIAL HANDLING EQUIP	.	3,067		3,067		3,067				3,067
78	FIRST DESTINATION TRANSPORTATION	.	1,343		1,343		1,343				1,343
	GENERAL PROPERTY				.						
79	FIELD MEDICAL EQUIPMENT	.	.		.		.				.
80	TRAINING DEVICES	.	10,846		21,446		69,046		24,000		34,846

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Line No	Title	FY 1997 Qty	FY 1997 Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Change Qty	Conference Change Cost	Conference Agreement Qty	Conference Agreement Cost
81	CONTAINER FAMILY		7,114		7,114		7,114				7,114
	OTHER SUPPORT										
82	MODIFICATION KITS		1,083		1,083		1,083				1,083
83	ITEMS LESS THAN $2 MIL		1,157		1,157		1,157				1,157
84	DRUG INTERDICTION										
	SPARES AND REPAIR PARTS										
	SPARES AND REPAIR PARTS										
85	SPARES AND REPAIR PARTS		42,667		42,667		42,667				42,667
	SPARES AND REPAIR PARTS										
86	SPARES AND REPAIR PARTS		(3)		(3)		(3)				(3)
	TOTAL, PROCUREMENT, MARINE CORPS		555,507		546,748		816,107		4,641		560,148

Intelligence upgrades

The budget request included $26.4 million for procurement of intelligence support equipment for the Marine Corps.

The House bill would authorize an increase of $5.8 million for the procurement of additional intelligence support equipment.

The Senate amendment would authorize an increase of $14.6 million for the procurement of additional intelligence support equipment.

The Senate recedes.

Joint task force deployable communications support

The budget request included no funding to provide a deployable satellite communications system for use by a deployed Marine Corps joint task force headquarters.

Senate amendment would authorize an increase of $1.7 million to procure such a system for the Marine Corps.

The House bill would authorize the requested amount.

The Senate recedes.

Tactical electronic reconnaissance processing and evaluation system

The budget request included $1.0 million for procurement of support for the Marine Corps tactical electronic reconnaissance processing and evaluation system (TERPES), a system that is currently supporting joint operations in Bosnia.

The House bill would authorize an increase of $1.1 million to improve the interoperability of TERPES with the global command and control system (GCCS) and tactical air mission planning system (TAMPS).

The Senate amendment would authorize the requested amount.

The Senate recedes.

Marine Corps combat operations centers

The budget request did not include funding to upgrade the capability of the Marine Corps' seven deployable combat operations centers (COC) and six fixed command centers (CC) to improve their data capacity and make them fully interoperable with the other services.

The Senate amendment would authorize an increase of $7.4 million above the budget request to upgrade the capability of these Marine Corps' COCs and CCs.

The House bill would authorize the requested amount.

The Senate recedes.

Telecommunications infrastructure

The budget request included no funding to upgrade the communications network at the Marine Corps base at Camp Pendleton.

The Marine Corps has been involved in an ongoing effort to upgrade existing telecommunications infrastructure at Marine Corps installations. While the budget request contained funding to support such infrastructure upgrades, it fell short of providing the resources necessary to upgrade Camp Pendleton. Establishing a high speed fiber optic backbone and switching system at Camp Pendle-

ton would meet existing base requirements and facilitate future expansion to meet new requirements.

The House bill and Senate amendment would authorize $18.8 million to upgrade the telecommunications infrastructure at Camp Pendleton.

The conferees agree to authorize an increase of $18.8 million to provide a more efficient, state-of-the-art telecommunications infrastructure at Camp Pendleton.

Marine Corps common end user computer equipment

The budget request included no funding for Marine Corps common end user computer equipment (CEUCE).

The Senate amendment would authorize an increase of $9.8 million above the budget for the procurement of additional Marine Corps CEUCE.

The House bill would authorize the requested amount.

The Senate recedes.

Marine Corps mobility enhancements

The budget request included $1.3 million to procure 20 M870A2 lowbed trailers and an additional $1.5 million to procure 261 International Standard Organization (ISO) beds for transporting fuel and water for the Marine Corps.

The House bill would authorize the budget request.

The Senate amendment would authorize an increase of $28.3 million for procurement of additional M870A2 lowbed trailers and ISO beds for the Marine Corps.

The Senate recedes.

Marine Corps multiple integrated laser engagement system

The budget request included no funding for procurement of the multiple integrated laser engagement system (MILES) for the Marine Corps.

The House bill would authorize an increase of $10.6 million to accelerate fielding of the first two battalion sets.

The Senate amendment would authorize an increase of $49.0 million to complete the Marine Corps procurement of MILES.

The conferees agree to authorize an increase of $24.0 million of MILES procurement.

Combat vehicle appended trainer (CVAT)

The budget request included no funding for the development of new, state-of-the-art, full crew mission simulators for Marine Corps armored vehicle systems.

The Senate amendment would authorize an increase of $9.2 million to take advantage of the increased utility and reduced training costs offered by such simulators.

The House bill would authorize the requested amount.

The Senate recedes.

Overview

The budget request for fiscal year 1997 contained an authorization of $5,779.2 million for Aircraft Procurement, Air Force in the Department of Defense. The House bill would authorize $7,271.9

million. The Senate amendment would authorize $7,023.5 million. The conferees recommended an authorization of $6,764.4 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

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(Dollars in Thousands)

Line No	Title	FY 1997 Qty	FY 1997 Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Change Qty	Conference Change Cost	Conference Agreement Qty	Conference Agreement Cost
	AIRCRAFT PROCUREMENT, AIR FORCE										
	COMBAT AIRCRAFT										
	STRATEGIC OFFENSIVE										
1	B-1B (MYP)		16,597		16,597		16,597				16,597
2	B-2A (MYP)		105,089		105,089		105,089				105,089
3	ADVANCE PROCUREMENT (CY)										
	TACTICAL FORCES										
4	ADVANCED TACTICAL FIGHTER										
5	F-15A	4	185,442	6	256,542	4	185,442	2	71,100	6	256,542
6	ADVANCE PROCUREMENT (CY)				48,800						
7	F-16 C/D (MYP)	4	105,500	6	154,900	8	212,900	2	49,400	6	154,900
7A	ADVANCED PROCUREMENT (CY)				10,000						
	F-22 PREPRODUCTION AIRCRAFT										
8	CBU-89 GATOR INERT										
	AIRLIFT AIRCRAFT										
	TACTICAL AIRLIFT										
9	C-17 (MYP)	8	2,141,105	10	2,521,105	9	2,335,105	1	194,000	9	2,335,105
9	LESS: ADVANCE PROCUREMENT (PY)		(221,800)		(221,800)		(221,800)				(221,800)
10	ADVANCE PROCUREMENT (CY)		223,500		223,500		272,500		40,000		263,500
	OTHER AIRLIFT										
11	C-130H										
12	C-130J	1	62,890	1	62,890	4	267,390		(10,590)	1	52,300
13	WC-130			4	209,200			4	209,200	4	209,200
13A	ARCCC			3	156,900						
	TRAINER AIRCRAFT										
	OPERATIONAL TRAINERS										
14	JPATS	12	67,135	15	82,235	12	67,135		2,000	12	69,135
15	TANKER, TRANSPORT, TRAINER SYSTEM		4,454		4,454		4,454				4,454
	OTHER AIRCRAFT										
	HELICOPTERS										
16	HH-60G	8	107,900	8	107,900	8	107,900			8	107,900
	MISSION SUPPORT AIRCRAFT										
17	CIVIL AIR PATROL A/C	27	2,611	27	2,611	27	2,611			27	2,611
18	C-20A	2	113,805	2	113,805	2	113,805			2	113,805
18A	C-21 REPLACEMENT AIRCRAFT				32,000						
19	DRUG INTERDICTION										
	OTHER AIRCRAFT										

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Line No	Title	FY 1997 Qty	FY 1997 Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Change Qty	Conference Change Cost	Conference Agreement Qty	Conference Agreement Cost
20	F 88	2	537,824	3	762,824	3	747,824	1	210,000	3	747,824
20	LESS ADVANCE PROCUREMENT (PY)		(120,040)		(120,040)		(120,040)				(120,040)
21	ADVANCE PROCUREMENT (CY)		111,116		111,116		111,116				111,116
	MODIFICATION OF INSERVICE AIRCRAFT										
	STRATEGIC AIRCRAFT										
22	B 2A		6,106		6,106		6,106				6,106
23	B 1B		84,408		156,408		140,908		82,000		166,408
24	B 52		8,782		20,282		20,282				8,782
25	F 117		29,236		29,236		29,236				29,236
	TACTICAL AIRCRAFT										
26	A 10		35,857		35,857		35,857				35,857
27	F/RF 4		130		130		130				130
28	F-15		179,318		179,318		179,318				179,318
29	F-16		135,906		135,906		135,906				135,906
29A	F 16DTS				3,000						
30	EF-111		862		862		862				862
31	F 111										
32	T/AT-37		96		96		96				96
	AIRLIFT AIRCRAFT										
33	C-5		54,921		54,921		54,921				54,921
34	C 9		4,091		4,091		4,091				4,091
35	C-17A		41,973		41,973		41,973				41,973
36	C 21		4,936		4,936		4,936				4,936
37	C 22		175		375		375				375
38	C STOL		773		773		773				773
39	C 137		1,118		1,118		1,118				1,118
40	C-141		52,372		52,372		52,372				52,372
	TRAINER AIRCRAFT										
41	T-1		7,330		7,330		7,330				7,330
42	T-3 (IFS) AIRCRAFT		148		148		148				148
43	T-38		9,358		9,358		9,358				9,358
44	T-41 AIRCRAFT		24		24		24				24
45	T-43		1,059		1,059		1,059				1,059
	OTHER AIRCRAFT										
46	KC-10A (ATCA)		13,228		13,228		13,228				13,228
47	C-12		1,825		1,825		1,825				1,825
48	C 18		1,083		1,083		1,083				1,083
49	C-20 MODS		1,911		1,911		1,911				1,911
50	VC-25A MOD		1,839		1,839		1,839				1,839

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51	C 130		90,353		93,753		96,353				96,353
52	C 135		137,082		137,082		137,082				137,082
53	F 3		287,920		361,920		287,920				287,920
	AWACS RE ENGINEERING						109,000				
54	F 4		1,010		1,010		1,010				1,010
55	H 1		5,410		5,410		5,410				5,410
56	H 60		5,987		5,987		5,987				5,987
57	OTHER AIRCRAFT		14,871		14,871		36,071		20,321		35,192
	GPS/EDR										
	OTHER MODIFICATIONS										
58	CLASSIFIED PROJECTS		3,000		3,000		3,000				3,000
	PASSENGER SAFETY MODIFICATIONS										
	AIRBORNE RECONNAISSANCE (MANNED)										
	CIVIL RESERVE AIRLIFT FLEET (CRAF)										
59	DARP		66,186		276,486		248,386		219,300		285,486
	AIRCRAFT SPARES AND REPAIR PARTS										
	AIRCRAFT SPARES + REPAIR PARTS										
60	SPARES AND REPAIR PARTS		314,745		314,745		350,745				314,745
	AIRCRAFT SUPPORT EQUIPMENT AND FACILITIE										
	COMMON AGE										
61	COMMON AGE		176,422		176,422		239,422		(16,179)		160,243
	POST PRODUCTION SUPPORT										
62	F 16 POST PRODUCTION SUPPORT		11,080		11,080		11,080				11,080
63	F-18 POST PRODUCTION SUPPORT		81,562		81,562		81,562		(10,654)		70,908
	INDUSTRIAL PREPAREDNESS										
64	AIRCRAFT INDUSTRIAL BASE SUPPORT		33,144		33,144		33,144				33,144
65	ENHANCED BOMBER CAPABILITY										
	WAR CONSUMABLES										
66	WAR CONSUMABLES		56,296		56,296		56,296				56,296
	OTHER PRODUCTION CHARGES										
67	MISC PRODUCTION CHARGES		210,654		182,654		210,654		(24,706)		185,948
	COMMON ECM EQUIPMENT										
68	COMMON ECM EQUIPMENT		4,571		4,571		4,571				4,571
	OTHER PRODUCTION CHARGES - SOF										
69	CANCELLED ACCOUNT PY ADJUSTMENTS										
	DARP										
70	DARP		150,742		105,742		150,742		(50,000)		100,742

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	AIRBORNE RECONNAISSANCE SUPPORT										
	TOTAL, AIRCRAFT PROCUREMENT, AIR FORCE		5,779,228		7,271,928		7,023,528		985,192		6,764,420

C–130J

The budget request included $62.9 million for one C–130J replacement aircraft for the Air Force.

The House bill would authorize $429.0 million for eight Air Force C–130Js, an increase of four WC–130Js and three airborne battlefield command and control center aircraft, in addition to the one C–130J requested. Additional recommended increases to the administration request included $209.2 million for four KC–130J tanker aircraft for the Marine Corps and $105.0 million for two Air National Guard C–130Js.

The Senate amendment would authorize a total of $267.4 million for four Air Force WC–130Js and $284.4 million for six C–130Js for the Air National Guard.

The conferees acknowledge the continued need to modernize tactical airlift and express concern over the Department's meager request of only one C–130 replacement aircraft. Consequently, the conferees authorize a total of $660.3 million for 13 C–130J aircraft as follows:

(1) $52.3 million for the one requested Air Force C–130J;

(2) $209.2 million for four WC–130J's;

(3) $209.2 for four KC–130J's for the Marine Corps; and

(4) $189.6 million for four C–130Js for the Air National Guard.

Joint Surveillance Target Attack Radar System (JSTARS)

The budget request included $417.8 million for two E–8C aircraft, $111.1 million for advanced procurement for two E–8Cs in fiscal year 1998, and $30.2 million for initial spares. Trainers and support equipment were included in the procurement. Funding in the amount of $207.3 million for follow on development and testing was also requested in PE 64770F.

The House bill would increase the requested amount by $225.0 million for one additional aircraft.

The Senate amendment would increase the requested amount by $210.0 million for procurement and an additional $30.0 million for initial spares.

The conferees agree to increase the requested amount by $210.0 million for the acquisition of one additional JSTARS aircraft.

The conferees note that the JSTARS platform and associated ground stations are currently contained in the Air Force and Army tactical intelligence and related activities (TIARA) budget aggregations. While the conferees realize there are direct intelligence applications of the JSTARS associated Ground Support Modules (GSM) and the follow on Common Ground Stations (CGS), they note that the JSTARS aircraft is a direct battle management and targeting system, not an intelligence system. The JSTARS moving target indicator (MTI) radar system provides critical data to the operational and intelligence communities, and so could be considered within the TIARA budget aggregation. Accordingly, the conferees agree the associated ground stations are direct multi-source intelligence support applications and may be appropriately considered part of the entire intelligence support architecture and continue to be funded within TIARA aggregation.

B–1B Conventional mission upgrade program

The budget request for B–1B modifications was $84.4 million, and $220.9 million for research and development in PE64226F.

The House bill would authorize an increase of $15.0 million to the budget request for B–1B bomber modifications to accelerate competitive procurement of precision guided munitions (PGM) for the B–1B fleet, and $57.0 million to procure conventional bomb modules. The House bill would also increase the budget request by $8.3 million for research and development for defensive system upgrades.

The Senate amendment would authorize an increase of $56.5 million in procurement for conventional bomb modules and an increase of $48.0 million in research and development as follows:

(1) $25.0 million for the bomber virtual umbilical device (BVUD);

(2) $10.0 million for defensive systems upgrades; and

(3) $13.0 million for data links.

The conferees are discouraged by the slow pace of conventional PGM integration for the B–1B. Although additional funding was provided in fiscal year 1996 to accelerate arming of the B–1B bomber force with Joint Direct Attack Munitions and other PGM capability, the conferees are not aware of any significant progress toward this objective. Consequently, the conferees authorize an increase of $82.0 million to the procurement request for B–1B modifications as follows:

(1) $25.0 million to accelerate competitive procurement of PGM; and

(2) $57.0 million to procure conventional bomb modules.

The conferees also agree to an increase to the budget request of $8.3 million for defensive systems upgrade program in PE64226F.

E–3 Airborne Warning and Control Systems (AWACS)

The budget request did not include funds for the re-engining of E–3 AWACS.

The House bill would authorize an additional $64.2 million in PE 27417F for reliability, maintainability and re-engining initiatives approved by the Secretary of Defense that could begin in fiscal year 1997.

The Senate amendment would increase the request by $109.0 million in Aircraft Procurement, Air Force to begin the re-engining of the AWACS aircraft.

The conferees agree to authorize an additional $34.9 million in research and development funding, for a total of $92.5 million, to initiate re-engining of AWACS.

Satellite communications terminals

The budget request contained $14.8 million for modification of in service aircraft.

The House bill would authorize the budget request.

The Senate amendment would increase the requested amount by $21.2 million for procurement of demand assigned multiple access (DAMA) ultra-high frequency (UHF) satellite communications airborne terminals.

The conferees agree to authorize an additional $20.3 million in aircraft procurement funding to begin procuring UHF airborne DAMA terminals. The conferees understand that additional funds will be required in the out years to complete this effort and expect the Air Force to program sufficient funding in future budget requests.

Defense Airborne Reconnaissance Program Procurement

Procurement for the Defense Airborne Reconnaissance Program (DARP) is contained in a number of procurement lines, distributed among the individual services and the defense-wide procurement account.

The budget request included:

(1) $66.2 million in Aircraft Procurement, Air Force (APAF) line 59;

(2) $150.7 million in APAF, line 70; and

(3) $168.9 million in Procurement, Defense-wide (PDW), line 7.

The House bill would provide an additional $210.3 million in APAF line 59, a reduction of $50.0 million in APAF line 70, and an addition of $80.0 million in PDW line 7.

The Senate amendment would provide an addition of $182.2 million to APAF line 59, authorize the budget request for APAF line 70, and provide an additional $8.0 million for PDW line 7.

The budget request, details of the adjustments in the House bill and the Senate amendment, and the final conference agreement, are summarized in the table below:

DEFENSE AIRBORNE RECONNAISSANCE PROCUREMENT PROGRAMS

[Dollars in thousands]

Program	Budget request	Proposed change		Conference agreement
		House	Senate	
Additional Rivet Joint aircraft	—	39,300	—	39,300
Rivet Joint mods	65,186	20,000	—	85,186
Rivet Joint technology transfer	—	—	20,000	—
Combat Sent mods	1,000	6,000	—	7,000
RC–135 data links		—	8,000	—
RC–135 re-engining		145,000	145,200	145,000
SR–71 mods	—	—	9,000	9,000
Subtotal—APAF 59	66,186	210,300	182,200	285,486
Restore damaged U–2 aircraft	—	5,000	—	—
Undistributed reduction	—	(50,000)	—	(50,000)
Other	150,742	—	—	150,742
Subtotal—APAF 70	150,742	(45,000)	—	100,742
Predator UAV	57,791	50,000	—	107,791
Pioneer UAV	10,567	30,000	—	40,567
Common automatic recovery system	—	—	8,000	8,000
U–2 satellite communications	2,023	—	—	2,023
Common imagery ground/surface system (CIGSS)	98,486	—	—	98,486
Subtotal—PDW 7	168,867	80,000	8,000	256,867

The conferees view with concern the lack of clarity in the display of DARP spending and have included provisions elsewhere in this bill requiring the Defense Airborne Reconnaissance Office (DARO) to provide improved budget presentations in future years.

AIRCRAFT PROCUREMENT, AIR FORCE, LINE 59

The conferees agree to an increase of $219.3 million above the budget request for the following purposes:

(1) $39.3 million for an additional Rivet Joint (RJ) aircraft;
(2) $20.0 million for RJ modifications;
(3) $6.0 million for Combat Sent modifications;
(4) $145.0 million re-engining RC–135 aircraft; and
(5) $9.0 million for SR–71 modifications.

Rivet Joint fleet modifications

The conferees acknowledge the need for consistent level-of-effort funding to improve these intelligence support aircraft in response to the rapid, and often unpredictable, improvements in threat technologies. Accordingly, the conferees expect the Department to provide funds for level-of-effort upgrades in future budget requests. While the conferees support upgrades based on platform-specific missions, they are skeptical of multi-functional type developmental upgrades and will closely monitor the Department's effort to coordinate service efforts and ensure compliance of such upgrades with the overall architecture.

Rivet Joint technology transfer

The conferees encourage the Air Force to move forward with a near-term, cost effective program to transfer the mature, medium wave infrared sensor technology from the Cobra Ball aircraft to the Rivet Joint fleet. Such a program would offer the option of early deployment in support of theater missile defense improvements. This transfer could provide significant improvement to the Department's capabilities for long range surveillance, warning, rapid cueing for attack operations and predicting impact points.

AIRCRAFT PROCUREMENT, AIR FORCE, LINE 70

The conferees agree to a general reduction of $50.0 million to the budget request.

PROCUREMENT, DEFENSE-WIDE, LINE 7

Pioneer unmanned aerial vehicle (UAV)

The budget request included $10.6 million attrition spares and unit support kits for the Pioneer UAV.

The House bill would authorize an increase of $30.0 million over the request to purchase attrition air vehicles and to replace aging and vanishing vendor items.

The Senate amendment would authorize the request.

The Department's decision to terminate the procurement of the Hunter UAV system has resulted in the Pioneer becoming the only UAV currently capable of meeting Navy and Marine Corps short range requirements. Consequently, the conferees agree to provide an increase of $30.0 million to fund initiatives necessary to ensure the continued effectiveness of the Pioneer UAV system.

Predator unmanned aerial vehicle (UAV)

The budget request included $57.8 for Predator hardware and production support.

The House bill would authorize an increase of $50.0 million to procure an additional two Predator systems.

The Senate amendment would authorize the budget request, and would separately provide a provision restricting the obligation of fiscal year 1997 funds.

The Senate recedes.

The conferees agree to recommend an additional $50.0 million for the Predator UAV system. The conferees recognize the Predator UAV's importance as well as the need to field capable effective UAV systems in the near-term.

Common automatic recovery system (CARS)

The conferees expect that this low cost system will help reduce mishaps and improve UAV operational effectiveness. Accordingly, the conferees agree to provide an additional $8.0 million for integrating CARS into the tactical UAV (TUAV) and the Predator UAV systems as soon as practicable.

KC–135 simulators

The budget request included $176.4 million for common aerospace ground equipment (AGE), which included funds for a three phase program to upgrade C–5, KC–10, and KC–135 simulators.

The House bill would authorize the budget request.

The Senate amendment would authorize an increase of $63.0 million to acquire the last nine simulator systems in fiscal year 1997.

Since the House bill and the Senate amendment were passed, the conferees have learned of possible reductions in the AGE line because of postponed acquisition of self-generating nitrogen systems. Accordingly, the conferees agree to reduce the budget request by $16.2 million.

F–16 post production support

The budget request included $81.6 million for post production support of F–16 aircraft.

The House bill would authorize the budget request.

The Senate amendment would authorize the budget request.

Since the House bill and the Senate amendment were passed, the conferees have learned of possible reductions in F–16 post production support requirements, because of double budgeting of sustainment costs, and unneeded production termination funds. Accordingly, the conferees agree to reduce the budget request by $10.7 million.

Miscellaneous production charges

The budget request included $210.7 million for miscellaneous production charges.

The House bill would authorize a reduction of $28.0 million.

The Senate amendment would authorize the budget request.

The conferees have learned of possible reductions in requirements for miscellaneous production charges, because funds in the program are excess to firm program requirements. Accordingly, the conferees agree to reduce the budget request by $24.7 million.

Overview

The budget request for fiscal year 1997 contained an authorization of $2,733.9 million for Missile Procurement, Air Force in the Department of Defense. The House bill would authorize $4,341.2 million. The Senate amendment would authorize $2,847.2 million. The conferees recommended an authorization of $2,525.9 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Title I - Procurement

(Dollars in Thousands)

Line No	Title	FY 1997 Qty	FY 1997 Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Change Qty	Conference Change Cost	Conference Agreement Qty	Conference Agreement Cost
	MISSILE PROCUREMENT, AIR FORCE										
	BALLISTIC MISSILES										
	MISSILE REPLACEMENT EQUIPMENT - BALLISTIC										
1	MISSILE REPLACEMENT EQ BALLISTIC	-	8,300		11,700		8,300		500		8,800
	OTHER MISSILES										
	STRATEGIC										
2	HAVE NAP	-		50	39,000		39,000	50	39,000	50	39,000
3	ADVANCED CRUISE MISSILE	-	1,236		1,236		1,236				1,236
	TACTICAL										
4	GPS AIDED MUNITION		-		-						-
5	JOINT DIRECT ATTACK MUNITION	937	23,010	3,937	73,010	937	23,010			937	23,010
6	JOINT STANDOFF WEAPON	-	8,033		8,033		8,033				8,033
7	AMRAAM	133	116,299	200	139,799	200	139,799	30	600	163	116,899
8	AGM-130 POWERED GBU-15	-	-	250	95,000	100	40,000	100	40,000	100	40,000
8a	AGM-165 G MAVERICK			425	34,000						
	TARGET DRONES										
9	TARGET DRONES	88	38,040	88	38,040	88	38,040			88	38,040
	INDUSTRIAL FACILITIES										
10	NONE	-	5,198		5,198		5,198				5,198
	MISSILE REPLACEMENT EQUIPMENT - OTHER										
11	MISSILE REPLACEMENT EQ OTHER	-	149		149		149				149
	MODIFICATION OF INSERVICE MISSILES										
	CLASS IV										
12	CONVENTIONAL ALCM	-	-	100	15,000		15,000		15,000		15,000
13	AIM-9 SIDEWINDER	-	9,451		9,451		9,451				9,451
14	MM III MODIFICATIONS	-	72,752		78,052		72,752		5,300		78,052
15	AGM-88A HARM	-	-		-		-				-
16	MODIFICATIONS UNDER $2.0M	-	128		128		128				128
	SPARES AND REPAIR PARTS										
	MISSILE SPARES + REPAIR PARTS										
17	SPARES AND REPAIR PARTS	-	44,590		44,890		44,590				44,590
	OTHER SUPPORT										
	SPACE PROGRAMS										
18	CANCELLED ACCOUNT	-	-		-						-
19	SPACEBORNE EQUIP (COMSEC)	-	-		-		-				
20	GLOBAL POSITIONING (MYP) SPACE	3	197,693	3	197,693	3	197,693		7,100		204,793
20	LESS: ADVANCE PROCUREMENT (PY)	-	(26,558)		(26,558)		(26,558)				(26,558)

Title I - Procurement

(Dollars in Thousands)

Line No	Title	FY 1997 Qty	FY 1997 Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Change Qty	Conference Change Cost	Conference Agreement Qty	Conference Agreement Cost
21	ADVANCE PROCUREMENT (CY)	-	27,501		27,501		27,501				27,501
22	IONDS (MYP) SPACE	-	4,112		4,112		4,112				4,112
23	SPACE SHUTTLE OPERATIONS SPACE	-	52,500		52,500		52,500		(4,800)		47,700
23	LESS: ADVANCE PROCUREMENT (PY)						-				-
24	SPACE BOOSTERS SPACE	-	489,606		409,806		448,806		(83,800)		405,806
25	MEDIUM LAUNCH VEHICLE SPACE	3	166,556	3	162,556	3	166,556			3	166,556
25	LESS: ADVANCE PROCUREMENT (PY)	-	(31,195)		(31,195)		(31,195)				(31,195)
26	ADVANCE PROCUREMENT (CY)	-	40,238		30,538		40,238				40,238
27	DEF METEOROLOGICAL SAT PROG SPACE	-	27,885		27,885		27,885				27,885
28	DEFENSE SUPPORT PROGRAM (MYP) SPACE	-	70,967		70,967		70,967				70,967
29	DEFENSE SATELLITE COMM SYSTEM SPACE	-	22,729		22,729		22,729				22,729
30	ADVANCE PROCUREMENT (CY)		4,200		4,200		4,200				4,200
	SPECIAL PROGRAMS				-						
31	SPACEBORNE EQUIP (COMSEC)	-	13,990		13,990		13,990				13,990
32	IONDS (MYP) SPACE	-			-		-				-
32	LESS: ADVANCE PROCUREMENT (PY)	-	-		-		-				-
33	ADVANCE PROCUREMENT (CY)	-	-		-		-				-
34	SPECIAL UPDATE PROGRAMS	-	301,368		106,968		301,368				301,368
35	SPECIAL PROGRAMS	-	774,800		2,674,800		787,800		27,800		802,600
	MUNITIONS & RELATED EQUIPMENT				-						
	ROCKETS + LAUNCHERS_				-						
36	2.75 INCH ROCKET MOTOR	25,392	10,126		-	25,392	10,126		(10,126)		-
37	2.75	25,360	1,795		-	25,360	1,795		(1,795)		-
38	ITEMS LESS THAN $2,000,000	-	50		-		50		(50)		-
	CARTRIDGES				-						
39	5.56 MM	18,951	7,653		-	18,951	7,653		(7,653)		-
40	20MM TRAINING	435	2,404		-	435	2,404		(2,404)		-
41	30 MM TRAINING	399	3,160		-	399	3,160		(3,160)		-
42	CARTRIDGE CHAFF RR-188	507	1,191		-	507	1,191		(1,191)		-
43	ITEMS LESS THAN $2,000,000	-	4,524		-		4,524		(4,524)		-
	BOMBS_				-						
44	MK-82 INERT/BDU-50	12,750	6,430		-	12,750	6,430		(6,430)		-
45	GBU-28 HARD TARGET PENETRATOR	161	18,417		-	161	18,417		(18,417)		-
46	BOMB PRACTICE 25 POUND	200,000	2,978		-	200,000	2,978		(2,978)		-
47	MK-84 BOMB EMPTY	1,500	3,594		-	1,500	3,594		(3,594)		-
48	SENSOR FUZED WEAPON	400	131,146		-	400	152,746		(131,146)		-
49	TTU-373A DIGITAL TEST SET	13	5,050		-	13	5,050		(5,050)		-
50	ITEMS LESS THAN $2,000,000	-	50		-		50		(50)		-
	TARGETS_				-						

Title I - Procurement

(Dollars in Thousands)

Line No	Title	FY 1997 Qty	FY 1997 Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Change Qty	Conference Change Cost	Conference Agreement Qty	Conference Agreement Cost
51	ITEMS LESS THAN $2,000,000	-	50				50		(50)		
	OTHER ITEMS										
52	FLARE, IR MJU 7B	878,340	20,018			878,340	20,018		(20,018)		-
53	MJU 10B	209,472	12,730		-	209,472	12,730		(12,730)		-
54	M 206 CARTRIDGE FLARE	1,020,000	12,791			1,020,000	12,791		(12,791)		-
55	INITIAL SPARES	-	25				25		(25)		-
56	REPLENISHMENT SPARES	-	2,201		-		2,201		(2,201)		-
57	MODIFICATIONS	-	650		-		650		(650)		-
58	ITEMS LESS THAN $2,000,000		3,544				3,544		(3,544)		
	FUZES										
59	JOINT PROGRAMMABLE FUSE (JPF)	324	4,125		-	324	4,125		(4,125)		-
59a	HARD TARGET SMART FUZES				-		2,000				-
	OTHER WEAPONS				-						
60	M-16 A2 RIFLE	-	15,524		-	0	15,524				15,524
61	9MM COMPACT PISTOL	131	73		-	131	73			131	73
	TOTAL, MISSILE PROCUREMENT, AIR FORCE		2,733,877		4,341,178		2,847,177		(208,002)		2,525,875

Peacekeeper sustainment

The budget request included $8.3 million for procurement of missile replacement equipment, $72.8 million for procurement of Minuteman III modifications, and $44.6 million for procurement of spares and repair parts.

The House bill recommended a net increase of $32.0 million for Peacekeeper sustainment activities. This included an additional $3.4 million for missile replacement equipment, $5.3 million for Minuteman modifications, and $300,000 for replacement spares and repairs. In addition, the House bill recommends that, of the amounts authorized to be appropriated pursuant to Title III for Air Force operation and maintenance, $23.0 million be used for sustained Peacekeeper operations.

The Senate amendment approved the budget request for Peacekeeper.

The conferees agree to authorize the following for peacekeeper sustainment: (1) an additional $3.4 million for missile replacement equipment, a net increase of $500,000 in this program element; (2) an additional $5.3 million in Procurement Air Force (Minuteman modifications); (3) an additional $300,000 in Air Force Procurement for replacement spares and repairs; and (4) of the amounts authorized to be appropriated pursuant to Title III for Air Force operation and maintenance, $23.0 million for Peacekeeper operations.

Overview

The budget request for fiscal year 1996 contained an authorization of $0 million for Ammunition Procurement, Air Force in the Department of Defense. The House bill would authorize $303.9 million. The Senate amendment would authorize $0 million. The conferees recommended an authorization of $278.3 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Title I - Procurement

(Dollars in Thousands)

Line No	Title	FY 1997 Qty	FY 1997 Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Change Qty	Conference Change Cost	Conference Agreement Qty	Conference Agreement Cost
	PROCUREMENT OF AMMUNITION, AIR FORCE										
	PROCUREMENT OF AMMO, AIR FORCE										
	PROC AMMO, AF										
1	2.75 INCH ROCKET MOTOR			25,392	10,126		-		10,126		10,126
2	2.75			25,360	1,795		-		1,795		1,795
3	ITEMS LESS THAN $2,000,000				50		-		50		50
	CARTRIDGE CHAFF RR-180				-						
4	5.56 MM			18,951	7,653				7,653		7,653
5	20MM TRAINING			435	2,404				2,404		2,404
6	30 MM TRAINING	-	-	399	3,160		-		3,160		3,160
7	CARTRIDGE CHAFF RR-180	-	-				-				
8	CARTRIDGE CHAFF RR-188	-	-	507	1,191		-		1,191		1,191
9	SIGNAL MK 4 MOD 3	-	-		-		-				-
10	ITEMS LESS THAN $2,000,000	-	-		4,524		-		4,524		4,524
	TIMER ACTUATOR FIN FUZE				-						
11	MK 82 INERT/BDU-50	-	-	12,750	6,430		-		6,430		6,430
12	TIMER ACTUATOR FIN FUZE	-	-		-		-				-
13	GBU-15	-	-		-		-				-
13a	GBU-28 HARD TARGET PENETRATOR			261	30,417				18,417		18,417
14	BOMB PRACTICE 25 POUND	-	-	200,000	2,978		-		2,978		2,978
15	MK 84 BOMB EMPTY	-	-	1,500	3,594		-		3,594		3,594
16	SENSOR FUZED WEAPON	-	-	500	152,746		-		152,746		152,746
16a	TTU-373A DIGITAL TEST SET				5,050				5,050		5,050
17	CBU-87(COMBINED EFFECTS MUNITIONS)	-	-	13	-		-				-
18	CBU-89 GATOR INERT	-	-		-		-				-
19	ITEMS LESS THAN $2,000,000	-	-		50		-		50		50
	ITEMS LESS THAN $2,000,000				-						
20	ITEMS LESS THAN $2,000,000	-	-		50		-		50		50
	FLARE, IR MJU-7B				-						
21	FLARE, IR MJU-7B	-	-	878,340	20,018		-		20,018		20,018
22	PARACHUTE FLARE LUU 2 B/B	-	-		-		-				-
23	MJU 23 FLARE	-	-								

Title I - Procurement

(Dollars in Thousands)

Line No	Title	FY 1997 Qty	FY 1997 Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Change Qty	Conference Change Cost	Conference Agreement Qty	Conference Agreement Cost
24	MJU 10B	.		209,472	12,730		.		12,730		12,730
25	M 206 CARTRIDGE FLARE	.	.	1,020,000	12,791		.		12,791		12,791
26	INITIAL SPARES	.	.		25		.		25		25
27	REPLENISHMENT SPARES	.			2,201		.		2,201		2,201
28	MODIFICATIONS				650				650		650
29	ITEMS LESS THAN $2,000,000	.	.		3,544				3,544		3,544
	FMU-139 FUZE										
30	FMU 139 FUZE	.	.		.		.				.
30a	JOINT PROGRAMMABLE FUSE (JPF)			324	4,125				4,125		4,125
31	ITEMS LESS THAN $2,000,000	.	.				.				.
31a	HARD TARGET SMART FUZES	.	.	.	.		.		2,000		2,000
	MUNITIONS UNDISTRIBUTED				.						
32	M-16 A2 RIFLE	.	.		15,524		.				.
32a	9MM COMPACT PISTOL			111	73						.
	TOTAL, PROCUREMENT OF AMMUNITION, AIR FORCE		.		303,899		.		278,302		278,302

Overview

The budget request for fiscal year 1997 contained an authorization of $5,998.8 million for Other Procurement, Air Force in the Department of Defense. The House bill would authorize $6,117.4 million. The Senate amendment would authorize $5,889.5 million. The conferees recommended an authorization of $5,814.4 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Title I - Procurement

(Dollars in Thousands)

Line No	Title	FY 1997 Qty	FY 1997 Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Change Qty	Conference Change Cost	Conference Agreement Qty	Conference Agreement Cost
	OTHER PROCUREMENT, AIR FORCE										
	VEHICULAR EQUIPMENT										
	PASSENGER CARRYING VEHICLES										
1	SEDAN, 4 DR 4X2	154	2,127	154	2,127	154	2,127			154	2,127
2	STATION WAGON, 4X2	57	949	57	949	57	949			57	949
3	BUS, 28 PASSENGER										
4	BUS - 32 44 PASSENGER										
5	BUSES	91	5,095	91	5,095	91	5,095			91	5,095
6	AMBULANCE, BUS										
7	AMBULANCES	4	292	4	292	4	292			4	292
8	MODULAR AMBULANCE										
9	14-23 PASSENGER BUS										
10	LAW ENFORCEMENT VEHICLE	199	3,510	199	3,510	199	3,510			199	3,510
11	ARMORED SEDAN	1	287	1	287	1	287			1	287
	VEHICLE REPLACEMENT										
	CARGO + UTILITY VEHICLES										
12	TRUCK, CARGO UTILITY, 3/4T, 4X4	317	6,887	317	6,887	317	6,887			317	6,887
13	TRUCK, CARGO UTILITY, 1/2T, 4X2	257	6,392	257	6,392	257	6,392			257	6,392
14	TRUCK, PICKUP, 1/2T, 4X2	572	8,678	572	8,678	572	8,678			572	8,678
15	TRUCK, PICKUP, COMPACT	556	9,775	556	9,775	556	9,775			556	9,775
16	TRUCK MULTI STOP 1 TON 4X2	419	9,537	419	9,537	419	9,537			419	9,537
17	TRUCK CARRYALL	145	2,989	145	2,989	145	2,989			145	2,989
18	TRUCK, CARGO, 2 1/2T, 6X6, M 35										
19	MEDIUM TACTICAL VEHICLE										
20	TRUCK TRACTOR, OVER 5T	38	2,713	38	2,713	38	2,713			38	2,713
21	CAP VEHICLES		760		760		760				760
22	ITEMS LESS THAN $2,000,000		10,240		10,240		10,240				10,240
	SPECIAL PURPOSE VEHICLES										
23	TRUCK TANK FUEL R-11										
24	HMMWV, ARMORED	38	7,396	38	7,396	38	7,396			38	7,396
25	TRACTOR, TOW, FLIGHTLINE	108	3,120	108	3,120	108	3,120			108	3,120
26	ITEMS LESS THAN $2,000,000		4,753		4,753		4,753				4,753
	FIRE FIGHTING EQUIPMENT										
27	HEAVY RESCUE VEHICLE										
28	TRUCK PUMPER P-24										
29	TRUCK PUMPER P-22										
30	ITEMS LESS THAN $2,000,000										
	MATERIALS HANDLING EQUIPMENT										
31	60K A/C LOADER	37	40,296	37	40,296	37	63,396	20	23,100	57	63,396

Title I - Procurement

(Dollars in Thousands)

Line No	Title	FY 1997 Qty	FY 1997 Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Change Qty	Conference Change Cost	Conference Agreement Qty	Conference Agreement Cost
32	ITEMS LESS THAN $2,000,000		2,133		2,133		2,133				2,133
	BASE MAINTENANCE SUPPORT										
33	MODIFICATIONS		1,849		1,849		1,849				1,849
34	ITEMS LESS THAN $2,000,000										
	CANCELLED ACCOUNT ADJUSTM										
35	CANCELLED ACCOUNT ADJUSTMENTS										
	ELECTRONICS AND TELECOMMUNICATIONS EQUIP										
	COMM SECURITY EQUIPMENT(COMSEC)										
36	COMSEC EQUIPMENT		27,421		27,421		27,421				27,421
36a	SECURE TERMINAL EQUIPMENT				4,500						
37	MODIFICATIONS (COMSEC)		501		501		501				501
	INTELLIGENCE PROGRAMS				6,300						
	PREDATOR				107,800						
38	INTELLIGENCE DATA HANDLING SYS		14,009		14,009		20,309				14,009
39	INTELLIGENCE TRAINING EQUIPMENT		1,989		1,989		1,989				1,989
40	INTELLIGENCE COMM EQUIP		11,247		11,247		11,247				11,247
41	ITEMS LESS THAN $2,000,000										
	ELECTRONICS PROGRAMS										
42	THEATER AIR CONTROL SYS IMPROVEMENT		21,698		21,698		21,698				21,698
43	WEATHER OBSERV/FORCAST		13,944		17,944		13,944		4,000		17,944
44	STRATEGIC COMMAND AND CONTROL		23,382		23,382		23,382				23,382
45	CHEYENNE MOUNTAIN COMPLEX		3,083		3,083		3,083				3,083
46	TAC SIGINT SUPPORT		5,817		5,817		5,817				5,817
47	DRUG INTERDICTION PROGRAM										
48	DARP										
	SPECIAL COMM-ELECTRONICS PROJECTS										
49	AUTOMATIC DATA PROCESSING EQUIP		17,791		17,791		17,791				17,791
50	WWMCCS/GLOBAL COMMAND & CONTROL S		10,165		10,165		10,165				10,165
51	MOBILITY COMMAND AND CONTROL		4,605		4,605		4,605				4,605
52	AIR FORCE PHYSICAL SECURITY SYSTEM		14,316		14,316		14,316				14,316
53	COMBAT TRAINING RANGES		11,364		11,364		11,364				11,364
54	C3 COUNTERMEASURES		9,128		9,128		9,128				9,128
55	BASE LEVEL DATA AUTO PROGRAM		22,385		22,385		22,385				22,385
56	THEATER BATTLE MGT C2 SYS		47,966		47,966		50,166				47,966
	AIR FORCE COMMUNICATIONS										
57	INFORMATION TRANSMISSION SYSTEMS										
58	BASE INFORMATION INFRASTRUCTURE		125,741		115,741		125,741		(10,000)		115,741
59	USCENTCOM		2,298		2,298		2,298				2,298

Title I - Procurement

(Dollars in Thousands)

Line No	Title	FY 1997 Qty	FY 1997 Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Change Qty	Conference Change Cost	Conference Agreement Qty	Conference Agreement Cost
60	AUTOMATED TELECOMMUNICATIONS PRG	.	19,173		19,173		19,173				19,173
61	WIDEBAND SYSTEMS UPGRADE	.			.		.				.
62	SATELLITE TERMINALS	.			.		.				.
	DISA PROGRAMS										
63	DEFENSE SUPPORT PROGRAM SPACE		.		.		.				.
64	SPACE BASED IR SENSOR PROG SPACE	.	25,939		25,939		25,939				25,939
65	NAVSTAR GPS SPACE		3,308		3,308		3,308		1,000		4,308
66	DEFENSE METEOROLOGICAL SAT PROG SPAC		10,533		10,533		10,533				10,533
67	NUDET DETECTION SYS (NDS) SPACE		2,085		2,085		2,085				2,085
68	AF SATELLITE CONTROL NETWORK SPACE	.	16,144		16,144		16,144				16,144
69	EASTERN/WESTERN RANGE I&M SPACE		102,442		102,442		102,442				102,442
70	MILSATCOM SPACE	.	52,164		52,164		52,164				52,164
71	SPACE MODS SPACE	.	23,378		23,378		23,378				23,378
	ORGANIZATION AND BASE										
72	TACTICAL C E EQUIPMENT		24,075		24,075		24,075				24,075
73	COMBAT SEARCH & RESCUE (CSAR) RADIO	.	2,858		2,858		2,858				2,858
74	RADIO EQUIPMENT		9,174		9,174		9,174				9,174
75	TV EQUIPMENT (AFRTV)	.	2,402		2,402		2,402				2,402
76	CCTV/AUDIOVISUAL EQUIPMENT	.	3,958		3,958		3,958				3,958
77	BASE COMM INFRASTRUCTURE	.	.		.		.				.
78	CAP COM & ELECT	.	.		.		.				.
79	ITEMS LESS THAN $2,000,000	.	9,714		9,714		9,714				9,714
	MODIFICATIONS										
80	COMM ELECT MODS		14,211		14,211		14,211				14,211
	OTHER BASE MAINTENANCE AND SUPPORT EQUIP										
	TEST EQUIPMENT										
81	BASE/ALC CALIBRATION PACKAGE	.	13,969		13,969		13,969				13,969
82	PRIMARY STANDARDS LABORATORY PACKA	.	1,563		1,563		1,563				1,563
83	ITEMS LESS THAN $2,000,000	.	12,188		12,188		12,188				12,188
	PERSONAL SAFETY AND RESCUE EQUIP										
84	NIGHT VISION GOGGLES	.	3,645		3,645		3,645				3,645
85	BREATHING APPARATUS TWO HOUR	.	1,993		1,993		1,993				1,993
86	UNIVERSAL WATER ACTIVATED REL SYS	.	968		968		968				968
87	CHEMICAL/BIOLOGICAL DEF PROG	.	.		.		.				.
88	ITEMS LESS THAN $2,000,000	.	5,819		5,819		5,819				5,819
	DEPOT PLANT + MATERIALS HANDLING EQ										
89	MECHANIZED MATERIAL HANDLING EQUIP	.	8,874		8,874		8,874				8,874
90	BASE MECHANIZATION EQUIPMENT	.	.		.		.				.
91	AIR TERMINAL MECHANIZATION EQUIP	.	.		.		.				

Title I - Procurement

(Dollars in Thousands)

Line No	Title	FY 1997 Qty	FY 1997 Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Change Qty	Conference Change Cost	Conference Agreement Qty	Conference Agreement Cost
92	ITEMS LESS THAN $2,000,000		5,718		5,718		5,718				5,718
	ELECTRICAL EQUIPMENT										
93	GENERATORS MOBILE ELECTRIC		606		606		606				606
94	FLOODLIGHTS SET TYPE NF2D										
95	ITEMS LESS THAN $2,000,000		3,425		3,425		3,425				3,425
	BASE SUPPORT EQUIPMENT										
96	BASE PROCURED EQUIPMENT										
97	NATURAL GAS UTILIZATION EQUIPMENT										
98	MEDICAL/DENTAL EQUIPMENT		15,268		15,268		15,268				15,268
99	ENVIRONMENTAL PROJECTS										
100	AIR BASE OPERABILITY		4,866		4,866		4,866				4,866
101	PALLET AIR CARGO	4,000	3,562	4,000	3,562	4,000	3,562			4,000	3,562
102	NET ASSEMBLY, 108		1,900		1,900		1,900				1,900
103	BLADDERS FUEL		1,911		1,911		1,911				1,911
104	AERIAL BULK FUEL DELIVERY SYSTEM		2,063		2,063		2,063				2,063
105	PHOTOGRAPHIC EQUIPMENT		6,089		6,089		6,089				6,089
106	PRODUCTIVITY ENHANCEMENT										
107	PRODUCTIVITY INVESTMENTS										
108	MOBILITY EQUIPMENT		21,259		21,259		21,259				21,259
109	SPARES AND REPAIR PARTS										
110	DEPLOYMENT/EMPLOYMENT CONTAINERS		1,948		1,948		1,948				1,948
111	SPATIAL DISORIENTATION DEMONSTRATOR		1,947		1,947		1,947				1,947
112	AIR CONDITIONERS		803		803		803				803
113	ITEMS LESS THAN $2,000,000		4,971		4,971		4,971				4,971
	SPECIAL SUPPORT PROJECTS										
114	INTELLIGENCE PRODUCTION ACTIVITY		64,977		77,277		56,777				64,977
115	TECH SURV COUNTERMEASURES EQ		1,061		1,061		1,061				1,061
116	DARP		77,074		77,074		77,074				77,074
	AIRBOURNE RECONNAISSANCE PROJECTS										
	COMMON IMAGERY GROUND SURFACE SYSTEM (CIGSS)										
117	SELECTED ACTIVITIES		4,661,580		4,655,280		4,519,880		(202,500)		4,459,080
118	SPECIAL UPDATE PROGRAM		176,455		176,455		176,455				176,455
119	INDUSTRIAL PREPAREDNESS		1,351		1,351		1,351				1,351
120	MODIFICATIONS		195		195		195				195
121	FIRST DESTINATION TRANSPORTATION		13,534		13,534		13,534				13,534
	SPARE AND REPAIR PARTS										
	SPARES AND REPAIR PARTS										
122	SPARES AND REPAIR PARTS		37,051		37,051		37,051				37,051
	UH 1N SIMULATOR						9,000				

Title I - Procurement

(Dollars in Thousands)

Line No	Title	FY 1997 Qty	FY 1997 Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Change Qty	Conference Change Cost	Conference Agreement Qty	Conference Agreement Cost
	TOTAL, OTHER PROCUREMENT, AIR FORCE		5,998,819		6,117,419		5,889,519		(184,400)		5,814,419

60K Loader

The budget request contained $40.3 million for 37 60K loaders.

The House bill would authorize the budget request.

The Senate amendment would increase the authorization by $23.1 million to accelerate the acquisition of 60K loaders by adding 20 additional loaders in fiscal year 1997.

The House recedes.

The conferees understand that accelerated acquisition of 60K loaders through an additional 20 loaders in fiscal year 1997 could reduce Future Years Defense Program (FYDP) costs of these loaders by $27.4 million.

Accordingly, the conferees recommend an increase of $23.1 million to acquire a total of 57 of the new 60K loaders, with the understanding that the Department of Defense has programmed sufficient funds in the out years to complete the planned acquisition of 60K loaders.

Theater battle management command and control system procurement (TBMCS)

The budget request included $48.0 million for procurement of the theater battle management command and control system.

The House bill would authorize the budget request.

The Senate amendment would add $2.2 million to the program as part of a data link initiative to incorporate data links in various Air Force aircraft. The additional $2.2 million would complete installation of data link related equipment in modular air operation centers.

The Senate recedes.

The conferees agree to authorize $48.0 million for the system.

Base information infrastructure

The budget request included $125.7 million Air Force base information infrastructure.

The House bill would reduce the authorization by $10.0 million.

The Senate amendment would authorize the budget request.

The Senate recedes.

Overview

The budget request for fiscal year 1997 contained an authorization of $1,841.2 million for Defense-wide Procurement in the Department of Defense. The House bill would authorize $1,890.2 million. The Senate amendment would authorize $1,908.0 million. The conferees recommended an authorization of $2,008.3 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Title I - Procurement

(Dollars in Thousands)

Line No	Title	FY 1997 Qty	FY 1997 Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Change Qty	Conference Change Cost	Conference Agreement Qty	Conference Agreement Cost
	PROCUREMENT, DEFENSE-WIDE										
	MAJOR EQUIPMENT										
	MAJOR EQUIPMENT, OSD/WHS										
1	MOTOR VEHICLES										
2	MAJOR EQUIPMENT, OSD		136,218		136,218		136,218				136,218
	HIGH SECURITY LOCKS										
3	MAJOR EQUIPMENT, WHS		15,207		15,207		15,207				15,207
4	ARMED FORCE INFORMATION SERVICE		7,897		7,897		7,897				7,897
5	DEPARTMENT OF DEFENSE EDUCATION ACTI		1,595		1,595		1,595				1,595
6	DEFENSE TECHNOLOGY SECRUITY ADMINIST		698		698		698				698
7	DARP		168,867		180,067		176,867		88,000		256,867
8	CORPORATE INFORMATION MANAGEMENT										
	INFORMATION RESOURCES MANAGEMENT										
	CLASSIFIED EQUIPMENT										
	MAJOR EQUIPMENT, NSA										
10	DEFENSE AIRBORNE RECONNAISSANCE PROG		13,746		13,746		13,746				13,746
	MAJOR EQUIPMENT, DNA										
11	VEHICLES		171		171		171				171
12	OTHER MAJOR EQUIPMENT		7,700		7,700		7,700				7,700
	MAJOR EQUIPMENT, DISA										
13	WWMCCS ADP SYSTEMS		3,992		3,992		3,992				3,992
14	MOBILE SATELLITE SYSTEM TECHNOLOGIES		20,602		20,602		20,602				20,602
15	INFORMATION SYSTEMS SECURITY		17,136		17,136		17,136				17,136
16	CONTINUITY OF OPERATIONS		5,295		5,295		5,295				5,295
17	JOINT C4ISR		4,814		4,814		4,814				4,814
18	DEFENSE MESSAGE SYSTEM		41,397		41,397		41,397				41,397
19	PLANS & PROGRAM ANALYSIS SUPPORT CEN		3,300		3,300		3,300				3,300
20	ITEMS LESS THAN $2 MILLION		293		293		293				293
21	DRUG INTERDICTION SUPPORT				19,000						
	MAJOR EQUIPMENT, DIA										
	MAJOR EQUIPMENT, DLA										
	AUTOMATED DOCUMENT CONVERSION SYSTEM				38,800				38,800		38,800
24	DEFENSE SUPPORT ACTIVITIES		6,673		6,673		6,673				6,673
	MAJOR EQUIPMENT, DMA										
25	AUTOMATED INFORMATION SYSTEM EQUIPM										
26	VEHICLES		59		59		59				59
27	OTHER CAPITAL EQUIPMENT										
	MAJOR EQUIPMENT, DIS										

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(Dollars in Thousands)

Line No	Title	FY 1997 Qty	FY 1997 Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Change Qty	Conference Change Cost	Conference Agreement Qty	Conference Agreement Cost
28	VEHICLES	244	2,996	244	2,996	244	2,996			244	2,996
29	OTHER CAPITAL EQUIPMENT		8,590		8,590		8,590				8,590
	MAJOR EQUIPMENT, DCAA										
30	ITEMS LESS THAN $2 MILLION		3,832		3,832		3,832				3,832
	MAJOR EQUIPMENT, DSPO										
31	MAJOR EQUIPMENT , DSPO		20,025		20,025		20,025				20,025
	MAJOR EQUIPMENT, TJS										
32	MAJOR EQUIPMENT, TJS		21,501		21,501		21,501				21,501
	ON SITE INSPECTION AGENCY										
33	VEHICLES		95		95		95				95
34	OTHER CAPITAL EQUIPMENT		3,191		3,191		3,191				3,191
	BALLISTIC MISSILE DEFENSE ORGANIZATION										
35	PATRIOT PAC 3		215,378		215,378		215,378				215,378
36	C4I		19,256		19,256		19,256				19,256
37	HAWK BN/C3 MODS		19,379		19,379		19,379				19,379
38	NAVY AREA TBDM PROGRAM		9,160		9,160		9,160				9,160
	CENTRAL IMAGERY OFFICE										
	SPECIAL OPERATIONS COMMAND										
	AVIATION PROGRAMS										
40	RADIO FREQUENCY MOBILE ELECTRONIC TES		14,340		14,340		14,340				14,340
41	SOF ROTARY WING UPGRADES		4,788		4,788		4,788				4,788
42	SOF TRAINING SYSTEMS		1,074		1,074		1,074				1,074
43	MC 130H COMBAT TALON II		8,067		8,067		8,067				8,067
44	AC 130U GUNSHIP ACQUISITION		44,800		44,800		44,800				44,800
45	C-130 MODIFICATIONS		86,677		86,677		110,477		17,900		104,577
45	LESS: ADVANCE PROCUREMENT (PY)										
46	ADVANCE PROCUREMENT (CY)										
47	HH-53 MODIFICATIONS										
48	MH-47/MH-60 MODIFICATIONS										
49	OH 6 PROCUREMENT & MODIFICATIONS										
50	AIRCRAFT SUPPORT		13,639		13,639		13,639				13,639
	SHIPBUILDING										
51	PC,CYCLONE CLASS										
52	ADVANCED SEAL DELIVERY SYSTEM (ASDS)						4,400		4,400		4,400
53	MK VIII MOD 1 - SEAL DELIVERY VEHICLE		9,255		9,255		9,255				9,255
54	SUBMARINE CONVERSION		6,027		6,027		6,027				6,027
54	LESS: ADVANCE PROCUREMENT (PY)										
55	ADVANCE PROCUREMENT (CY)		2,886		2,886		2,886				2,886

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(Dollars in Thousands)

Line No	Title	FY 1997 Qty	FY 1997 Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Change Qty	Conference Change Cost	Conference Agreement Qty	Conference Agreement Cost
56	MK V SPECIAL OPERATIONS CRAFT (MK V SO)		41,211		41,211		41,211				41,211
	AMMUNITION PROGRAMS										
57	SOF PYRO/DEMO		6,161		6,161		6,161				6,161
58	SOF PLATFORM GUN AMMUNITION										
59	SOF INDIV WEAPONS AMMUNITION		24,379		24,379		24,379				24,379
59a	SELECTABLE LIGHTWEIGHT ATTACK MUNITIONS		0				5,000		5,000		5,000
59b	TIMED RELAY FIRING DEVICES						8,000		8,000		8,000
	OTHER PROCUREMENT PROGRAMS										
60	LIGHT STRIKE VEHICLE										
61	MARITIME EQUIPMENT MODIFICATIONS		4,833		4,833		4,833				4,833
62	SPARES AND REPAIR PARTS		36,134		36,134		36,134				36,134
63	COMM EQUIPMENT & ELECTRONICS		26,617		26,617		39,717		9,400		36,017
64	SOF INTELLIGENCE SYSTEMS		19,833		19,833		24,333				19,833
65	SOF SMALL ARMS & WEAPONS		10,613		10,613		10,613				10,613
66	SPECIAL WARFARE EQUIPMENT		5,030		5,030		5,030		(4,451)		579
67	DRUG INTERDICTION										
68	MISCELLANEOUS EQUIPMENT		3,030		3,030		3,030				3,030
69	SOF PLANNING AND REHEARSAL SYSTEM IS		1,876		1,876		1,876				1,876
70	CLASSIFIED PROGRAMS		75,221		75,221		75,221				75,221
71	PSYOP EQUIPMENT		7,794		7,794		7,794				7,794
	CHEMICAL/BIOLOGICAL DEFENSE										
	CBDP										
72	PROTECTIVE MASK										
73	INDIVIDUAL PROTECTION		53,785		53,785		53,785				53,785
74	DECONTAMINATION		252		252		252				252
75	IMPROVED CHEM AGENT MONITOR (ICAM)										
76	NBC RECON SYS (NBCRS) MODS										
77	M17 DECON MODS										
78	POCKET RADIAC AN/UDR - 13										
79	REMOTE CHEM AGT ALARM (RSCAAL)										
80	JOINT BIO DEFENSE PROGRAM		60,619		60,619		60,619				60,619
81	COLLECTIVE PROTECTION		12,333		12,333		12,333				12,333
82	CB PROTECTIVE SHELTER (CBPS)										
83	CONTAMINATION AVOIDANCE		81,237		81,237		81,237				81,237
84	JOINT BIO DEFENSE PRGM										
85	CHME/BIO DEFENSE EQ (AF)										
86	CHEM WARFARE DETECTORS										
87	CBR EQUIP-SHIPBOARD										
999	CLASSIFIED PROGRAMS		399,638		399,638		399,638				399,638

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(Dollars in Thousands)

Line No	Title	FY 1997 Qty	FY 1997 Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Change Qty	Conference Change Cost	Conference Agreement Qty	Conference Agreement Cost
	TOTAL, PROCUREMENT, DEFENSE-WIDE		1,841,212		1,890,212		1,908,012		167,049		2,008,26

C–130 aircraft modifications

The budget request included $86.7 million for modifications to U.S. Special Operations Command (USSOCOM) C–130 aircraft.

The Senate amendment would authorize an increase of $23.8 million for survivability and sustainment improvements to USSOCOM's fleet of AC–130U gunships and the MC–130H Combat Talon II aircraft.

The House bill would authorize the requested amount.

The conferees agree to authorize an increase of $17.9 million for modifications to USSOCOM C–130 aircraft.

Advanced SEAL delivery system

The budget request included no procurement funding for the advanced SEAL delivery system (ASDS) for the U.S. Special Operations Command.

A changed interpretation of administrative procedures between preparation of the fiscal year 1996 and fiscal year 1997 budget requests caused $4.4 million of advance procurement funding for the ASDS to be deleted from the fiscal year 1997 budget request. The consequence of this reduction in funding would be a one year delay in fielding the ASDS system.

To restore the ASDS program to its original schedule, the Senate amendment would authorize an increase of $4.4 million over the budget request for the procurement of long-lead steel and integrated control and display consoles needed for fabrication of the first production ASDS.

The House bill would authorize the requested amount.

The House recedes.

SCAMPI communications system

The budget request contained no funding for procurement of the SCAMPI communications system for the U.S. Special Operations Command (USSOCOM).

The Senate amendment would authorize an increase of $3.7 million to complete hub relocation for USSOCOM's SCAMPI communications system.

The House bill would authorize the requested amount.

The Senate recedes.

Special mission radio system

The budget request contained $26.6 million for procurement of communications and electronic equipment for the U.S. Special Operations Command.

The Senate amendment would authorize an additional $9.4 million for procurement of the special mission radio system (SMRS) to satisfy long-range communications requirements of the special forces.

The House bill would authorize the requested amount.

The House recedes.

Briefcase multi-mission advanced tactical terminal

The budget request included $19.8 million for intelligence systems for the U.S. Special Operations Command (USSOCOM).

The Senate amendment authorized an addition of $4.5 million to accelerate the procurement of the briefcase multi-mission advanced tactical terminal (BMATT).

The House bill would authorize the requested amount.

The Senate recedes.

Overview

The budget request for fiscal year 1997 contained no authorization for National Guard and Reserve Procurement in the Department of Defense. The House bill would authorize $805.0 million. The Senate amendment would authorize $759.0 million. The conferees recommended an authorization of $780.0 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

National Guard and Reserve Package

	In millions
Army Reserve:	
2.5T Truck SLEP	25.0
5T Truck SLEP	25.0
New Procurement 2.5/5T Trucks	15.0
Palletized Load System	4.0
Coolant Purification Units	2.0
Small Arms Simulators	1.0
MK–19	3.0
Automatic Building Machines	5.0
HMMWV Maintenance Trucks	5.0
Miscellaneous	13.0
Navy Reserve:	
Magic Lantern Spares	5.0
F18 Upgrades	16.0
MIUW Van System Upgrades	10.0
Night Vision Goggles	5.0
C–9 Replacement	40.0
Miscellaneous	40.0
USMC Reserve:	
CH–53	50.0
Miscellaneous	17.0
Air Force Reserve:	
KC–135 Reengining	26.0
Avionics Upgrades	14.0
Night Vision Devices	5.0
C–20G	30.0
Miscellaneous	19.0
Army National Guard:	
Tactical Trucks & Trailers	20.0
2.5T Truck SLEP	15.0
5T Truck SLEP	4.0
Communications Equipment	18.0
Avenger I-Coft Simulator	4.0
C–23 Enhancement Program	18.0
Small Arms Simulators	5.0
FADEC	10.0
Coolent Purification System	3.0
Crashworthy Fuel Cells	5.0
Vibration Diagnostic Equipment	3.0
Reconfigurable Aviation Sim	5.0
AH–1 C-Nite	2.0
Dragon Upgrade	25.0
Night Vision	5.0
Aircraft Equipment	17.0
Miscellaneous	12.0
Air National Guard:	
SEAD Mission Upgrade	11.4

	In millions
Theater Deployable Comms	17.0
AN/TLQ Radar Decoys	3.0
F–16 AIS	10.0
C130J	189.6
Miscellaneous	3.0
Total NGRE package	780.0

Overview

The budget request for fiscal year 1997 contained an authorization of $799.9 million for Chemical Agent and Munitions Destruction, Army in the Department of Defense. The House bill would authorize $799.9 million. The Senate amendment would authorize $802.9 million. The conferees recommended an authorization of $759.9 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Title I - Procurement

(Dollars in Thousands)

Line No	Title	FY 1997 Qty	FY 1997 Cost	House Authorized Qty	House Authorized Cost	Senate Authorized Qty	Senate Authorized Cost	Conference Change Qty	Conference Change Cost	Conference Agreement Qty	Conference Agreement Cost
	CHEM AGENTS & MUNITIONS DESTRUCTION, DEF										
	CHEM AGENTS & MUNITIONS DESTRUCT RDT&E										
	RESEARCH AND DEVELOPMENT										
1	CHEM DEMILITARIZATION - RDTE		48,300		48,300		51,300				48,300
	CHEM AGENTS & MUNITIONS DESTRUCT PROC										
	PROCUREMENT										
2	CHEM DEMILITARIZATION - PROC		273,600		273,600		273,600		(40,000)		233,600
	CHEM AGENTS & MUNITIONS DESTRUCT O&M										
	OPERATION AND MAINTENANCE										
3	CHEM DEMILITARIZATION - O&M		477,947		477,947		477,947				477,947
	TOTAL, CHEM AGENTS & MUNITIONS DESTRUCTION, DEF		799,847		799,847		802,847		(40,000)		759,847

Air Force precision guided munitions

Last year, the statement of managers accompanying the conference report on S. 1124 (H. Rept. 104–450) noted the need for DOD to develop a long-term cohesive, joint PGM program. Section 261 of the National Defense Authorization Act for Fiscal Year 1996 directed DOD to develop such a plan. The Department has informed the congressional defense committees that the analysis necessary to develop this plan will not be complete until later this year. The conferees believe that DOD should not wait for another whole year to begin providing additional PGM capability beyond that supported in the budget request.

Accordingly, while awaiting this analysis and the Department's recommendations based on this analysis, the conferees recommend an increase of $118.2 million in missile procurement Air Force as detailed below:

PRECISION GUIDED MUNITIONS

[Dollars in millions]

Procurement	Request		SASC		HNSC		Conference total		Ref
	($)	Qty	($)	Qty	($)	Qty	($)	(Qty)	
AGM–142	—	—	39.0	54	39.0	50	39.0	54	MPAF line 2
Joint Direct Attack Munition.	23.0	937	—	—	50.0	3000	23.0	937	MPAF line 5
AMRAAM (AF)	116.3	133	139.8	200	.....	.....	116.9	163	MPAF line 7
AGM–130	—	—	40.0	100	95.0	250	40.0	100	MPAF line 8
AGM 165, Maverick	—	—	—	—	34.0	425	—	—	MPAF line 8a
CALCM	—	—	15.0	100	15.0	100	15.0	100	MPAF line 12
SFW	131.1	400	152.7	500	152.7	500	152.7	500	PAAF line 16
Hard Target Smart Fuze	—	—	2.0	—	—	—	2.0	—	PAAF line 30

Automated document conversion system (ADCS)

The conferees are aware that the Department has made some progress in following its direction to begin the purchase of the software necessary to convert the Department's more complex engineering documents from raster files to an intelligent format. In addition, the conferees are encouraged by the initial results of ADCS testing. The conferees are aware that significant cost savings can be achieved through the use of an ADCS; thus, the conferees are disappointed that no funds were requested for this purpose.

Accordingly, the conferees recommend $38.8 million for the competitive procurement of an ACDS capability.

Prototype instrumentation range facility

There has been significant progress in advancing the state-of-the-art in training and simulation devices. With the advent of improved technologies, such as instrumented ranges, the Army can now train units in the complexities of modern combat more efficiently. However, this technology has not been transferred to the Army National Guard, where it could have significant impact on unit training and readiness. The conferees understand that the Army National Guard is prepared to allocate up to $7.0 million from the miscellaneous equipment section of the National Guard

and Reserve Equipment Account to set up a prototype instrumented range facility to begin training Army National Guard units using advanced training and simulation devices.

The conferees strongly support such an initiative and urge the Director of the Army National Guard to proceed with an initiative to establish such a facility. The conferees direct the Director of the Army National Guard to provide a report to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives not later than 12 months after enactment of this Act on the progress toward establishing the instrumented range.

LEGISLATIVE PROVISIONS

SUBTITLE A—AUTHORIZATION OF APPROPRIATIONS

LEGISLATIVE PROVISIONS ADOPTED

Defense Inspector General (sec. 106)

The House bill contained a provision that would authorize $2.0 million for the Defense Inspector General. The Senate amendment contained an identical provision. The conference agreement includes this provision.

Chemical agents and munitions destruction program (secs. 107 and 142)

The budget request included $799.8 million for the defense chemical agents and munitions destruction program, including $477.9 million for operation and maintenance, $273.6 million for procurement, and $48.3 million for research and development. Additionally, the budget request included $131.6 million for military construction.

The House bill contained a provision (sec. 107) that would authorize $804.8 million for the chemical agents and munitions destruction program, including $21.0 million for the alternative technology and approaches project, an increase of $5.0 million to the budget request.

The Senate amendment contained a provision (sec. 107) that would authorize $802.8 million for the chemical agents and munitions destruction program, including an increase of $3.0 million for research and development to expedite and accelerate the development and fielding of critical advanced sensors that are part of the Army's mobile munitions assessment system. A second provision (sec. 113) would require the Secretary of Defense to conduct a study on the cost of the baseline incineration of the chemical munitions stockpile versus the disposal of neutralized chemical munitions at a centrally located incinerator. A third provision (sec. 117) would provide $60.0 million for a pilot program to identify and demonstrate feasible alternatives to incineration for the demilitarization of assembled chemical munitions, establish an executive agent for the pilot program separate from the existing chemical weapon stockpile demilitarization program, require the Secretary of Defense to evaluate and report the results of the completed pilot program by December 31, 2000, and place limits on long lead con-

tracting for the construction of chemical agent baseline program incinerators at any site in Kentucky or Colorado.

The Senate recedes with an amendment.

The conferees agree to a provision (sec. 107) that would authorize $759.8 million for the defense chemical agents and munitions destruction program, to include: $233.6 million for procurement; $477.9 million for operation and maintenance; and $48.3 million for research and development. Of the amount authorized $21.1 million shall be available for the alternative technologies and approaches project and $3.0 million shall be available to expedite and accelerate the development and fielding of critical advanced sensors that are part of the Army's mobile munitions assessment system.

Further, the conferees agree to a provision (sec. 142) that would direct the Secretary of Defense to assess the current baseline incineration program for destruction of assembled chemical munitions and of alternative demilitarization technologies and processes other than incineration that could be used for the destruction of lethal chemical agents and munitions. Should the Secretary decide to conduct a pilot program for development and demonstration of an alternative technology or process other than incineration for the destruction of the lethal chemical agents that are associated with assembled munitions, the provision would authorize $25.0 million from funds authorized in fiscal year 1997 for use by the Secretary for this purpose, and would require the Secretary to notify the Congress 30 days in advance, of his intention to use funds to initiate a pilot program. The provision would also require that the pilot program be conducted at the selected chemical agent and munitions stockpile storage site for which the alternative technology or process is recommended.

Progress in the chemical agents and munitions destruction program

The conferees reiterate the concerns expressed in the statement of managers accompanying the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106), that continued delays in the chemical agents and munitions destruction program would lead to increases in overall program cost and in risk to the public and the environment. The conferees believe that the program should proceed expeditiously, using those technologies that minimize risk to the public and the environment. The conferees support the recommendations of the National Research Council (NRC), that the Army continue its current baseline incineration program until such time as the evaluation of alternative technologies for demilitarization and destruction of the stockpile is concluded. The conferees note the progress that has been made in the program. More than 50 percent (2 million pounds of chemical agents) of the chemical agent and munitions stockpile on Johnston Atoll has been destroyed and full-scale demilitarization operations continue at that site. On June 26, 1996, the State of Utah granted approval for the Army to begin chemical munitions destruction operations using the baseline incineration process at the Tooele Chemical Agent Disposal Facility in Tooele, Utah.

The conferees have reviewed the "Department of Defense's Interim Status Assessment for the Chemical Demilitarization Program," dated April 15, 1996, that was submitted to the Congress

in response to section 152(c) of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106). Measures for potential reductions in the total cost of the chemical stockpile destruction program are under review within the Department of Defense. Although there is no evidence of immediate danger from stockpile, risk assessments from the programmatic environmental impact statement and the ongoing site-specific risk analysis updates continue to indicate that storage risk is much greater than the risks associated with executing the current chemical stockpile disposal program and that delay in the disposal effort will result in increased public risk. The Secretary of Defense is directed to submit to the Congress, with the Defense budget request for fiscal year 1998, a final report on the assessment and recommendations for revision to the current baseline incineration program, including the use of alternative technologies, which could reduce program costs and increase public safety.

Alternative technologies

The assessment discusses progress in the alternative technologies research and development program. Under this program, the Army, in coordination with the NRC, is evaluating five technologies for potential use at the bulk-only stockpile sites (Aberdeen Proving Ground, Maryland, and Newport Army Ammunition Depot, Indiana). The Army's evaluation and the NRC's recommendations will provide the basis for an October 1996 decision by the Department of Defense on the continued development of an alternative chemical agent destruction process for the bulk-only storage sites. Should the Secretary of Defense decide to continue the development at an alternative technology for demilitarization of the chemical agents at the bulk-only chemical stockpile storage sites, the conferees agree that the Secretary should utilize current authority to reprogram funds to initiate a pilot program for this purpose.

The conferees note that the Army's alternative technologies research and development program has been limited to consideration of alternative technologies for potential use at the bulk-only storage sites. The conferees believe that consideration should be given also to variants of the baseline program in which alternative technologies and processes are used for destruction of the chemical agent associated with assembled chemical munitions. The conferees have included a provision that would direct the Secretary of Defense, in coordination with the NRC, to conduct an assessment of such alternative technologies and processes and to report the results of the assessment to the Congress not later than December 31, 1997, together with any recommendations for revisions to the baseline program for destruction of assembled chemical munitions. Should the Secretary of Defense recommend the continued development of an alternative technology or process for destruction of the chemical agents associated with assembled chemical munitions, as mentioned earlier in this report, the conferees have included a provision which would make $25.0 million available from funds authorized in this Act to initiate a pilot program for this purpose. In order to minimize environmental permitting delays for a full-scale program which might use the alternative technology or process, the provision provides that the pilot program for development of the

technology or process shall be conducted at the specific chemical agent and munitions stockpile storage for which the alternative technology or process is recommended.

Management of Chemical Agents and Munitions Destruction Program

The conferees agree that the Department of Defense must provide for unified and integrated overall management of the chemical agents and munitions destruction program and the non-stockpile agents and munitions destruction program. The conferees are concerned that a divided program under separate managers, would result in duplication of effort, increased costs, and reduced safety. Accordingly, the conferees continue to support the current management structure within the Department of Defense, with the Army as executive agent for the chemical agents and munitions destruction program, which includes the baseline incineration program, alternative technologies for the bulk-only stockpile sites, alternative technologies for the destruction of assembled chemical munitions, and the non-stockpile chemical agents and weapons destruction program. Additionally, the conferees appreciate the support and efforts of the National Research Council in conducting oversight of the chemical agents and munitions destruction program, and believe that it should continue to perform this function for the Department.

Subtitle B—Army Programs

LEGISLATIVE PROVISIONS ADOPTED

Repeal of limitation on procurement of Armed Kiowa Warrior helicopters (sec. 111)

The House bill contained a provision (sec. 111) that would repeal the limitation on procurement of certain aircraft as it pertained to the OH–58D Armed Kiowa Warrior helicopter.

The Senate amendment contained no similar provision.

The Senate recedes.

Multiyear procurement authority for Army programs (sec. 112)

The House bill included a provision (sec. 112) that would authorize the Secretary of the Army to extend the multiyear contract in effect for the Avenger missile system during fiscal year 1996 through fiscal year 1997. Additionally, the provision would authorize the Secretary of the Army to enter into a multiyear procurement contract, beginning with fiscal year 1997, for the procurement of the Army Tactical Missile System.

The Senate amendment contained a provision (sec. 111) that would authorize the Secretary of the Army to enter into a multiyear procurement contract, beginning with fiscal year 1997, for the procurement of the Javelin missile system.

The Senate recedes with an amendment that would authorize a multiyear procurement contract for the Javelin missile system.

Bradley TOW 2 test program sets (sec. 113)

The Senate amendment contained a provision (sec. 116) that would authorize the Secretary of the Army to make available $6.0

million from funds authorized to be appropriated under section 101(3) of the National Defense Authorization Act for Fiscal Year 1996 (110 Stat. 204), for Bradley TOW 2 test program sets.

The House bill contained no similar provision.

The House recedes.

Subtitle C—Navy Programs

LEGISLATIVE PROVISIONS ADOPTED

Nuclear attack submarine programs (sec. 121)

The budget request included $296.2 million of advance construction and procurement funding for a fiscal year 1998 nuclear attack submarine and $699.1 million for procurement of the third *Seawolf* class submarine, SSN–23. Research and development funding in the budget request for the fiscal year 1998 submarine was initially reported as $489.4 million but was subsequently corrected to $487.6 million. The budget request included no advance construction and procurement funding for the procurement of a second nuclear attack submarine in fiscal year 1999, as called for in the National Defense Authorization Act for Fiscal Year 1996 and the Navy's six-year shipbuilding plan that was submitted in conjunction with the budget request.

The House bill contained a provision (sec. 121) that would authorize $699.1 million for procurement of SSN–23, $296.2 million of advance construction and procurement funding for a fiscal year 1998 nuclear attack submarine that would be built at Electric Boat, and $504.0 million for advance construction and procurement for a fiscal year 1999 nuclear attack submarine that would be built at Newport News Shipbuilding.

Section 121 of the House bill would also authorize an increase of $188.0 million to pursue core, Category I, and Category II advance submarine technology initiatives that were identified in Report on Nuclear Attack Submarine Procurement and Submarine Technology, submitted to Congress by the Secretary of Defense on March 26, 1996, in compliance with the National Defense Authorization Act for Fiscal Year 1996. The added funds would also be used for design initiatives intended to ensure that new technology is incorporated into the design of four developmental submarines that would begin construction at the rate of one per year during the period fiscal year 1998 to fiscal year 2001 and on serial production submarines that would not be authorized until fiscal year 2003. Section 121 would also revise the basis of the competition for serial production so that it would be based on best value vice price.

The House provision would also place limitations on the expenditure of fiscal year 1997 procurement and development funds until the Secretary of Defense, the Under Secretary of Defense for Acquisition and Technology, and the Under Secretary of Defense (Comptroller) take certain steps to comply with sections 131 and 132 of the National Defense Authorization Act for Fiscal Year 1996. Additionally, the House provision would direct the Department of Defense to implement specified acquisition simplification strategies in order to expedite the fielding of more capable, less expensive nuclear attack submarines.

The Senate amendment contained a provision (sec. 123) that would authorize $804.1 million for procurement of SSN–23, $296.2 million of advance construction and procurement funding for a fiscal year 1998 nuclear attack submarine that would be built at Electric Boat, and $701.0 million for advance construction and procurement for a fiscal year 1999 nuclear attack submarine that would be built at Newport News Shipbuilding. This authorization would satisfy all procurement funding requirements for SSN–23 and all advance construction and procurement funding requirements for the fiscal year 1998 and fiscal year 1999 submarines.

Although it would authorize the amount in a different provision discussed elsewhere in this statement of managers, the Senate amendment would increase funding for advance submarine technology by $100.0 million to pursue core, Category I, and Category II advance submarine technology initiatives that were identified in the Secretary of Defense's Report on Nuclear Attack Submarine Procurement and Submarine Technology. The Senate amendment would also place limitations, similar in intent if not in detail, on the expenditure of fiscal year 1997 procurement funds until the Secretary of Defense and the Under Secretary of Defense for Acquisition and Technology take certain steps to comply with section 131 of the National Defense Authorization Act for Fiscal Year 1996.

The Senate recedes with an amendment.

The conferees agree to authorize $699.1 million for procurement of SSN–23, $296.2 million of advance construction and procurement funding for a fiscal year 1998 nuclear attack submarine that will be built at Electric Boat, and $701.0 million for advance construction and procurement for a fiscal year 1999 nuclear attack submarine that will be built at Newport News Shipbuilding.

For research and development the conference agreement:

(1) authorizes $60.0 million to mature and transition the core technologies identified in the Secretary of Defense's Report on Nuclear Attack Submarine Procurement and Submarine Technology with emphasis on hydrodynamics, alternative sail designs, advanced arrays, electric drive, external weapons, and active controls and mounts;

(2) directs that of this $60.0 million, $20.0 million is to be equally divided between Electric Boat and Newport News to ensure the two shipbuilders are principal participants in the process of including new technologies in the design of future attack submarines. The conferees intend that the shipbuilders be allowed access to naval intelligence data and that there be continuing interaction among the shipyards, the Navy laboratories, and the Defense Advanced Research Projects Agency;

(3) authorizes $38.0 million to fund development and testing of Category I and II technologies, as described in the Secretary of Defense's report;

(4) directs that the Navy will implement acquisition reform initiatives similar in form and intent to the Air Force's "Lightning Bolt" initiatives begun in May 1995;

(5) places limitations on the expenditure of fiscal year 1997 procurement and development funds until the Secretary of Defense, the Under Secretary of Defense for Acquisition and Technology, and the Under Secretary of Defense (Comptroller)

take certain steps to comply with section 131 of the National Defense Authorization Act for Fiscal Year 1996 and other limitations included in the amended provision;

(6) repeals section 132 of the National Defense Authorization Act for Fiscal Year 1996 and directs that the funds covered by that provision shall be available to the Secretary of the Navy only for advanced submarine technology involving the construction of large scale vehicles for purposes of hydrodynamic and hydroacoustic research; and

(7) affirms that the serial production of future nuclear attack submarines to follow the four developmental submarines will occur not earlier than fiscal year 2002 and only after a competition based on price.

Arleigh Burke class destroyer program (sec. 122)

The budget request included $3.4 billion for the procurement of four Arleigh Burke class destroyers and advance procurement of future destroyers of this class.

The Senate amendment contained a provision (sec. 124) that would authorize:

(1) the requested amount for Arleigh Burke class destroyers;

(2) $750.0 million above the budget request for advance procurement for Arleigh Burke class destroyers; and

(3) the Secretary of the Navy to enter into multiyear contracts for the procurement of a total of 12 Arleigh Burke class destroyers at a procurement rate of three destroyers per year during the four-year period from fiscal year 1998 to fiscal year 2001;

The Senate report (S. Rept. 104–267) noted that testimony by Navy witnesses indicated that the stable procurement program that would result from such authorization would permit the Navy to acquire these 12 ships at a substantial cost savings.

The House bill would authorize the requested amount.

The conferees agree to adopt a provision that authorizes an increase of $525.0 million above the budget request and provides a multiyear contracting authority for the procurement of a total of 12 Arleigh Burke class destroyers at a procurement rate of three destroyers per year during the four-year period from fiscal year 1998 to fiscal year 2001.

AIRBORNE ELECTRONIC WARFARE FUNDING

[Dollars in millions]

Procurement	House change	Senate change	Conference change	Reference
Band 9/10	$40.0	$40.0	$40.0	APN line 19, OSIP 19–79.
Overhead connectivity	.....	22.0	.....	APN line 19, OSIP 32–85.
USQ–113	.....	11.0	11.0	APN line 19, OSIP 32–85.
Wing center sections	55.0	.....	50.0	
Total	95.0	73.0	101.0	
Research & Development	.....	.....	.....	
Reactive jamming initiative	.....	55.0	32.0	RDT&E, Navy, PE 60427N.
Universal exciter upgrade	.....	10.0	.....	RDT&E, Navy, PE 60427N

AIRBORNE ELECTRONIC WARFARE FUNDING—Continued

[Dollars in millions]

Procurement	House change	Senate change	Conference change	Reference
Total	.....	65.0	32.0	

PROCUREMENT

Attack aviation continues to require a robust electronic warfare capability. The decision to retire the Air Force's EF–111s and rely on the EA–6B for the Department's tactical jamming mission makes it imperative that the EA–6B fleet be structurally sound and modernized to meet current requirements.

The conferees note that the current jamming transmitters on the EA–6B have not changed substantially since originally designed in the 1960s, although there have been several generations of improved surface-to-air and air-to-air missiles since then, and many of these new systems operate in the high radio frequency range. Also, the great majority of current anti-ship missiles employ seekers in the band 9/10 frequency range. Consequently, the conferees agree to authorize an increase of $40.0 million to the budget request to procure 60 shipsets of these transmitters.

The conferees agree to authorize an addition of $11.0 million to the budget request to acquire an additional 24 units of the USQ–113 communications jammer.

The EA–6B's aluminum wing center sections have been found to be subject to embrittlement, which has led to stress cracks and resulted in the removal of a number of aircraft from active service. Consequently, the conferees agree to increase the budget request by $50.0 million to purchase ten of the twenty new wing center sections in order to avoid a production break in the manufacture of this component.

RESEARCH AND DEVELOPMENT

Although funds were authorized and appropriated for fiscal year 1996 to initiate a reactive jammer program for the EA–6B, the Department of Defense chose not to initiate such a program, and elected instead to program funds for such an effort from fiscal year 1999 to fiscal year 2001.

The conferees find these actions of ignoring congressional direction and refusing to start a modest reactive jamming program unacceptable. The EA–6B is currently using obsolete receivers with technology from the 1960s. The EA–6B is scheduled to be the only airborne standoff jamming capability within DOD. The conferees expect the Department to begin at once a program to develop and field a reactive jamming capability in the EA–6B, and have authorized an additional $32.0 million for this purpose.

LEGISLATIVE PROVISION

The Senate amendment contained a provision (sec. 121) that would require the Secretary of Defense to:

(1) certify obligation of funds for a reactive jamming program; and

(2) submit a plan for a complete program to the congressional defense committees before obligation of any funds for other recommended increases in the EA–6B program.

The provision would also provide that all EA–6B modification funding be transferred to the Air Force for upgrading and operating EF–111 aircraft, if such certification is not made by June 1, 1997.

The House bill did not contain a similar provision.

The House recedes.

The conferees note with concern the Navy's slow response to Congressional direction and the need for modern, robust electronic warfare capabilities now.

T–39N trainer aircraft for the Navy (sec. 124)

The House bill contained a provision (sec. 125) that would direct the Secretary of the Navy to enter into a contract for T–39N aircraft not later than 15 days from the date of enactment of the Defense Authorization Act for Fiscal Year 1997.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would allow the Navy to acquire 17 T–39N aircraft once the Under Secretary of Defense for Acquisition and Technology makes certain certifications contained in the National Defense Authorization Act for Fiscal Year 1996, section 137.

Penguin missile program (sec. 125)

The Senate amendment contained a provision (sec. 122) that would permit the Navy to enter into a contract for multi-year procurement of not more than 106 Penguin missiles in accordance with section 2306b of title 10, United States Code. The total amount that could be expended would be limited to $84.8 million.

The House bill contained no similar provision.

The House recedes.

Subtitle D—Air Force Programs

LEGISLATIVE PROVISIONS ADOPTED

Repeal on limitation on procurement of F–15E aircraft (sec. 131)

The House bill contained a provision (sec. 141) that would repeal the limitation contained in the National Defense Act for Fiscal Years 1990 and 1991 (Public Law 101–189).

The Senate amendment contained no similar provision.

The Senate recedes.

Modification to multiyear procurement authority for the C–17 aircraft program (sec. 132)

The budget request included $2,142.8 million for procurement of eight C–17 aircraft and their associated support in fiscal year 1997 and for advance procurement of additional C–17 aircraft in fiscal year 1998.

The House bill contained a provision (sec. 142) that would authorize the Secretary of the Air Force to enter into a multiyear contract for a period of six program years for the procurement of a total of not more than 80 C–17 aircraft, beginning with fiscal year

1997. The House bill would also authorize an increase of $380.0 million for the procurement of two additional C–17 aircraft in fiscal year 1997 and for advance procurement of additional C–17 aircraft.

The Senate amendment contained a provision (sec. 131) that would:

(1) authorize the Secretary of the Air Force to enter into one or more multiyear contracts for a period that may exceed five years, but may not exceed seven years for the procurement of not more than 80 C–17 aircraft; and

(2) direct that any such multiyear contracts shall include a termination clause that provides the Secretary of the Air Force with the option to convert to annual procurement.

The Senate amendment would also authorize an increase of $194.0 million for one additional C–17 aircraft in fiscal year 1997, $49.0 million for advance procurement for an additional two C–17 aircraft in fiscal 1998, and $6.0 million for initial spares.

The conferees agree to authorize an additional $234.0 million for accelerating the multiyear program. The conferees support an accelerated multiyear procurement (MYP) for the remaining 80 C–17 aircraft, and note that the Air Force entered a seven-year MYP contract on May 31, 1996. The conferees are concerned that although the Under Secretary of Defense for Acquisition testified before congressional defense committees of the House and Senate that over $300 million additional savings could be realized over those currently projected by converting the current seven-year contract to a six-year MYP, the Air Force has no plans to do so. The conferees include a legislative provision that directs the Secretary of the Air Force to negotiate an option to convert the current seven-year contract to a six-year MYP contract, and authorizes the Air Force to exercise this option in order to accelerate procurement of C–17's and take advantage of significant additional savings to the government.

Subtitle E—Other Matters

LEGISLATIVE PROVISIONS ADOPTED

Assessment of modernization priorities of reserve components (sec. 141)

The Senate amendment contained a provision (sec. 141) that would require the chiefs of each of the reserve components to conduct an assessment of modernization priorities and report to the congressional defense committees by December 1, 1996.

The House bill contained no similar provision.

The House recedes.

Extension of authority to carry out Armament Retooling and Manufacturing Support Initiative (sec. 143)

The Senate amendment contained a provision (sec. 114) that would extend the authority of the Department of Defense to carry out the Armament Retooling and Manufacturing Support Initiative through fiscal year 1998.

The House bill contained no similar provision.

The House recedes.

LEGISLATIVE PROVISIONS NOT ADOPTED

Seawolf submarine cost cap

The House bill contained a provision (sec. 122) that would split the procurement cost cap established by section 133 of the National Defense Authorization Act for Fiscal Year 1996 for the *Seawolf* class submarines SSN–21, SSN–22, and SSN–23 into two separate caps, one for SSN–21 and SSN–22 and a second cap associated solely with SSN–23. The House bill would also repeal section 133.

The Senate amendment contained a provision (sec. 126) that would stipulate that there is a total of $745.7 million that was appropriated in fiscal years 1990, 1991 and 1992 for procurement of now-canceled *Seawolf* submarines that is not included in the existing procurement cost cap for SSN–21, SSN–22 and SSN–23.

The conferees agree that neither of these provisions will be included in the conference agreement.

Pulse Doppler radar modification

The House bill contained a provision (sec. 123) that, subject to funds being made available in a subsequent appropriations act, would direct the Secretary of the Navy to spend $29.0 million from unobligated prior-year balances for development and procurement of a pulse Doppler upgrade modification to the AN/SPS–48E radar system.

The Senate amendment contained a provision (sec. 127) that would prohibit the use of funds appropriated for fiscal years prior to fiscal year 1997 for development of a pulse Doppler upgrade to the AN/SPS–48E radar system.

The conferees agree to not include either of these provisions in the conference report.

Maritime pre-positioning ship program enhancement

The House bill contained a provision (sec. 124) that would repeal the statutory authority that allows the Marine Corps to purchase and convert two additional foreign-built hulls for use by its maritime prepositioning force.

The Senate amendment contained a provision (sec. 125) that would reaffirm the authorization, initially provided by the National Defense Authorization Act for Fiscal Year 1995, that section 2218(f) of title 10, United States Code, shall not apply to the purchase of three ships for the purpose of enhancing Marine Corps prepositioning ship squadrons.

The conferees agree that neither of these provisions will be included in the conference report.

Type classification of electro optic augmentation (EOA) system

The Senate amendment contained a provision (sec. 115) that would require the Secretary of the Army to type classify the EOA system.

The House bill contained no similar provision.

The Senate recedes.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

Overview

The budget request for fiscal year 1997 contained an authorization of $34,745.7 million for Research and Development in the Department of Defense. The House bill would authorize $35,537.4 million. The Senate amendment would authorize $38,315.7 million. The conferees recommended an authorization of $37,296.6 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

TITLE II

RESEARCH, DEVELOPMENT, TEST & EVALUATION

	FY 1997 Authorization Request	House Authorized	Senate Authorized	Conference Change	Conference Authorization
Research, Development, Test & Evaluation, Army	4,320,640	4,679,979	4,958,240	459,975	4,780,615
Research, Development, Test & Evaluation, Navy	7,334,734	8,189,957	8,891,534	733,565	8,068,299
Research, Development, Test & Evaluation, Air Force	14,417,456	13,271,087	14,786,356	338,910	14,756,366
Research, Development, Test & Evaluation, Defense-wide	8,398,836	9,132,371	9,388,536	1,001,451	9,400,287
Operational Test & Evaluation, Defense	21,968	21,968	21,968		21,968
Developmental Test & Evaluation, Defense	252,038	252,038	269,038	17,000	269,038
Total Research, Development, Test & Evaluation	34,745,672	35,547,400	38,315,672	2,550,901	37,296,573

Overview

The budget request for fiscal year 1997 contained an authorization of $4,320.6 million for Army, Research and Development in the Department of Defense. The House bill would authorize $4,680.0 million. The Senate amendment would authorize $4,958.2 million. The conferees recommended an authorization of $4,780.6 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Title II - Research, Development, Test and Evaluation

(Dollars in Thousands)

PE ACCOUNT	Line No.	Title	FY 1997 Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
	0	RESEARCH DEVELOPMENT TEST & EVAL ARMY					
0601101A	1	IN HOUSE LABORATORY INDEPENDENT RESEARCH	14,701	14,701	14,701		14,701
0601102A	2	DEFENSE RESEARCH SCIENCES	141,682	144,682	126,682	(7,500)	134,182
0601104A	3	UNIVERSITY AND INDUSTRY RESEARCH CENTERS	47,288	47,288	47,288	(3,000)	44,288
0602104A	4	TRACTOR ROSE	2,131	3,131	2,131	1,000	3,131
0602105A	5	MATERIALS TECHNOLOGY	10,841	14,841	22,841	4,000	14,841
0602120A	6	SENSORS AND ELECTRONIC SURVIVABILITY	23,608	24,608	23,608	1,000	24,608
0602122A	7	TRACTOR HIP	8,152	9,152	8,152	1,000	9,152
0602211A	8	AVIATION TECHNOLOGY	24,683	24,683	24,683	(2,500)	22,183
0602270A	9	EW TECHNOLOGY	15,845	15,845	15,845		15,845
0602301A	10	MISSILE TECHNOLOGY	20,295	20,295	20,295	5,000	25,295
0602308A	11	MODELING AND SIMULATION TECHNOLOGY	21,134	21,134	21,134		21,134
0602601A	12	COMBAT VEHICLE AND AUTOMOTIVE TECHNOLOGY	34,834	34,834	34,834	(1,800)	33,034
0602618A	13	BALLISTICS TECHNOLOGY	31,166	36,166	31,166		31,166
0602622A	14	CHEMICAL, SMOKE AND EQUIPMENT DEFEATING TECHNOLOGY	2,343	2,343	2,343		2,343
0602623A	15	JOINT SERVICE SMALL ARMS PROGRAM	4,593	4,593	4,593		4,593
0602624A	16	WEAPONS AND MUNITIONS TECHNOLOGY	25,611	25,611	45,611	7,500	33,111
0602705A	17	ELECTRONICS AND ELECTRONIC DEVICES	20,922	25,922	20,922		20,922
0602709A	18	NIGHT VISION TECHNOLOGY	16,994	16,994	16,994		16,994
0602712A	19	COUNTERMINE SYSTEMS	6,029	16,029	6,029	3,000	9,029
0602716A	20	HUMAN FACTORS ENGINEERING TECHNOLOGY	14,072	14,072	14,072		14,072
0602720A	*21	ENVIRONMENTAL QUALITY TECHNOLOGY	19,457	24,457	19,457	5,000	24,457
0602782A	22	COMMAND, CONTROL, COMMUNICATIONS TECHNOLOGY	15,307	15,307	15,307		15,307
0602783A	23	COMPUTER AND SOFTWARE TECHNOLOGY	6,638	6,638	6,638		6,638
0602784A	24	MILITARY ENGINEERING TECHNOLOGY	37,898	37,898	38,898	1,000	38,898
0602785A	25	MANPOWER/PERSONNEL/TRAINING TECHNOLOGY	9,528	9,528	9,528		9,528
0602786A	26	LOGISTICS TECHNOLOGY	17,808	18,808	17,808		17,808
0602787A	27	MEDICAL TECHNOLOGY	55,490	55,490	55,490		55,490
0602788A	28	TRACTOR FLOP	-	-	-		-
0602789A	29	ARMY ARTIFICIAL INTELLIGENCE TECHNOLOGY	2,226	2,226	2,226		2,226
0603001A	30	LOGISTICS ADVANCED TECHNOLOGY	23,210	23,210	23,210		23,210
0603002A	31	MEDICAL ADVANCED TECHNOLOGY	11,601	17,101	11,601	500	12,101
0603003A	32	AVIATION ADVANCED TECHNOLOGY	41,478	45,478	42,478	15,000	56,478
0603004A	33	WEAPONS AND MUNITIONS ADVANCED TECHNOLOGY	19,759	39,759	19,759		19,759
0603005A	34	COMBAT VEHICLE AND AUTOMOTIVE ADVANCED TECHNOLOGY	31,552	45,052	31,552	3,500	35,052
0603006A	35	COMMAND, CONTROL, COMMUNICATIONS ADVANCED TECHNOLOGY	23,120	23,120	27,120	4,000	27,120
0603007A	36	MANPOWER, PERSONNEL AND TRAINING ADVANCED TECHNOLOGY	4,500	4,500	4,500		4,500
	36a	NAUTILUS/THEL		-	50,000	50,000	50,000
0603009A	37	TRACTOR HIKE	17,176	22,176	27,176	5,000	22,176
0603012A	38	TRACTOR HOLE	-	-	-		-
0603013A	39	TRACTOR DIRT	3,335	3,335	3,335		3,335

Title II - Research, Development, Test and Evaluation

PE	Line No.	Title (Dollars in Thousands)	FY 1997 Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
0603017A	40	TRACTOR RED	5,125	8,625	8,625	3,500	8,625
0603020A	41	TRACTOR ROSE	5,078	6,778	7,778	1,700	6,778
0603106A	42	MILITARY HIV RESEARCH	2,919	2,919	2,919		2,919
0603122A	43	TRACTOR HIP	-	-	-		-
0603236A	44	GLOBAL SURVEILLANCE/AIR DEFENSE/PRECISION STRIKE TECHNOLOGY DEMONSTRATION	40,258	40,258	40,258		40,258
0603270A	45	EW TECHNOLOGY	6,794	6,794	6,794		6,794
0603313A	46	MISSILE AND ROCKET ADVANCED TECHNOLOGY	90,037	102,037	100,037	10,000	100,037
0603322A	47	TRACTOR CAGE	8,851	8,851	8,851		8,851
0603608A	48	LANDMINE WARFARE AND BARRIER ADVANCED TECHNOLOGY	15,196	30,196	31,296	16,100	31,296
0603607A	49	JOINT SERVICE SMALL ARMS PROGRAM	5,243	10,243	5,243	5,000	10,243
0603654A	50	LINE-OF-SIGHT TECHNOLOGY DEMONSTRATION	18,173	-	18,173		18,173
0603710A	51	NIGHT VISION ADVANCED TECHNOLOGY	32,597	32,597	32,597	(4,700)	27,897
0603734A	52	MILITARY ENGINEERING ADVANCED TECHNOLOGY	20,664	25,164	20,664		20,664
0603759A	53	CHEMICAL BIOLOGICAL DEFENSE AND SMOKE ADVANCED TECHNOLOGY	-	-	-		-
0603771A	54	INDUSTRIAL PREPAREDNESS MANUFACTURING TECHNOLOGY	-	-	-		-
0603772A	55	ADVANCED TACTICAL COMPUTER SCIENCE AND SENSOR TECHNOLOGY	22,099	22,099	22,099		22,099
0603018A	56	TRACTOR TREAD	2,409	2,409	2,409		2,409
0603019A	57	TRACTOR DUMP	-	-	13,600		-
0603308A	58	ARMY MISSILE DEFENSE SYSTEMS INTEGRATION (DEM/VAL)	2,884	2,884	29,884	27,000	29,884
0603619A	59	LANDMINE WARFARE AND BARRIER - ADV DEV	16,464	41,464	16,464		16,464
0603627A	60	SMOKE, OBSCURANT AND TARGET DEFEATING SYS-ADV DEV	6,380	6,380	6,380		6,380
0603639A	61	ARMAMENT ENHANCEMENT INITIATIVE	48,221	64,721	48,221	16,500	64,721
0603640A	62	ARTILLERY PROPELLANT DEVELOPMENT	18,450	18,450	18,450		18,450
0603645A	63	ARMORED SYSTEM MODERNIZATION - ADV DEV	-	-	12,000	12,000	12,000
0603647A	64	TRACTOR DIRT	-	-	-		-
0603649A	65	ENGINEER MOBILITY EQUIPMENT ADVANCED DEVELOPMENT	-	-	-		-
0603653A	66	ADVANCED TANK ARMAMENT SYSTEM (ATAS)	9,639	9,639	9,639		9,639
0603713A	67	ARMY DATA DISTRIBUTION SYSTEM	23,822	23,822	23,822		23,822
0603730A	68	TACTICAL SURVEILLANCE SYSTEM - ADV DEV	-	-	-		-
0603745A	69	TACTICAL ELECTRONIC SUPPORT SYSTEMS - ADV DEV	2,025	4,025	2,025	2,000	4,025
0603747A	70	SOLDIER SUPPORT AND SURVIVABILITY	6,680	6,680	6,680		6,680
0603760A	71	DISTRIBUTIVE INTERACTIVE SIMULATIONS (DIS) - ADVANCED DEVELOPMENT	-	-	-		-
0603766A	72	TACTICAL ELECTRONIC SURVEILLANCE SYSTEM - ADV DEV	26,060	26,060	26,060		26,060
0603774A	73	NIGHT VISION SYSTEMS ADVANCED DEVELOPMENT	2,829	2,829	4,829		2,829
0603790A	74	NATO RESEARCH AND DEVELOPMENT	9,963	-	9,963		9,963
0603801A	75	AVIATION - ADV DEV	8,385	8,385	8,385		8,385
0603802A	76	WEAPONS AND MUNITIONS - ADV DEV	-	-	-		-
0603804A	77	LOGISTICS AND ENGINEER EQUIPMENT - ADV DEV	7,592	7,592	7,592		7,592
0603805A	78	COMBAT SERVICE SUPPORT CONTROL SYSTEM EVALUATION AND ANALYSIS	13,140	13,140	16,440		13,140
0603806A	79	NBC DEFENSE SYSTEM-ADV DEV	-	-	-		-
0603807A	80	MEDICAL SYSTEMS - ADV DEV	10,211	10,211	10,211		10,211

Title II - Research, Development, Test and Evaluation

PE	Line No.	Title (Dollars in Thousands)	FY 1997 Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
0603851A	81	TRACTOR CAGE (DEM/VAL)	3,124	3,124	3,124		3,124
0603854A	82	ARTILLERY SYSTEMS - DEM/VAL	258,771	208,771	258,771	(25,000)	233,771
0603856A	83	SCAMP BLOCK II DEM/VAL	8,080	8,080	8,080		8,080
0603889A	84	COUNTERDRUG RDT&E PROJECTS	-	-	-		-
0604201A	85	AIRCRAFT AVIONICS	15,008	15,008	15,008		15,008
0604220A	86	ARMED, DEPLOYABLE OH-58D	1,154	1,154	1,154		1,154
0604223A	87	COMANCHE	288,644	338,644	388,644	50,000	338,644
0604270A	88	EW DEVELOPMENT	69,474	69,474	69,474		69,474
0604315A	89	TRI SERVICE STANDOFF ATTACK MISSILE	-	-	-		-
0604321A	90	ALL SOURCE ANALYSIS SYSTEM	36,200	36,200	36,200		36,200
0604325A	91	FOLLOW-ON TO TOW	5,596	5,596	5,596		5,596
0604328A	92	TRACTOR CAGE	1,561	1,561	1,561		1,561
0604604A	93	MEDIUM TACTICAL VEHICLES	-	-	-		-
0604609A	94	SMOKE, OBSCURANT AND TARGET DEFEATING SYS ENG DEV	-	-	-		-
0604611A	95	JAVELIN	1,643	1,643	6,143	4,500	6,143
0604619A	96	LANDMINE WARFARE	17,609	17,609	17,609		17,609
0604622A	97	FANILY OF HEAVY TACTICAL VEHICLES	-	-	-		-
0604633A	98	AIR TRAFFIC CONTROL	5,549	5,549	5,549		5,549
0604640A	99	ADVANCED COMMAND AND CONTROL VEHICLE (AC2V)	6,649	6,649	6,649		6,649
0604641A	100	TACTICAL UNMANNED GROUND VEHICLE (TUGV)	2,884	2,884	2,884		2,884
0604642A	101	LIGHT TACTICAL WHEELED VEHICLES	-	-	-		-
0604645A	102	ARMORED SYSTEMS MODERNIZATION (ASM)-ENG. DEV.	6,726	6,726	6,826		6,726
0604649A	103	ENGINEER MOBILITY EQUIPMENT DEVELOPMENT	35,410	47,710	47,710	12,300	47,710
0604710A	104	NIGHT VISION SYSTEMS - ENG DEV	33,637	33,637	48,637	2,000	35,637
0604713A	105	COMBAT FEEDING, CLOTHING, AND EQUIPMENT	78,063	78,063	78,063		78,063
0604715A	106	NON-SYSTEM TRAINING DEVICES - ENG DEV	42,865	42,865	42,865		42,865
0604716A	107	TERRAIN INFORMATION - ENG DEV	7,369	7,369	7,369		7,369
0604739A	108	INTEGRATED BROADCAST SERVICE	4,867	4,867	4,867		4,867
0604740A	109	TACTICAL SURVEILLANCE SYSTEM - ENG DEV	-	-	-		-
0604741A	110	AIR DEFENSE COMMAND, CONTROL AND INTELLIGENCE - ENG DEV	20,516	20,516	82,316		20,516
0604746A	111	AUTOMATIC TEST EQUIPMENT DEVELOPMENT	2,793	2,793	2,793		2,793
0604760A	112	DISTRIBUTIVE INTERACTIVE SIMULATIONS (DIS) - ENGINEERING DEVELOPMENT	15,966	15,966	15,966		15,966
0604766A	113	TACTICAL EXPLOITATION OF NATIONAL CAPABILITIES - EMD (TIARA)	15,758	15,758	15,758		15,758
0604768A	114	BRILLIANT ANTI-ARMOR SUBMUNITION (BAT)	180,407	180,407	190,207	9,300	189,707
0604770A	115	JOINT SURVEILLANCE/TARGET ATTACK RADAR SYSTEM	9,857	9,857	9,857		9,857
0604778A	116	POSITIONING SYSTEMS DEVELOPMENT (SPACE)	437	437	437		437
0604780A	117	COMBINED ARMS TACTICAL TRAINER (CATT)	26,713	26,713	26,713		26,713
0604801A	118	AVIATION - ENG DEV	5,518	5,518	5,518		5,518
0604802A	119	WEAPONS AND MUNITIONS - ENG DEV	20,468	22,068	20,468	1,600	22,068
0604804A	120	LOGISTICS AND ENGINEER EQUIPMENT - ENG DEV	20,330	20,330	20,330		20,330
0604805A	121	COMMAND, CONTROL, COMMUNICATIONS SYSTEMS - ENG DEV	9,796	9,796	9,796		9,796

Title II - Research, Development, Test and Evaluation

(Dollars in Thousands)

PE	Line No.	Title	FY 1997 Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
0604806A	122	NBC DEFENSE SYSTEM-ENG DEV	-	-	-		-
0604807A	123	MEDICAL MATERIEL/MEDICAL BIOLOGICAL DEFENSE EQUIPMENT - ENG DEV	4,794	4,794	4,794		4,794
0604808A	124	LANDMINE WARFARE/BARRIER - ENG DEV	19,731	22,231	19,731		19,731
0604814A	125	SENSE AND DESTROY ARMAMENT MISSILE - ENG DEV	10,149	10,149	10,149		10,149
0604816A	126	LONGBOW - ENG DEV	5,872	5,872	17,872	5,000	10,872
0604817A	127	COMBAT IDENTIFICATION	16,783	16,783	16,783		16,783
0604818A	128	ARMY TACTICAL COMMAND & CONTROL HARDWARE & SOFTWARE	16,429	16,429	16,429		16,429
0604820A	129	RADAR DEVELOPMENT	-	-	-		-
0604823A	130	FIREFINDER	551	551	551		551
0604256A	131	THREAT SIMULATOR DEVELOPMENT	11,627	11,627	11,627		11,627
0604258A	132	TARGET SYSTEMS DEVELOPMENT	10,129	10,129	10,129		10,129
0604759A	133	MAJOR T&E INVESTMENT	41,726	41,726	41,726		41,726
0605103A	134	RAND ARROYO CENTER	21,763	22,763	21,763		21,763
0605104A	135	LOS ALAMOS MESON PHYSICS FACILITY	-	-	-		-
0605301A	136	ARMY KWAJALEIN ATOLL	136,864	136,864	136,864		136,864
0605502A	137	SMALL BUSINESS INNOVATIVE RESEARCH	-	-	-		-
0605601A	138	ARMY TEST RANGES AND FACILITIES	133,012	133,012	133,012		133,012
0605602A	139	ARMY TECHNICAL TEST INSTRUMENTATION AND TARGETS	22,413	22,413	22,413		22,413
0605604A	140	SURVIVABILITY/LETHALITY ANALYSIS	31,343	31,343	31,343		31,343
0605605A	141	DOD HIGH ENERGY LASER TEST FACILITY	2,967	2,967	24,667	21,700	24,667
0605606A	142	AIRCRAFT CERTIFICATION	2,905	2,905	2,905		2,905
0605702A	143	METEOROLOGICAL SUPPORT TO RDT&E ACTIVITIES	6,484	6,484	6,484		6,484
0605706A	144	MATERIEL SYSTEMS ANALYSIS	14,428	14,428	14,428		14,428
0605709A	145	EXPLOITATION OF FOREIGN ITEMS	7,347	7,347	7,347		7,347
0605710A	146	JOINT NUCLEAR BIOLOGICAL CHEMICAL TEST, ASSESSMENT AND SURVIVABILITY	-	-	-		-
0605712A	147	SUPPORT OF OPERATIONAL TESTING	50,906	50,906	50,906		50,906
0605801A	148	PROGRAMWIDE ACTIVITIES	61,092	61,092	61,092		61,092
0605802A	149	INTERNATIONAL COOPERATIVE RESEARCH AND DEVELOPMENT	1,566	1,566	1,566		1,566
0605803A	150	TECHNICAL INFORMATION ACTIVITIES	16,921	16,921	16,921		16,921
0605805A	151	MUNITIONS STANDARDIZATION, EFFECTIVENESS AND SAFETY	2,282	2,282	2,282		2,282
0605810A	152	RDT&E SUPPORT FOR NONDEVELOPMENTAL ITEMS	-	-	-		-
0605853A	153	ENVIRONMENTAL CONSERVATION	1,759	1,759	1,759		1,759
0605854A	154	POLLUTION PREVENTION	13,894	13,894	13,894		13,894
0605856A	155	ENVIRONMENTAL COMPLIANCE	53,911	53,911	53,911		53,911
0605876A	156	MINOR CONSTRUCTION (RPM) - RDT&E	4,319	4,319	4,319		4,319
0605878A	157	MAINTENANCE AND REPAIR (RPM) - RDT&E	66,047	66,047	66,047		66,047
0605879A	158	REAL PROPERTY SERVICES (RPS) - RDT&E	92,390	92,390	92,390		92,390
0605896A	159	BASE OPERATIONS - RDT&E	216,649	216,649	216,649		216,649
0605898A	160	MANAGEMENT HEADQUARTERS (RESEARCH AND DEVELOPMENT)	4,801	4,801	4,801		4,801
0909999A	161	FINANCING FOR CANCELLED ACCOUNT ADJUSTMENTS	-	-	-		-
0603778A	162	MLRS PRODUCT IMPROVEMENT PROGRAM	64,271	64,271	64,271		64,271

Title II - Research, Development, Test and Evaluation

PE	Line No.	Title (Dollars in Thousands)	FY 1997 Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
0102419A	163	AEROSTAT JOINT PROJECT OFFICE	38,940	38,940	38,940	(7,000)	31,940
0203726A	164	ADV FIELD ARTILLERY TACTICAL DATA SYSTEM	39,497	40,497	39,497		39,497
0203735A	165	COMBAT VEHICLE IMPROVEMENT PROGRAMS	197,796	225,671	207,796	27,875	225,671
0203740A	166	MANEUVER CONTROL SYSTEM	29,082	29,082	29,082		29,082
0203744A	167	AIRCRAFT MODIFICATIONS/PRODUCT IMPROVEMENT PROGRAMS	194	22,894	22,894	22,700	22,894
0203752A	168	AIRCRAFT ENGINE COMPONENT IMPROVEMENT PROGRAM	2,947	2,947	2,947		2,947
0203758A	169	DIGITIZATION	110,180	110,180	134,180	12,000	122,180
0203801A	170	MISSILE/AIR DEFENSE PRODUCT IMPROVEMENT PROGRAM	30,959	50,959	85,959	40,000	70,959
0203802A	171	OTHER MISSILE PRODUCT IMPROVEMENT PROGRAMS	6,199	21,199	19,699	12,900	19,099
0203806A	172	TRACTOR RUT	3,179	3,179	3,179		3,179
0203808A	173	TRACTOR CARD	6,933	6,933	6,933		6,933
0208010A	174	JOINT TACTICAL COMMUNICATIONS PROGRAM (TRI TAC)	18,693	18,693	18,693		18,693
0208053A	175	JOINT TACTICAL GROUND SYSTEM	2,124	2,124	2,124		2,124
0301359A	176	SPECIAL ARMY PROGRAM	10,166	13,466	10,166	3,300	13,466
0303140A	177	INFORMATION SYSTEMS SECURITY PROGRAM	3,161	3,161	3,161		3,161
0303142A	178	SATCOM GROUND ENVIRONMENT (SPACE)	40,677	40,677	40,677		40,677
0303150A	179	WWMCCS/GLOBAL COMMAND AND CONTROL SYSTEM	19,804	19,804	19,804		19,804
0305128A	180	SECURITY AND INVESTIGATIVE ACTIVITIES	487	487	487		487
		FORCE XXI		100,000	100,000	75,000	75,000
0708045A	181	END ITEM INDUSTRIAL PREPAREDNESS ACTIVITIES	16,842	27,842	16,842	11,000	27,842
		TOTAL, RESEARCH DEVELOPMENT TEST & EVAL ARMY	4,320,640	4,679,979	4,958,240	459,975	4,780,615

Hardened materials

The budget request included $9.9 million for materials technology (PE 62015A).

The conferees agree to an increase of $4.0 million in PE 62105A for the continued development of hardened materials as discussed in the House report (H. Rept. 104–563) and the Senate report (S. Rept. 104–267).

Projectile detection and cueing (PDCue) acoustic fire finder system

The budget request included $23.6 million for sensors and electronics survivability technology (PE 62120A).

The House bill would authorize an increase of $1.0 million in PE 62120A for the PDCue to detect and localize sniper gunfire.

The Senate amendment authorized the request.

The Senate recedes.

Solid state dye lasers

The budget request included $20.3 million for electronics and electronic devices (PE 62705A).

The House bill would authorize an increase of $5.0 million in PE 62303A for continued development of the solid state dye laser.

The Senate amendment would authorize the budget request.

The Senate recedes.

Liquid propellant

The budget request did not include funding for liquid propellant technologies.

The House bill would authorize an additional $5.0 million in PE 62618A for liquid propellant technologies.

The Senate amendment would authorize an additional $15.0 million in PE 62624A for liquid propellant technologies.

The conferees agree to increase of $7.5 million in PE 62624A for a program to address material compatibility, ignition and ballistic control issues, and to provide operational models validated by actual testing of the liquid propellant gun.

Countermine technology development and demonstration program

The budget request included: $4.7 million in PE 62712A for exploratory development of countermine technology; $15.2 million in PE 63606A for advanced development of countermine technologies; $16.4 million in PE 63619A for development, prototyping, and demonstration of advanced countermine systems; and $7.7 million in PE 63120D for the development and demonstration of technologies for use in humanitarian demining. The fiscal year 1997 budget request separated funding for the humanitarian demining program from the Army's countermine advanced technology development program where countermine developments for military operations other than war were previously managed.

The House bill would authorize increases of $10.0 million in PE 62712A, $15.0 million in PE 63606A, and $25.0 million in PE 63619A for the development, demonstration, and validation of near-term and far-term improvements in the countermine capabilities of U.S. forces for tactical countermine and demining operations. The House report (H. Rept. 104–563) would direct the reassignment of

humanitarian demining development into a consolidated demining program. The report would direct the Department of Defense to put increased emphasis on developing technologies applicable to both military wide-area clearance requirements and demining needs and to ensure that technologies are developed and shared that meet the countermine, wide-area clearance, and demining needs of the combatant commanders-in-chief and the interagency working group for humanitarian demining. Finally, the House report would direct the Secretary of Defense to develop plans for a countermine program that addresses these issues and to report the plan to the Congressional defense committees by March 1, 1997.

The Senate amendment would add $12.1 million in PE 63696A to accelerate the demonstration and deployment of a prototype vehicular mounted mine detection system (VMMD) and an additional $4.0 million to continue development of navigation aids and improvements to permit detection systems to operate at convoy speeds and display data in real time.

The conferees agree to an increase of $3.0 million in PE 62712A for exploratory development of countermine technology, an increase of $11.0 million in PE 63606A for advanced development of prototype VMMD, an additional $5.1 million for advanced development of ground penetrating radar technology, and an increase of $10.3 million in PE 63120D for the development and demonstration of technologies for use in humanitarian demining.

The conferees note the summary of the January 1996 Committee on National Security of the House of Representatives hearing on the landmine threat facing U.S. forces deploying to Bosnia and the capability of U.S. forces to meet the threat that was contained in the House report (H. Rept. 104–563). The conferees believe increased emphasis needs to be placed on the Department's countermine program. The program must address the development of feasible near-term improvements in contermine capabilities and the longer term advanced technologies which would promise more comprehensive solutions to the countermine problem. Specific emphasis needs to be placed on: the development of countermine technologies that can be applied to both military wide-area mine clearance requirements and humanitarian demining needs and will require the best efforts of the military services; the Department's countermine, unexploded ordnance clearance and explosive ordnance disposal research and development activities; industry; and academia. The conferees encourage the Department to use the resources of the National Research Council of the National Academy of Sciences in attacking this difficult problem.

The conferees reiterate the view expressed in the statement of managers (H. Rept. 103–701) which accompanied the conference report on S. 1124 (Public Law 103–337) that the Department of Defense should develop a coordinated program for countermine warfare. The conferees believe that the actions taken by the Department with regard to integration and coordination of the chemical-biological defense program may provide an example of how the countermine efforts of the Department could be better coordinated.

The conferees note that, as reflected in the statement of managers relating to funds for research, development, test, and evaluation of humanitarian demining technologies, the Assistant Sec-

retary of Defense for Special Operations and Low Intensity Conflict shall continue to administer that program. The conferees direct the maximum degree of coordination among all demining programs.

The conferees direct the Secretary of Defense to develop an integrated plan for a countermine program which addresses the issues raised above and to report the plan to Congress by March 1, 1997.

Unexploded ordnance remediation

The budget request included $19.5 million for environmental quality technology (PE 62720A).

The House bill would authorize an increase of $5.0 million in PE 62720A for continued research, testing and analysis work at the Army Environmental Center.

The Senate amendment would authorize the budget request.

The Senate recedes.

Military engineering technology

The budget request included $37.9 million in PE 62784A for military engineering technology.

The Senate amendment would authorize an additional $1.0 million to accelerate activities in applied research for cold regions research in the Army's military engineering technology program (PE 62784A).

The House bill would authorize the budget request.

The House recedes. The conferees agree to authorize an additional $1.0 million for project AT42 in PE 62784A recognizing the current needs of the Army for research into construction and civil engineering to support recent and unplanned operations in cold climates and winter conditions in Bosnia and elsewhere.

Trichloriomelamine (TCM)

The budget request included $11.6 million for medical advanced technology (PE 63002A).

The House bill would authorize an increase of $500,000 in PE 63002A to conduct toxicity studies of TCM disinfectant that includes a 90-day feeding in a non-rodent species to provide Environmental Protection Agency registration for Army future procurement from TCM suppliers.

The Senate amendment would authorize the budget request.

The Senate recedes.

Diesel/gas engine project

The House bill would provide an additional $3.5 million in PE 63005A for continued development and Army testing of the combined diesel/gas turbine engine program.

The Senate amendment contained no similar recommendation.

The Senate recedes.

Wave net technology

The budget request included $23.1 million for command, control, and communications advanced technology (PE 63006A).

The Senate amendment would authorize an additional $4.0 million in PE 63006A for continued development and testing of

wave net technology for possible application to the Army's digitization initiatives.

The House bill would authorize the budget request.

The House recedes.

Starstreak

The budget request contained no funding for continued evaluation of the Starstreak missile.

The House bill would authorize an increase of $3.0 million in PE 63003A to conduct phase two testing of the starstreak missile.

The Senate amendment would authorize an increase of $15.0 million for the same purpose.

The conferees agree to an increase of $14.0 million in PE 63003A to support Army efforts to evaluate the Starstreak missile as a potential candidate for the air-to-air missile system required for the Apache attack helicopter. The conferees also direct that prior year funds associated with the program be released immediately for obligation for this purpose.

Missile and rocket advanced technology

The budget request included $90.0 million to develop missile technologies.

The House bill would authorize an additional $12.0 million in PE 63313A to support completion of a thorough risk reduction program for guidance package integration of the extended range Multiple Launch Rocket System (MLRS–ER).

The Senate amendment would authorize an additional $10.0 million for the same purpose.

The House recedes.

The conferees agree to authorize $100.0 million for missile/rocket technologies.

Objective Individual Combat Weapon (OICW)

The budget request included $5.2 million to develop small arms for the armed services.

The House bill would authorize an increase of $5.0 million to develop the OICW.

The Senate amendment would support the budget request.

The Senate recedes.

The conferees agree to authorize $10.2 million in PE 63607A to develop competing technologies, through phase III, and allow the Army to downselect to a single contract for the OICW at the conclusion of the review process.

Battle integration center

The budget request included $2.9 million in PE 63308A for Army missile defense systems integration.

The Senate amendment recommended an increase of $27.0 million in PE 63308A for the Army's Battle Integration Center (BIC).

The House bill did not include additional funds for BIC.

The House recedes.

X–ROD

The budget request included $48.2 million for armament enhancement initiatives.

The House bill would authorize an increase of $16.5 million for continued development of the X–ROD kinetic energy tank round.

The Senate amendment would support the budget request.

The Senate recedes.

The conferees agree to authorize $64.7 million for PE 63639A.

"Next tank" research and development

The budget request did not include any funding for "next tank" research and development.

The House bill did not address this topic.

The Senate amendment addressed the need for the Army to begin to assess future concepts and requirements for a modernized force on a future battlefield.

The House recedes.

The conferees agree to authorize a total of $12.0 million to establish a new program element to accomplish several tasks: conduct a requirements analysis to establish a basis for deciding what system or mix of systems supports the best operational concept for defeating the evolving threat; develop conceptual approaches for integrating emerging technologies into a set of improvements that could be fielded in a new tank or in an upgraded main battle tank program; develop a set of requirements for the concepts selected by this analysis; and begin virtual prototyping activities that could lead to fielding a revolutionary main battle tank system within 20 years.

Tactical electronic support systems

The budget request included $2.0 million for tactical electronic support systems.

The House bill and the Senate amendment contained an increase of $2.0 million to fund integration of the work completed by the Defense Advanced Research Projects Agency that developed the first operational prototype of an intelligence fusion system known as the Integrated Battlespace Intelligence Server, or IBIS.

The conferees agree to authorize $4.0 million for PE 63745A to support technological transfer requirements.

Intelligence data support systems

The budget request included the following amounts for intelligence support systems:

[Dollars in millions]

Program	Program element	Funding
All Source Analysis System (ASAS)	PE 63745A	2.0
Joint Maritime Combat Information System (JMCIS)	PE 64231N	11.3
Intelligence Analysis System (IAS)	PE 26313M	1.2
Combat Information System (CIS)	PE 27431F	7.7

The House bill would authorize an additional $2.0 million for ASAS and an additional $1.0 million each for the IAS, JMCIS, and CIS in their appropriate program elements. The House bill would

also authorize an increase of $1.0 million in PE 1160405BB for the U.S. Special Operation Command's research, analysis and threat evaluation system (SOCRATES). These funds would be used for improvements in interoperability, improved data fusion, reduced operator work load, and reduced development costs.

The Senate amendment would authorize the budget request for these programs.

The conferees agree to authorize an increase of $2.0 million in PE 63745A, $1.0 million in PE 64231N, $1.0 million in PE 26313M, and $1.0 million in PE 1160405BB as recommended in the report accompanying the House bill (H. Rept. 104–563).

Comanche helicopter

The budget request included $288.6 million for continued research and development work associated with the RAH–66 Comanche helicopter.

The House bill would authorize an increase of $50.0 million in PE 64223A to support critical development work for this aircraft.

The Senate amendment would authorize an increase of $100.0 million.

The Senate recedes.

The conferees agree to authorize $338.6 million in PE 64223A for the Comanche program.

Javelin medium anti-tank weapon

The budget request included $1.6 million to continue development work for the Javelin missile system.

The House bill would support the budget request.

The Senate amendment would authorize an increase of $4.5 million in PE 64611A to further the development of the alternate main charge warhead, start baseline integration tests, and evaluate the missile design to optimize warhead performance.

The House recedes.

The conferees agree to authorize $6.1 million in PE 64611A for warhead integration activities.

Heavy assault bridge

The budget request included $35.4 million to conduct development work necessary to support engineer requirements for the heavy assault bridge.

The House bill and the Senate amendment would authorize an increase of $12.3 million in PE 64649A to design heavy assault bridge-unique line replaceable units and develop software integration requirements.

The conferees agree to authorize $47.7 million in PE 64649A for development work associated with engineer mobility equipment.

Night vision systems-engineering development

The budget request included $33.6 million to support night vision system development work.

The House bill would support the budget request.

The Senate amendment would authorize an increase of $15.0 million in PE 64710A for research in this critical area.

The conferees agree to authorize an increase of $2.0 million, the higher level of increased appropriation.

The conferees agree to authorize $35.6 million in PE 64710A for the engineering development of night vision systems.

Brilliant Anti-armor Technology (BAT) submunition

The budget request included $180.4 million to continue equipment materiel development of the BAT system.

The House bill would support the budget request.

The Senate amendment would authorize an increase of $9.8 million in PE 64768A to complete scheduled engineering and manufacturing development activities on time.

The House recedes.

The conferees agree to authorize $189.7 million in PE 64768A for BAT development activities, an increase of $9.3 million.

Weapons and munitions

The budget request included $20.5 million to conduct engineering development of weapons and munitions.

The House bill would authorize an increase of $1.6 million to develop a change barrel to adapt a .50 caliber machine gun, and to develop an adaptor for a MK–19 installation in an Up-Armored High Mobility Multi-purpose Wheeled Vehicle.

The Senate amendment would support the budget request.

The conferees agree to authorize an additional $1.6 million in PE 64802A to develop fire control improvements and the change barrel and adaptor as described above.

Longbow development/night vision systems

The budget request included $5.9 million for development work for the Longbow system.

The House bill would support the budget request.

The Senate amendment would authorize an increase of $12.0 million for development of night vision systems.

The conferees agree to authorize $10.9 million, an increase of $5.0 million in PE 64816A, to be distributed as follows: $3.0 million for night vision system advance development; $1.0 million for Apache A Kit engineering manufacture and development (EMD); $1.0 million for Apache B Kit EMD.

High Energy Laser Systems Test Facility

The budget request included $3.0 million in PE 65605A for the High Energy Laser Systems Test Facility (HELSTF).

The Senate amendment would authorize an additional $21.7 million in PE 65605A for the continued operation and upgrade of the facility.

The House bill would authorize the budget request.

The House recedes.

Combat vehicle improvement program

The budget request included $197.8 million to support development efforts for a wide variety of combat vehicle systems.

The House bill would authorize an increase of $17.9 million for this effort. Of this amount, $4.9 million would be for the remanu-

facture of combat vehicle laser warning equipment and $3.0 million for the M1A2 compact autoloader.

The Senate amendment would authorize an increase of $10.0 million for high performance flat panel displays and would direct that these funds assist in Horizontal Technology Integration (HTI) of this technology into the M1 Abrams tank and other combat platforms.

The conferees agree to authorize an increase of $27.9 million. Of this amount, $4.9 million would be for the combat vehicle laser warning system; $10.0 million for the flat panel display technology; and $3.0 million for the M1A2 compact autoloader.

The conferees agree to a total authorization of $225.7 million in PE 23735A.

Under armor auxiliary power unit

The conferees understand that the Army faces higher than expected costs to integrate an under armor auxiliary power unit (APU) for the M1 tank.

The House bill would shift $10.0 million from the M1 tank modification line to PE 23735A to meet this shortfall.

The Senate amendment did not address this issue.

This Senate recedes.

The conferees agree to authorize $10.0 million in PE 23735A to fund fully the under armor APU integration effort.

Improved Cargo Helicopter (ICH)

The budget request included $0.2 million for research and development of aircraft improvements.

The House bill and the Senate amendment would authorize an increase of $22.7 million for technology demonstrations and risk reduction efforts for the programmatic development of the ICH program.

The conferees agree to authorize $22.9 million in PE 23744A for work in improving heavy lift helicopter capabilities that includes system health monitoring and vibration reduction technologies.

Force XXI digitization

The budget request included $110.2 million for ongoing efforts to digitize the 21st century Army.

The House bill would support the budget request.

The Senate amendment would provide an increase of $24.0 million to ensure a successful evaluation of Force XXI technologies.

The conferees agree to authorize $122.2 million in PE 23758A, an increase of $12.0 million for this effort.

Missile/air defense product improvement program

The budget request included $31.0 million for missile and air defense improvements.

The House bill would authorize an increase of $20.0 million to the budget request.

The Senate amendment would authorize an increase of $55.0 million in PE 23801A. Of this amount, $40.0 million would be to complete analysis on cruise missile enhancements to the Patriot

PAC–1 missile and an additional $15.0 million for evaluation of the Starstreak missile.

The conferees agree to authorize $71.0 million in PE 23801A to complete the Patriot cruise missile seeker assessment. The Starstreak missile program is addressed elsewhere in this report.

High modulus polyacrylonitrile carbon fiber

The budget request included $27.9 million for Industrial Preparedness Activities (PE 78045A).

The conferees agree to an increase of $8.0 million in PE 78045A to complete the multi-year program to develop at least two domestic sources for high modulus polyacrylonitrile (PAN) carbon fiber as discussed in the House report (H. Rept. 104–563) and the Senate report (S. Rept. 104–267). The conferees direct that all applicable competitive procedures be used in the award of any contracts or other agreements under this program, and that cost sharing requirements for non-federal participants be utilized where appropriate.

Instrumented factory for gears (INFAC)

The budget request included $16.8 million for Industrial Preparedness (PE 78045A).

The House bill would authorize an increase of $3.0 in PE 78045A for INFAC.

The Senate amendment authorized the budget request.

The Senate recedes.

Force XXI initiatives

The budget request did not include any funding for this program.

The House bill contained $100.0 million for a new program element, to be established by the Army, to support the Force XXI Initiatives process that will allow the Army to conduct a timely evaluation of new equipment and technology.

The Senate amendment would add $100.0 million for this purpose.

The conferees agree to authorize $75.0 million for Force XXI development activities. The Army is expected to subject programs with promising preliminary results to normal reviews and evaluations required by law, prior to transitioning into production any program tested with these funds. The conferees expect the Army to budget for necessary resources in future year activities.

Overview

The budget request for fiscal year 1997 contained an authorization of $7,334.7 million for Navy, Research and Development in the Department of Defense. The House bill would authorize $8,190.0 million. The Senate amendment would authorize $8,891.5 million. The conferees recommended an authorization of $8,068.3 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Title II - Research, Development, Test and Evaluation

PE ACCOUNT	Line No.	Title (Dollars in Thousands)	FY 1997 Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
	0	RESEARCH DEVELOPMENT TEST & EVAL NAVY					
0601152N	1	IN HOUSE INDEPENDENT LABORATORY RESEARCH	15,309	15,309	15,309		15,309
0601153N	2	DEFENSE RESEARCH SCIENCES	371,904	396,904	361,904	(10,000)	361,904
0602111N	3	SURFACE/AEROSPACE SURVEILLANCE AND WEAPONS TECHNOLOGY	26,312	41,112	35,312	14,800	41,112
0602121N	4	SURFACE SHIP TECHNOLOGY	35,591	45,091	41,591	6,000	41,591
0602122N	5	AIRCRAFT TECHNOLOGY	20,578	20,578	20,578		20,578
0602131M	6	MARINE CORPS LANDING FORCE TECHNOLOGY	17,093	17,093	17,093		17,093
0602232N	7	COMMAND, CONTROL, AND COMMUNICATIONS TECHNOLOGY	56,159	58,159	56,159	2,000	58,159
0602233N	8	READINESS, TRAINING, AND ENVIRONMENTAL QUALITY TECHNOLOGY	40,828	43,328	40,828		40,828
0602234N	9	MATERIALS, ELECTRONICS AND COMPUTER TECHNOLOGY	75,886	86,886	80,886	6,000	81,886
0602270N	10	ELECTRONIC WARFARE TECHNOLOGY	22,454	22,454	22,454		22,454
0602314N	11	UNDERSEA SURVEILLANCE WEAPON TECHNOLOGY	49,580	70,580	49,580		49,580
0602315N	12	MINE COUNTERMEASURES, MINING AND SPECIAL WARFARE	40,534	40,534	40,534		40,534
0602435N	13	OCEANOGRAPHIC AND ATMOSPHERIC TECHNOLOGY	44,559	69,559	57,559	13,000	57,559
0602633N	14	UNDERSEA WARFARE WEAPONRY TECHNOLOGY	33,891	39,891	39,891	6,000	39,891
0603217N	15	AIR SYSTEMS AND WEAPONS ADVANCED TECHNOLOGY	29,315	41,315	36,815	12,000	41,315
0603238N	16	PRECISION STRIKE AND AIR DEFENSE	55,560	46,311	55,560		55,560
0603270N	17	ADVANCED ELECTRONIC WARFARE TECHNOLOGY	15,085	15,085	15,085		15,085
0603508N	18	SHIP PROPULSION SYSTEM	28,557	46,557	36,557	8,000	36,557
0603640M	19	MARINE CORPS ADVANCED TECHNOLOGY DEMONSTRATION (ATD)	24,212	30,962	24,212	40,000	64,212
0603706N	20	MEDICAL DEVELOPMENT	37,342	41,342	37,342	4,000	41,342
0603707N	21	MANPOWER, PERSONNEL AND TRAINING ADV TECH DEV	19,273	19,273	19,273		19,273
0603712N	22	ENVIRONMENTAL QUALITY AND LOGISTICS ADVANCED TECHNOLOGY	19,970	19,970	44,970	25,000	44,970
0603747N	23	UNDERSEA WARFARE ADVANCED TECHNOLOGY	43,583	58,583	48,583	5,000	48,583
0603771N	24	INDUSTRIAL PREPAREDNESS MANUFACTURING TECHNOLOGY	-	-	-		-
0603782N	25	SHALLOW WATER MCM DEMOS	42,753	47,753	45,753		42,753
0603792N	26	ADVANCED TECHNOLOGY TRANSITION	104,424	84,424	104,424	(20,000)	84,424
0603794N	27	C3 ADVANCED TECHNOLOGY	29,268	29,268	29,268		29,268
0603207N	28	AIR/OCEAN TACTICAL APPLICATIONS	16,519	16,519	16,519		16,519
0603208N	29	TRAINING SYSTEM AIRCRAFT	2,405	2,405	2,405		2,405
0603216N	30	AVIATION SURVIVABILITY	6,313	6,313	6,313		6,313
0603254N	31	ASW SYSTEMS DEVELOPMENT	19,473	21,973	21,973	2,500	21,973
0603261N	32	TACTICAL AIRBORNE RECONNAISSANCE	24,085	24,085	24,085		24,085
0603382N	33	ADVANCED COMBAT SYSTEMS TECHNOLOGY	3,858	3,858	3,858		3,858
0603451N	34	TACTICAL SPACE OPERATIONS	-	-	-		-
0603502N	35	SURFACE AND SHALLOW WATER MINE COUNTERMEASURES	86,995	98,995	98,995	12,000	98,995
0603504N	36	ADVANCED SUBMARINE COMBAT SYSTEMS DEVELOPMENT	19,149	58,149	67,149	39,000	58,149
0603506N	37	SURFACE SHIP TORPEDO DEFENSE	5,772	5,772	5,772		5,772
0603512N	38	CARRIER SYSTEMS DEVELOPMENT	12,745	35,745	64,745	23,000	35,745
0603513N	39	SHIPBOARD SYSTEM COMPONENT DEVELOPMENT	9,948	9,948	9,948	1,900	11,848
0603514N	40	SHIP COMBAT SURVIVABILITY	5,749	5,749	5,749		5,749

Title II - Research, Development, Test and Evaluation

(Dollars in Thousands)

PE	Line No.	Title	FY 1997 Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
0603526N	41	PILOT FISH	93,910	93,910	93,910		93,910
0603527N	42	NON ACOUSTIC ANTI SUBMARINE WARFARE (ASW)	-	-	-		-
0603536N	43	RETRACT JUNIPER	10,398	10,398	10,398		10,398
0603542N	44	RADIOLOGICAL CONTROL	2,886	2,886	2,886		2,886
0603553N	45	SURFACE ASW	3,964	3,964	3,964		3,964
0603561N	46	ADVANCED SUBMARINE SYSTEM DEVELOPMENT	26,400	85,400	86,400	59,000	85,400
0603562N	47	SUBMARINE TACTICAL WARFARE SYSTEMS	4,578	4,578	4,578		4,578
0603563N	48	SHIP CONCEPT ADVANCED DESIGN	13,807	88,807	13,807		13,807
	48A	ARSENAL SHIP	-	-	-	25,000	25,000
0603564N	49	SHIP PRELIMINARY DESIGN & FEASIBILITY STUDIES	12,942	12,942	37,942		12,942
0603570N	50	ADVANCED NUCLEAR POWER SYSTEMS	131,965	131,965	131,966		131,965
0603573N	51	ADVANCED SURFACE MACHINERY SYSTEMS	59,773	76,273	78,773	12,500	72,273
0603576N	52	CHALK EAGLE	149,679	149,679	149,679		149,679
0603582N	53	COMBAT SYSTEM INTEGRATION	3,879	3,879	3,879		3,879
0603609N	54	CONVENTIONAL MUNITIONS	26,490	29,490	26,490	3,000	29,490
0603610N	55	ADVANCED WARHEAD DEVELOPMENT (MK-50)	1,329	1,329	1,329		1,329
0603611M	56	MARINE CORPS ASSAULT VEHICLES	40,106	60,106	60,106	20,000	60,106
0603612M	57	MARINE CORPS MINE/COUNTERMEASURES SYSTEMS - ADV DEV	592	592	592		592
0603635M	58	MARINE CORPS GROUND COMBAT/SUPPORT SYSTEM	44,891	44,891	48,891		44,891
0603654N	59	JOINT SERVICE EXPLOSIVE ORDNANCE DEVELOPMENT	4,639	4,639	4,639		4,639
0603709N	60	ADVANCED MARINE BIOLOGICAL SYSTEM	-	-	-		-
0603711N	61	FLEET TACTICAL DEVELOPMENT	3,398	3,398	3,398		3,398
0603713N	62	OCEAN ENGINEERING TECHNOLOGY DEVELOPMENT	8,606	8,606	8,606		8,606
0603721N	63	ENVIRONMENTAL PROTECTION	48,401	48,401	48,401		48,401
0603724N	64	NAVY ENERGY PROGRAM	3,080	3,080	3,080		3,080
0603725N	65	FACILITIES IMPROVEMENT	2,239	2,239	2,239		2,239
0603734N	66	CHALK CORAL	77,675	77,675	77,675		77,675
0603746N	67	RETRACT MAPLE	83,809	88,809	93,809	5,000	88,809
0603748N	68	LINK PLUMERIA	26,433	26,433	26,433		26,433
0603751N	69	RETRACT ELM	24,993	24,993	24,993		24,993
0603755N	70	SHIP SELF DEFENSE	216,486	243,486	279,486	35,000	251,486
0603763N	71	WARFARE SYSTEMS ARCHITECTURE AND ENGINEERING	-	-	-		-
0603785N	72	COMBAT SYSTEMS OCEANOGRAPHIC PERFORMANCE ASSESSMENT	13,650	13,650	13,650		13,650
0603787N	73	SPECIAL PROCESSES	82,764	82,764	82,764		82,764
0603790N	74	NATO RESEARCH AND DEVELOPMENT	9,933	-	9,933		9,933
0603795N	75	GUN WEAPON SYSTEM TECHNOLOGY	42,204	47,204	69,204	5,000	47,204
0603800N	76	JOINT ADVANCED STRIKE TECHNOLOGY - DEM/VAL	246,833	246,833	259,833	13,000	259,833
0604707N	77	SPACE AND ELECTRONIC WARFARE (SEW) ARCHITECTURE/ENGINEERING SUPPORT	5,212	5,212	5,212		5,212
0603266N	78	AH-1T COMPOSITE ROTOR BLADE (H)	73,080	73,080	73,080		73,080
0604212N	79	OTHER HELO DEVELOPMENT	40,132	40,132	51,132	18,800	58,932
0604214N	80	AV-8B AIRCRAFT - ENG DEV	16,874	16,874	16,874		16,874

Title II - Research, Development, Test and Evaluation

PE	Line No.	Title (Dollars in Thousands)	FY 1997 Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
0604215N	81	STANDARDS DEVELOPMENT	24,698	27,098	24,698	2,400	27,098
0604217N	82	S-3 WEAPON SYSTEM IMPROVEMENT	4,979	4,979	4,979		4,979
0604218N	83	AIR/OCEAN EQUIPMENT ENGINEERING	5,631	5,631	5,631		5,631
0604221N	84	P-3 MODERNIZATION PROGRAM	2,074	2,074	2,074		2,074
0604231N	85	TACTICAL COMMAND SYSTEM	26,989	31,489	46,489	13,000	39,989
0604261N	86	ACOUSTIC SEARCH SENSORS	12,141	12,141	14,641		12,141
0604262N	87	V-22A	576,792	613,792	596,792	37,000	613,792
0604264N	88	AIR CREW SYSTEMS DEVELOPMENT	11,089	16,089	16,089	5,000	16,089
0604265N	89	AIR LAUNCHED SATURATION SYSTEM (ALSS)	-	-	-		-
0604270N	90	EW DEVELOPMENT	78,748	82,248	143,748	35,500	114,248
0604301N	91	MK 92 FIRE CONTROL SYSTEM UPGRADE	-	-	-		-
0604307N	92	AEGIS COMBAT SYSTEM ENGINEERING	89,279	89,279	111,179	14,000	103,279
0604310N	93	ARSENAL SHIP	25,000	-	172,000	(25,000)	-
0604311N	94	LPD 17 CLASS SYSTEMS INTEGRATION	4,272	4,272	12,272		4,272
0604312N	95	TRI-SERVICE STANDOFF ATTACK MISSILE	-	-	-		-
0604366N	96	STANDARD MISSILE IMPROVEMENTS	1,637	9,637	1,637	8,000	9,637
0604372N	97	NEW THREAT UPGRADE	-	-	-		-
0604373N	98	AIRBORNE MCM	14,522	20,522	30,522	16,000	30,522
0604503N	99	SSN-688 AND TRIDENT MODERNIZATION	61,395	80,395	61,395	15,200	76,595
0604504N	100	AIR CONTROL	10,750	10,750	10,750		10,750
0604507N	101	ENHANCED MODULAR SIGNAL PROCESSOR	3,718	3,718	3,718		3,718
0604512N	102	SHIPBOARD AVIATION SYSTEMS	6,571	6,571	6,571		6,571
0604516N	103	SHIP SURVIVABILITY	6,832	6,832	6,832		6,832
0604518N	104	COMBAT INFORMATION CENTER CONVERSION	10,280	10,280	10,280		10,280
0604524N	105	SUBMARINE COMBAT SYSTEM	18,952	18,952	18,952		18,952
0604558N	106	NEW DESIGN SSN	394,000	434,000	409,200		394,000
0604561N	107	SSN-21 DEVELOPMENTS	91,931	91,931	117,931		91,931
0604562N	108	SUBMARINE TACTICAL WARFARE SYSTEM	22,899	23,899	22,899		22,899
0604567N	109	SHIP CONTRACT DESIGN/ LIVE FIRE T&E	7,221	7,221	7,221		7,221
0604574N	110	NAVY TACTICAL COMPUTER RESOURCES	5,237	5,237	5,237		5,237
0604601N	111	MINE DEVELOPMENT	2,505	2,505	2,505		2,505
0604603N	112	UNGUIDED CONVENTIONAL AIR-LAUNCHED WEAPONS	22,322	22,322	22,322		22,322
0604610N	113	LIGHTWEIGHT TORPEDO DEVELOPMENT	15,019	15,019	15,019		15,019
0604612M	114	MARINE CORPS MINE COUNTERMEASURES SYSTEMS - ENG DEV	5,742	5,742	5,742		5,742
0604618N	115	JOINT DIRECT ATTACK MUNITION	35,130	35,130	35,130		35,130
0604654N	116	JOINT SERVICE EXPLOSIVE ORDNANCE DEVELOPMENT	7,346	8,446	7,346		7,346
0604703N	117	PERSONNEL, TRAINING, SIMULATION, AND HUMAN FACTORS	1,013	1,013	1,013		1,013
0604710N	118	NAVY ENERGY PROGRAM	1,983	1,983	1,983		1,983
0604719M	119	MARINE CORPS COMMAND/CONTROL/COMMUNICATIONS SYSTEMS	-	-	-		-
0604721N	120	BATTLE GROUP PASSIVE HORIZON EXTENSION SYSTEM	3,704	4,704	3,704	1,000	4,704
0604727N	121	JOINT STANDOFF WEAPON SYSTEMS	86,266	86,266	86,266		86,266

Title II - Research, Development, Test and Evaluation

(Dollars In Thousands)

PE	Line No.	Title	FY 1997 Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
0604755N	122	SHIP SELF DEFENSE	134,677	134,677	171,677	16,000	150,677
0604761N	123	INTELLIGENCE ENGINEERING	.	.	.		.
		JSTARS NAVY	.	10,000			.
0604771N	124	MEDICAL DEVELOPMENT	3,148	3,148	3,148		3,148
0604777N	125	NAVIGATION/ID SYSTEM	46,885	46,885	46,885		46,885
0604784N	126	DISTRIBUTED SURVEILLANCE SYSTEM	35,194	70,194	87,194	35,000	70,194
0604256N	127	THREAT SIMULATOR DEVELOPMENT	23,536	23,536	23,536		23,536
0604258N	128	TARGET SYSTEMS DEVELOPMENT	31,120	31,120	31,120		31,120
0604759N	129	MAJOR T&E INVESTMENT	40,612	40,612	40,612		40,612
0605152N	130	STUDIES AND ANALYSIS SUPPORT - NAVY	7,174	7,174	7,174		7,174
0605154N	131	CENTER FOR NAVAL ANALYSES	42,251	42,251	42,251		42,251
0605155N	132	FLEET TACTICAL DEVELOPMENT	2,998	2,998	2,998		2,998
0605502N	133	SMALL BUSINESS INNOVATIVE RESEARCH	.	.	.		.
0605804N	134	TECHNICAL INFORMATION SERVICES	1,725	1,725	1,725		1,725
0605853N	135	MANAGEMENT, TECHNICAL & INTERNATIONAL SUPPORT	20,905	20,905	20,905		20,905
0605856N	136	STRATEGIC TECHNICAL SUPPORT	2,059	2,059	2,059		2,059
0605861N	137	RDT&E SCIENCE AND TECHNOLOGY MANAGEMENT	58,348	58,348	60,848		58,348
0605862N	138	RDT&E INSTRUMENTATION MODERNIZATION	6,196	6,196	6,196		6,196
0605863N	139	RDT&E SHIP AND AIRCRAFT SUPPORT	50,348	50,348	50,348		50,348
0605864N	140	TEST AND EVALUATION SUPPORT	242,891	244,891	242,891	2,000	244,891
0605865N	141	OPERATIONAL TEST AND EVALUATION CAPABILITY	5,999	5,999	5,999		5,999
0605866N	142	NAVY SPACE AND ELECTRONIC WARFARE (SEW) SUPPORT	2,868	2,868	2,868		2,868
0605867N	143	SEW SURVEILLANCE/RECONAISSANCE SUPPORT	11,986	11,986	11,986		11,986
0605871M	144	MARINE CORPS TACTICAL EXPLOITATION OF NATIONAL CAPABILITIES	.	.	.		.
0605873M	145	MARINE CORPS PROGRAM WIDE SUPPORT	7,424	7,424	47,424		7,424
0909999N	146	FINANCING FOR CANCELLED ACCOUNT ADJUSTMENTS	.	.	.		.
0101221N	147	STRATEGIC SUB & WEAPONS SYSTEM SUPPORT	41,790	41,790	41,790		41,790
0101224N	148	SSBN SECURITY TECHNOLOGY PROGRAM	21,340	29,340	26,840	5,500	26,840
0101226N	149	SUBMARINE ACOUSTIC WARFARE DEVELOPMENT	7,917	7,917	7,917		7,917
0101402N	150	NAVY STRATEGIC COMMUNICATIONS	.	.	.		.
0204136N	151	F/A-18 SQUADRONS	425,333	423,133	425,333	(2,200)	423,133
0204152N	152	E-2 SQUADRONS	65,025	65,025	65,025		65,025
0204163N	153	FLEET TELECOMMUNICATIONS (TACTICAL)	20,013	20,013	20,013		20,013
0204229N	154	TOMAHAWK AND TOMAHAWK MISSION PLANNING CENTER (TMPC)	136,364	144,364	165,364	8,000	144,364
0204311N	155	INTEGRATED SURVEILLANCE SYSTEM	14,033	36,133	14,033	22,100	36,133
0204413N	156	AMPHIBIOUS TACTICAL SUPPORT UNITS	1,548	1,548	1,548		1,548
0204571N	157	CONSOLIDATED TRAINING SYSTEMS DEVELOPMENT	34,906	37,906	43,906	3,000	37,906
0204575N	158	ELECTRONIC WARFARE (EW) READINESS SUPPORT	1,651	1,651	1,651		1,651
0205601N	159	HARM IMPROVEMENT	3,348	58,348	3,348	52,500	55,848
0205604N	160	TACTICAL DATA LINKS	37,302	46,902	37,302		37,302
0205620N	161	SURFACE ASW COMBAT SYSTEM INTEGRATION	4,901	8,901	4,901	4,000	8,901

Title II - Research, Development, Test and Evaluation

PE	Line No.	Title (Dollars in Thousands)	FY 1997 Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
0205632N	162	MK-48 ADCAP	12,772	12,772	12,772		12,772
0205633N	163	AVIATION IMPROVEMENTS	53,512	53,512	53,512		53,512
0205658N	164	NAVY SCIENCE ASSISTANCE PROGRAM	5,067	5,067	15,067	10,000	15,067
0205667N	165	F-14 UPGRADE	9,879	9,879	9,879		9,879
0205675N	166	OPERATIONAL NUCLEAR POWER SYSTEMS	55,876	55,876	55,876		55,876
0206313M	167	MARINE CORPS COMMUNICATIONS SYSTEMS	56,687	58,542	56,687	1,855	58,542
0206623M	168	MARINE CORPS GROUND COMBAT/SUPPORTING ARMS SYSTEMS	7,280	7,280	7,280		7,280
0206624M	169	MARINE CORPS COMBAT SERVICES SUPPORT	5,211	5,211	5,211		5,211
0206625M	170	MARINE CORPS INTELLIGENCE/ELECTRONICS WARFARE SYSTEMS	.	.	.		.
0206626M	171	MARINE CORPS COMMAND/CONTROL/COMMUNICATIONS SYSTEMS	.	.	.		.
0207161N	172	TACTICAL AIM MISSILES	58,415	58,415	58,415	(4,490)	53,925
0207163N	173	ADVANCED MEDIUM RANGE AIR-TO-AIR MISSILE (AMRAAM)	2,274	2,274	2,274		2,274
0303109N	176	SATELLITE COMMUNICATIONS (SPACE)	38,257	38,257	38,257		38,257
0303140N	177	INFORMATION SYSTEMS SECURITY PROGRAM	26,936	26,936	26,936		26,936
0305160N	180	DEFENSE METEOROLOGICAL SATELLITE PROGRAM (SPACE)	1,195	1,195	21,195	15,000	16,195
0305927N	181	NAVAL SPACE SURVEILLANCE	706	706	706		706
0708011N	182	INDUSTRIAL PREPAREDNESS	35,526	35,526	65,526	30,000	65,526
		JOINT SERVICE NON-LETHAL WEAPONS TECHNOLOGIES PROGRAM	.	.	15,000	15,000	15,000
		ACQUISITION CENTER OF EXCELLENCE		.	8,000	8,000	8,000
XXXXXXX	999	Classified Programs	501,598	669,598	1,007,298	5,700	507,298
		TOTAL, RESEARCH DEVELOPMENT TEST & EVAL NAVY	7,334,734	8,189,957	8,891,534	733,565	8,068,299

Continuous wave superconducting radio frequency free electron laser

The budget request included $26.3 million for surface/aerospace surveillance and weapons technology (PE 62111N).

The House bill and Senate amendment would authorize an increase of $9.0 million in PE 62111N for the continuous wave superconducting radio frequency free electron laser (FEL) program.

The conferees agree to an increase of $9.0 million in PE 62111N for the continuation of the FEL program as discussed in the House report (H. Rept. 104–563) and the Senate report (S. Rept. 104–267). The conferees understand that there will be significant cost sharing between the Commonwealth of Virginia and the private sector in this effort. The conferees encourage the Department of Energy to build on this Navy project to meet the needs of materials scientists in universities and industry.

Advanced gun systems technology program

The budget request included $4.8 million in PE 62111N for applied research in advanced gun and projectile technologies in support of the naval surface fire support (NSFS) program.

The House bill would authorize an increase of $2.8 million to accelerate development of advanced miniaturized, gun-hardened global positioning system/inertial navigation (GPS/INS) guidance and control technology and development of advanced technologies for next-generation gun systems.

The Senate amendment would authorize the budget request.

The Senate recedes.

Rocket propulsion programs

The House bill authorized an increase of $19.0 million for rocket propulsion technology programs in PE 62111N, PE 63217N, PE 62601F, and PE 63302F.

The Senate amendment contained no similar provision.

The conferees agree to provide an increase of $19.0 million as specified in the House report (H. Rept. 104–563).

Power electronic building blocks

The budget request included $35.6 million for surface ship technology programs (PE 62121N).

The House bill and the Senate amendment would authorize an increase of $6.0 million in PE 62121N for power electronic building blocks (PEBB) systems.

The conferees agree to an increase of $6.0 million in PE 62121N for the continued development of PEBB technology for the rapid switching and control of high power electrical systems as discussed in the House report (H. Rept. 104–563) and the Senate report (S. Rept. 104–267). The conferees urge that the increase be used for the development of virtual prototyping tools that can be used to visualize and evaluate the performance of new reconfigurable ship electronic power systems that can survive battle damage and component failures.

Communications technology

The budget request included $56.2 million in PE 62232N to continue development of key communications technologies for air, ship and submarine platforms.

The House bill would authorize an increase of $2.0 million to the budget request for support of wireless and satellite communications research in the areas of integrated antenna systems, communications hardware design, communications algorithm development and high-frequency device modeling and measurements.

The Senate amendment would authorize the budget request.

The Senate recedes.

Materials, electronics and computer technology

The budget request included $75.9 million in PE 62234N for materials, electronics and computer technology.

The House bill would authorize an increase of $1.0 million in PE 62234N for composite engineered materials to address the future needs of naval shore facility maintenance and repair.

The Senate amendment would authorize an increase of $5.0 million in PE 62234N to address new materials processes such as resin transfer molding and the establishment of second sources for carbon fibers and prepreg systems.

The conferees agree to authorize an increase of $6.0 million for new materials processes as discussed in the House report (H. Rept. 104–563) and the Senate report (S. Rept. 104–267).

Undersea weapons

The budget request included $33.9 for undersea warfare weapon technology (PE 62633N).

The House bill and the Senate amendment would authorize an increase of $6.0 million in PE 62633N for development of undersea weapons.

The conferees agree to an increase of $6.0 million in PE 62633N for the Navy's Undersea Weapons Technology program to accelerate the development and demonstration of technologies applicable to a quick reaction anti-submarine/anti-torpedo weapon for close-range engagements and for the protection of surface ships and submarines from torpedo attack as discussed in the House report (H. Rept. 104–563) and the Senate report (S. Rept. 104–267).

Maritime avionics subsystems and technology program

The budget request included $29.3 million for advanced development of air systems and weapons advanced technology (PE 63217N).

The House bill would authorize an increase of $10.0 million in PE 63217N for the maritime avionics subsystems and technology (MAST) program.

The Senate amendment would authorize the budget request.

The Senate recedes.

In the statement of managers accompanying the conference report on S. 1124 (H. Rept. 104–450), the conferees authorized $10.0 million to continue the MAST program in fiscal year 1996 and recommended that the Secretary of the Navy consider requirements for continuation of the program in future budget requests. The con-

ferees believe that the Navy science and technology program must continue to place emphasis on the development of advanced avionics architectures and systems. Because of the congressional interest in this program and the importance of advanced avionics architectures to future aircraft systems, the conferees expect the Secretary of the Navy to include funding for the MAST program in the fiscal year 1998 budget request.

Mobile off-shore base

The budget request included $9.2 million in PE 63238N to continue concept development of the mobile off-shore base (MOBS).

The House bill would authorize reduction of $9.2 million in the budget request.

The Senate amendment would approve the budget request.

The House recedes.

The conferees note that the Secretary of Defense has not reported to the congressional defense committees the plan and schedule for incorporating MOBS in the Defense Acquisition Board process and accomplishing a Milestone 0 review, as directed in the statement of managers accompanying the conference report on S. 1124 (H. Rept. 104–450).

Project M

The budget request included no funding for Project M. a technology program for the active control of machinery platforms.

In fiscal year 1996, Congress authorized and appropriated $7.0 million in PE 63569E to continue the transfer of Project M technology from the Defense Advanced Research Projects Agency (DARPA) to the Navy. The program has been focused on the demonstration of active control of machinery raft structural dynamics and magnetic levitation using rafts that represent future submarine engine room structures. The research has been significant because it has demonstrated that large scale implementation of active control for complex structures is possible. Additional funding in fiscal year 1997 would permit realistic testing of high fidelity quarter scale physical models that will provide quantitative performance data and other critical information that can be used to define the scope of applications for this technology in future submarine or surface ship designs. There is also potential for the expanded use of this technology in a broad spectrum of other military, space, and commercial applications where quieting of systems and subsystems is important.

The House bill would authorize an increase of $8.0 million in PE 63508N to complete transition of Project M from DARPA to the Navy.

The Senate amendment would authorize an increase of $8.0 million above the budget request in PE 63508N for the continued development of Project M.

The conferees agree to an increase of $8.0 million above the budget request in PE 63508N for the continued development of Project M and to complete its transition from DARPA to the Navy. The conferees also direct that the Secretary of the Navy submit a report, no later than March 1, 1997, that provides a detailed assessment of:

(1) the current status of the Project M program;

(2) the Secretary's plans for continued development of the project M technology;

(3) future milestones for the maturing of the technology;

(4) the Navy's plan for incorporating Project M technology into the design of its next generation of nuclear attack submarine; and

(5) funding included in the future years defense program to satisfy this plan.

Commandant's warfighting laboratory

The budget request included $24.4 million in PE 63640M, including $3.5 million for the Commandant of the Marine Corps warfighting laboratory, "Sea Dragon".

The House bill would authorize an increase of $5.0 million for this initiative.

The Senate amendment would authorize an increase of $40.0 in PE 65873M, Marine Corps Program-wide Support, for technology supporting experiments in "Hunter Warrior", the first advanced warfighting experiment being conducted by the Commandant's warfighting laboratory, and to support technology enhancements for follow-on limited objective experiments in fiscal year 1997.

The conferees agree to authorize an increase of $40.0 million in PE 63640M for support of the Commandant's warfighting laboratory. The conferees agree that the Marine Corps should budget for continuation of this initiative in future budget requests. The conferees also agree with the view expressed in the Senate report (S. Rept. 104–267) that continued support for the Marine Corps "Sea Dragon" process will be based on the demonstrated ability of the Marine Corps to budget adequately for the rapid fielding of new technologies supported by the results of the Sea Dragon experiments.

Tactical fiber optic communications

The House bill would authorize an increase of $1.75 million in PE 63640M for the Navy and the Marine Corps to exploit commercial advances in lightweight fiber optics for communications purposes and to demonstrate the use of lightweight tactical fiber optics for communications in a littoral scenario.

The Senate amendment would authorize the requested amount.

The House recedes.

Medical mobile monitor

The budget request included $37.3 million for medical development programs (PE 63706N).

The House bill would authorize an increase of $4.0 million in PE 63706N for the development of a medical mobile monitor to assist physicians and other medical personnel in the diagnosis and treatment of injuries and illness, and has the capability to interface with portable personal computers.

The Senate amendment would authorize the budget request.

The Senate recedes.

Smart base

The budget request included $20.0 million for the Navy's Environmental Quality and Logistics program (PE 63712N).

The Senate amendment would authorize an increase of $25.0 million in PE63712N for the Smart Base technology demonstration.

The House bill would authorize the budget request.

The House recedes. The conferees agree to an increase of $25.0 million in PE 63712N for the Smart Base technology demonstration. In executing the program, the conferees instruct the Department of the Navy to minimize costs by seeking cost sharing partnerships with other Federal agencies, and state and local governments, as well as commercial activities.

Littoral warfare advanced technology demonstration

The budget request included $43.6 million in PE 63747N for undersea warfare advanced technology development.

The House bill would authorize an increase of $10.0 million to the budget request for at-sea demonstration and evaluation of broad band, low low frequency active (LLFA) acoustic technology for the detection of quiet, slow moving submarines in the widely variable environment of the world's littoral regions.

The Senate bill would authorize the requested amount.

The House recedes. The conferees direct the Secretary of the Navy to report to the Congress on the Navy's intentions with regard to further development and exploitation of LLFA acoustic technology with the submission of the Navy's fiscal year 1998 budget request.

Undersea weapons advanced technology demonstration

The budget request included $2.8 million for project R2267 in PE 63747N. This project develops and demonstrates advanced undersea weapons component prototypes for insertion into current undersea weapons to upgrade their capabilities.

The House bill and the Senate amendment would authorize an increase of $5.0 million in PE 63747N for development and demonstration of advanced technology prototype improvements to current undersea weapons systems, including environmental emissions compliant alternative torpedo fuels and advanced broadband homing system technologies and software algorithms to improve the countermeasure resistance of U.S. undersea weapons.

The conferees agree to an increase of $5.0 million in PE 63747N.

Shallow water mine countermeasures

The budget request included $42.8 million in PE 63782N for development and demonstration of mine countermeasures advanced technology, including $6.4 million for continued development of the advanced lightweight influence sweep system (ALISS).

The House bill would authorize an increase of $5.0 million in PE 63782N to complete development, fabrication and testing of the full-scale superconducting magnet that is one of the two major subsystems of the ALISS.

The Senate amendment would authorize an increase of $3.0 million in PE 63782N for completion of the science and technology

demonstration program for the beach zone array subsystem of the explosive neutralization program.

The conferees agree to authorize the requested amount.

The conferees recommend that the Navy include funding in future budget requests to complete advanced technology development and demonstration of the ALISS, as recommended in the House report (H. Rept. 104–563), and to complete the science and technology demonstration program for the beach zone array subsystem of the explosive neutralization program, as recommended in the Senate report (S. Rept. 104–267).

Advanced technology transition

The budget request included $104.4 million in PE 63792N for the Navy's Advanced Technology Transition program to demonstrate high-risk/high payoff technologies that could significantly improve the warfighting capabilities of the fleet and joint forces.

The House bill would authorize a decrease of $20.0 million from the budget request in PE 63792N. The House report (H. Rept. 104–563) commended the leadership of the Navy's science and technology community for the advanced technology transition initiative and the potential that it presents for accelerating the application of technology base solutions to fleet and joint warfighting requirements. However, the House report also included reservations about the growth in funding for the program and the increase in the number of projects encompassed by it that have occurred since fiscal year 1995. The House report expressed the view that the program needs to be highly selective and sharply focused on a relatively limited number of projects that are aimed at solutions to some of the Navy's most critical problems.

The Senate amendment would authorize the requested amount.

The Senate recedes.

Research for advanced submarine technology

The budget request included $19.1 million in PE 63504N for advanced submarine combat systems development and $26.4 million in PE 63561N for advanced submarine system development, but no funding in PE 63508N for advanced submarine technology.

Both the House bill and the Senate amendment were influenced by a report, *Report on Nuclear Attack Submarine Procurement and Submarine Technology,* submitted to Congress by the Secretary of Defense on March 26, 1996 in compliance with section 131 of the National Defense Authorization Act for Fiscal Year 1996. This report reflected recommendations of a submarine technology assessment panel, also known as the Baciocco Panel, that was commissioned by the Secretary of the Navy to provide an independent evaluation of available and future submarine technologies and an assessment of their feasibility, cost, and potential benefits or drawbacks with respect to their incorporation into a new submarine platform.

The House bill would authorize an increase of $208.0 million for advanced submarine technologies. The House report (H. Rept. 104–563) provides detailed direction on how this authorization would be distributed.

The House bill would authorize an increase of $18.0 million in PE 63508N for applied research and exploratory development in advanced submarine concepts, including Baciocco Panel recommendations, and for transition of advanced ship and submarine technologies developed under the Defense Advanced Research Projects Agency (DARPA). Of the additional amount provided in PE 63508N, $8.0 million would be to complete the transfer to the Navy of the technology for actively controlled machinery platforms demonstrated in DARPA Project "M".

The House bill would authorize an increase of $60.0 million to the budget request for demonstration and validation of core technologies identified in the Secretary of Defense's report, including improved acoustic sensors and processing, hydrodynamics, structural acoustics (including active controls and mounts), and propulsors (including integrated stern and electric drive), which would be distributed as follows:

	In millions
PE 63504N, Advanced Submarine Combat Systems Development:	
Advanced Acoustic Sensors	$10.0
Advanced Acoustic Signal Processing	10.0
PE 63561N, Advanced Submarine Systems Development:	
Hydrodynamics	5.0
Structural Acoustics	15.0
Propulsors	20.0

The House bill would direct that, of the $60.0 million increase, a total of $20.0 million would be equally divided between the two submarine shipbuilders, Electric Boat Division and Newport News Shipbuilding, for the purpose of ensuring that these shipbuilders are principal participants in the process of including new technologies into the design and construction of the submarines built at their respective shipyards. The House report (H. Rept. 104–563) would direct the Secretary of the Navy to ensure that those shipbuilders have access for such purposes to the Navy laboratories and the Office of Naval Intelligence.

The House bill would authorize an increase of $38.0 million to the budget request for demonstration and validation of the Category I and Category II technologies described in the Secretary's report as follows:

(1) PE 63504N: $19.0 million for demonstration and validation of passive ranging/target motion analysis, large aperture processing, matched environmental processing, total ship monitoring system improvements, near-term multi-line towed array, high gain multi-line towed array, lightweight wide aperture array fiber optics, and high gain hull array; and

(2) PE 63561N: $19.0 million for demonstration and validation of electro-mechanical/electro-hydraulic actuators, advanced welding processes, power electronic building blocks, advanced propulsor fabrication, advanced hybrid propulsors, advanced coatings, rim driven motors, and elastomeric ejection system.

The House bill would authorize an increase of $50.0 million in PE 63563N to initiate the design of new, next-generation nuclear attack submarines. The $50.0 million would be equally divided between the two shipbuilders for this purpose. The design effort would proceed in parallel with the construction of four developmen-

tal submarines so that these two original designs would be ready to compete for serial production in fiscal year 2003.

The House bill would authorize an increase of $40.0 million in PE 64558N to produce design improvements for four developmental submarines that would be built at Electric Boat Division and Newport News Shipbuilding as a consequence of section 131 of the National Defense Authorization Act for Fiscal Year 1996. The $40.0 million would be equally divided between the two shipbuilders. Each shipbuilder would be allowed to propose to the Secretary of the Navy any design improvement that the shipbuilder considers appropriate for the submarines being built by that shipbuilder.

The House bill would authorize an increase of $2.0 million in PE 14224N for further development and evaluation of wake trail sensors.

The Senate amendment would authorize a total increase of $100.0 million for advanced submarine technology initiatives identified in the Secretary of Defense's report. This increase would be distributed as follows:

(1) $60.0 million for development of core technologies, including $20.0 million in PE 63504N and $40.0 million in PE 63561N; and

(2) $40.0 million for development of the Category I and Category II technologies identified in the Secretary of Defense's report, including $20.0 million in PE 63504N and $20.0 million in PE 63561N.

The Senate report (S. Rept. 104–267) would direct the Navy to use these funds to carry out the high priority development efforts identified in the Secretary of Defense's report to Congress, emphasizing advanced hydrodynamic and hydroacoustic research, using advanced modeling that is validated, when appropriate, by the use of large scale models before insertion into the final design. The Senate report would also emphasize that the authorized increase would be for developing new technologies, not for the purpose of resolving funding shortfalls in existing programs or for improving combat systems or sensors on older submarines.

The conferees agree to authorize an increase of $8.0 million in PE 63508N for Project "M". This authorization is discussed in more detail elsewhere in this statement of managers.

The conferees also agree to an increase of $60.0 million for demonstration and validation of core technologies identified in the Secretary of Defense's report, including improved acoustic sensors and processing, hydrodynamics, structural acoustics (including active controls and mount), and propulsors (including integrated stern and electric drive). This increase will be distributed as follows:

[In millions of dollars]

PE 63504N, Advanced Submarine Combat Systems Development:	
Advanced Acoustic Sensors	10.0
Advanced Acoustic Signal Processing	10.0
PE 63561N, Advanced Submarine Systems Development:	
Hydrodynamics	5.0
Structural Acoustics	15.0
Propulsors	20.0

The conferees direct that, of the $60.0 million increase, a total of $20.0 million will be equally divided between the two submarine

shipbuilders, Electric Boat Division and Newport News Shipbuilding, for the purpose of ensuring that these shipbuilders are principal participants in the process of including new technologies into the design and construction of the submarines built at their respective shipyards. The conferees further direct the Secretary of the Navy to ensure that those shipbuilders have access for such purpose to the Navy laboratories and the Office of Naval Intelligence.

The conferees also authorize a further increase of $38.0 million to the budget request for demonstration and validation of the Category I and Category II technologies described in the Secretary's report. The recommended increase will be distributed as follows:

(1) PE 63504N: $19.0 million for demonstration and validation of passive ranging/target motion analysis, large aperture processing, matched environmental processing, total ship monitoring system improvements, near-term multi-line towed array, high gain multi-line towed array, lightweight wide aperture array fiber optics, and high gain hull array; and

(2) PE 63561N: $19.0 million for demonstration and validation of electro-mechanical/electro-hydraulic actuators, advanced welding processes, power electronic building blocks, advanced propulsor fabrication, advanced hybrid propulsors, advanced coatings, rim driven motors, and elastomeric ejection system.

Submarine towed array processing software

The budget request included $19.1 million in PE 63504N for advanced submarine combat systems development.

The Senate amendment would authorize an increase of $8.0 million in PE 63504N to improve the overall performance of both sonar and combat control systems by the improvement of their ASW acoustic processing.

The House bill would authorize the requested amount.

The Senate recedes.

Aircraft carrier research and development

The budget request included $12.7 million in PE 63512N for carrier systems development, including $8.3 million for development and demonstration of technologies that may be used in the future aircraft carrier (CVX–78) now planned to begin construction contract award in fiscal year 2006.

To accelerate development and demonstration of technologies for the CVX–78 and to establish a more reasonable ramp to ship design, component development, and the production decision for the CVX–78, the House bill would authorize an increase of $23.0 million to the budget request in PE 63512N. The House report (H. Rept. 104–563) indicated these funds would be used for development of technologies for advanced aircraft launch systems, advanced armor concepts, integrated topside design, initial computing plant systems architecture analysis, and development of advanced modeling and simulation.

The Senate amendment would authorize an increase of $52.0 million above the budget request in PE 63512N for aircraft carrier research and development.

The Senate recedes.

Navy surface combatant

The budget request included $12.9 million in PE 63564N for ship preliminary design and feasibility studies.

The Senate amendment would authorize an increase of $25.0 milllion in PE 63564N to increase funding for development of the Navy's next generation of surface combatant, the SC–21, to provide a level of funding that could lead to an orderly development and transition to procurement after the turn of the century.

The House bill would authorize the requested amount.

The Senate recedes.

Advanced surface machinery program—intercooled recuperated engine

The budget request included $59.8 million in PE 63573N for the advanced surface machinery program, including $34.1 million to continue advanced development of the intercooled recuperated (ICR) gas turbine engine. The ICR will be the propulsion engine for the SC–21 next generation surface combatant. Current plans call for introduction of the ICR into the fleet as the propulsion system for future DDG–51 class ships. The ICR promises 30 percent propulsion fuel savings compared to the current Navy gas turbine, increased range, and environmental emissions compliance. The engine is also being considered as the propulsion system for the multi-national European "Horizon" frigate. The "Horizon" program is a collaborative effort among U.S., British, and French navies.

The ICR has been in advanced development since December 1991, and is now undergoing development full scale system testing at Pyestock, England. Tests to date confirm engine design predictions and the 30 percent fuel savings benefits of recuperation. During the engine tests in early 1995, the recuperator developed air leaks which required its removal and return to the manufacturer. Intensive investigation revealed both design flaws and manufacturing process problems. A recuperator recovery plan was instituted by the management team and full scale engine tests resumed in January 1996, using a redesigned recuperator. A second test site is to be established at the Navy's Ship Systems Land Based Engineering Site (LBES) to support ICR engine endurance and qualification testing, integration of the ICR engine into the DDG–51, and integrated power system development for the SC–21.

The House bill would authorize an increase of $12.5 million to the budget request to complete preparations for supporting ICR engine endurance and qualification tests at the LBES. The House report (H. Rept. 104–563) expressed concern that the Navy's decision to proceed with the 500 hour endurance test and the final 1000 hour qualification test at the LBES is not supported by adequate funding, and directed the Secretary of the Navy to ensure that these funds are included in the fiscal year 1998 budget request. The House report would also direct the Navy to obligate no more than 25 percent of the fiscal year 1997 funds until the Secretary of the Navy reviews the results of the developmental testing and progress in resolving the recuperator problem and reports the results of this review, not later than December 31, 1996, to the congressional defense committees.

The Senate amendment would authorize an increase of $19.0 million to the budget request in PE 63573N for the ICR engine. Of this amount:

(1) $12.5 million would be to establish an ICR test facility at the Navy's existing land-based test site; and

(2) $6.5 million would be for at-sea testing of the ICR engine.

The Senate recedes.

Insensitive munitions

The budget request included $7.3 million in PE 63609N for insensitive munitions advanced development.

The House bill would authorize an additional $3.0 million to ensure adequate funding is available for the program.

The Senate amendment would authorize the budget request.

The conferees agree to increase the budget request by $3.0 million for insensitive munitions advanced development.

Lightweight 155MM howitzer program

The budget request included $44.9 million in PE 63635M for Marine Corps ground combat and support systems.

The House bill would authorize the requested amount.

The Senate amendment would authorize an increase of $4.0 million in PE 63635M to incorporate new technologies into the Marine Corps lightweight 155mm howitzer and its associated training devices.

The Senate recedes.

Cooperative engagement capability

The budget request included $164.5 million in PE 63755N and $9.9 million in PE 24152N for continued development of the Navy's cooperative engagement capability (CEC). Funding provided by the budget request would focus on the development of shipboard and airborne cooperative engagement systems (CES), initial operational test and evaluation of shipboard CES, and development of organic integrated logistic support for the CES.

CEC is designed to enhance the warfighting capabilities of ships and aircraft by combining the data derived from various sensors into a single common representation that is available with the same positional accuracy to all participating ships. The Navy reports that a challenging cruise missile defense exercise, Mountain Top, which relied heavily on CEC position information, was held earlier this year in Hawaii. The exercise involved over-the-horizon detection, tracking, and engagement of a variety of difficult targets. The Navy currently projects that initial operational capability of the system will be achieved by September 1996. During testimony at this year's defense posture hearing, the Secretary of Defense singled out CEC as a program of high priority that he chose to accelerate because of its great potential for linking units from more than one service together and greatly increasing their warfighting ability.

Despite relatively robust funding for CEC in this year's budget request, it contains no funding to pursue joint service integration efforts that were begun last year. Successful consummation of

these efforts, in consonance with the Navy's baseline program, could greatly leverage the capability of the services to conduct joint operations and provide ballistic missile defense. Another area not addressed by the budget request, an issue raised in committee hearings this year, is reported interference between CEC and other data links currently in use in the fleet.

The House bill would authorize an increase of $27.0 million in PE 63755N for the CEC program and urge the continued acceleration and expansion of joint service integration efforts, including application to the Airborne Warning and Control Systems (AWACS) aircraft, Patriot and Theater High Altitude Area Defense (THAAD) missile systems, Marine Corps TPS–59 radar and the HAWK missile system.

The Senate amendment would authorize an increase of $63.0 million above the budget request for CEC in PE 63755N to permit continued pursuit of a number of promising efforts, including CEC integration with AWACS and national sensors, to accelerate development of an airborne capability for the system, and to address the issue of CEC interference with other fleet data links, particularly the link installed on the SH–60B.

The conferees agree to an increase of $35.0 million in PE 53755N for the CEC program and urge the continued acceleration and expansion of joint service integration efforts, including application to AWACS aircraft, Patriot and THAAD missile systems, Marine Corps TPS–59 radar and the HAWK missile system. The conferees also direct the Secretary of the Navy to prepare a detailed report, for submission no later than March 15, 1997, on:

(1) progress made in resolving the issue of spectrum interference as a result of the reallocation under title VI of the Omnibus Reconciliation Act of 1993 of the spectrum in which CEC operates; and

(2) steps that the Secretary has taken to address and resolve harmful interference between CEC and other fleet weapons systems and data links.

Strike missile evaluation

The budget request did not include funding for evaluation of a variant of the Navy's Standard missile for use by Navy ships to conduct long-range strike.

The Senate amendment would authorize an increase of $24.0 million above the budget request in PE 63795N to evaluate the potential of the Standard missile to satisfy long-range strike and supersonic sea-skimming target requirements.

The House bill would not authorize an increase for this purpose in PE 63795N.

The Senate recedes.

Naval surface fire support program

The budget request included $42.2 million in PE 63795N for gun weapons system technology. Of this amount, $20.2 million is for the continued development of a 5-inch extended range guided munition (ERGM) round. The Navy is developing this round to address a gap in its ability to provide accurate naval surface fire support (NSFS) during an amphibious assault at the ranges dictated

by current requirements. Of the $20.2 million, no funds have been budgeted for risk mitigation in the development of a GPS/INS guidance unit for the projectile, the component judged to have the greatest technical risk.

The House bill would not authorize an increase of $5.0 million to the budget request to build on the Navy's guidance risk reduction program; accelerate development and qualification of micro-electro-mechanical systems (MEMS) -based, low cost global positioning system/inertial navigation system (GPS/INS) guidance and control technology; and ensure the availability of that technology for the Navy's 5-inch ERGM production program and for other guided munitions, rocket, and missile programs.

The Senate amendment would authorize an increase of $3.0 million to the budget request in PE 63795N for risk mitigation in development of the 5-inch ERGM.

The Senate recedes.

The conferees agree to an increase of $5.0 million in PE 63795N for risk mitigation in development of the Navy's 5-inch ERGM and acceleration of the development of MEMS-based GPS/INS guidance and control technology for the ERGM projectile. Consistent with direction provided in the National Defense Authorization Act for Fiscal Year 1996, the conferees also agree to authorize an increase of $0.4 million above the budget request to support the retention of two *Iowa* class battleships on the naval register in an inactive status until the Navy is able to replace their potential NSFS capability.

Light airborne multi-purpose system helicopter program

The budget request included $40.1 million in PE 64212N for helicopter development.

Among the programs funded by PE 64212N is the Navy program to convert its existing fleet of light airborne multi-purpose system (LAMPS) helicopters from the SH–60B configuration to the SH–60R configuration. It is planned that other Navy H–60 series helicopters, such as the HH–60, a search and rescue variant, and the SH–60F, an ASW variant with a dipping sonar, will also eventually be converted to the SH–60R configuration. However, the Navy's helicopter master plan, under which these conversions are included, has been in a constant state of flux for at least the past two years and, in the conferees' opinion, has lacked the focus needed to properly compete for resources as the defense budget, particularly the acquisition portion, has declined in recent years.

The conferees are aware that the LAMPS SH–60B to SH–60R development program is short of resources. Since fiscal year 1995, it has gone through requirements restructuring, contractual rebaselining, efforts at cost reduction through acquisition reform initiatives, contractor investment, and an increasing contractor inventory of accrued cost that has not been paid. While the Navy and contractor teams have maintained technical progress towards the planned fiscal year 2001 initial operational capability (IOC) date, the funding level contained in the fiscal year 1997 budget request would be insufficient to sustain this effort. Because the program was originally structured to permit conversion to the SH–60R configuration to occur during scheduled depot maintenance or service

life extension overhauls, the delay in program development that would result from the fiscal year 1997 budget request would likely also cause a substantial increase in conversion costs and might render the program unaffordable.

The Senate amendment would authorize an increase of $6.8 million in PE 64212N to restore funds that were removed from the SH–60R development program during preparation of the fiscal year 1997 budget request. This additional funding would permit a critical design review to occur in fiscal year 1997 and maintain the program's progress toward a fiscal year 2001 IOC. The Senate amendment would also authorize an increase of $10.0 million for the procurement of additional SH–60B upgrade kits to replace funds that were removed from the program during fiscal year 1996 to pay for F–14 digital flight control improvements.

The House bill would authorize the request amount.

The conferees agree to authorize an increase of $6.8 million in PE 64212N for the SH–60R development program. An increase of $10.0 million for the procurement of additional SH–60B upgrade kits is not authorized.

Vertical replenishment helicopter replacement program

The budget request included no funding to initiate procurement of a helicopter to replace the Navy's increasingly costly and aging CH–46 vertical replenishment (VERTREP) helicopter.

To address this problem, the Senate amendment would authorize an increase of $10.0 million above the budget request to take advantage of excess components available from the Army and initiate a VERTREP helicopter replacement program in fiscal year 1997.

The House bill would authorize the requested amount.

The conferees agree that development of a replacement VERTREP helicopter would be better pursued as a research and development program and authorize an increase of $10.0 million in PE 64212N for this purpose.

Helicopter ground proximity warning systems

The budget request included $24.7 million in PE 64215N for engineering and manufacturing systems development of joint service and Navy standard avionics components and subsystems.

Recognizing that the Navy and the Marine Corps have a requirement for a ground proximity warning system, the House bill would authorize an increase of $2.4 million in PE 64215N to continue development of the helicopter ground proximity warning system (GPWS) in anticipation of its fielding on Navy and Marine heavy and medium lift helicopters.

The Senate amendment would authorize the requested amount.

The Senate recedes.

Joint Maritime Combat Information System (JMCIS)

The budget request included $11.3 million in PE 64231N for the Navy tactical command system afloat (NTCS–A) component of the joint maritime command information system (JMCIS).

The House bill would authorize an increase to the budget request of $14.5 million as follows:

(1) an additional $1.0 million in PE 64231N to explore and initiate efforts to improve interoperability between JMCIS and the other service intelligence support terminals;

(2) an additional $2.0 million in PE 64231N for proliferating the RADIANT MERCURY automated multi-level security sanitizer;

(3) an increase of $1.5 million in PE 64231N for development of an integrated two-way Link 16 processing capability for the JMCIS software; and

(4) an additional $10.0 million in a new program element, PE 64770N, for integrating a capability for the U.S. Navy to receive, process, and utilize the joint surveillance target attack radar system (JSTARS) moving target indicator (MTI) synthetic aperture radar (SAR) system data.

The Senate amendment would authorize an additional $23.0 million above the budget request to:

(1) develop an integrated two-way Link 16 processing capability in JMCIS software;

(2) incorporate the Air Force's contingency theater automated planning system (CTAPS) into JMCIS;

(3) develop an upgrade to permit data exchange between JSTARS and the Navy's afloat planning system (APS);

(4) field the RADIANT MERCURY automated multi-level security sanitizer; and

(5) develop the tools and architecture that will allow users to selectively request, filter, and process supporting databases.

Of the $23.0 million, $19.5 million would be for research and development in PE 64231N and $3.5 million would be for procurement.

The conferees agree to authorize an additional $13.0 million above the budget request in PE 64231N as follows:

(1) $1.0 million for coordinating JMCIS functional capabilities with the other service intelligence terminals;

(2) $2.0 million for fielding RADIANT MERCURY;

(3) $1.5 million for two-way Link 16; and

(4) $8.5 million for receiving and exploiting the JSTARS MTI capabilities.

The conferees also agree to authorize an increase of $3.5 million of procurement funding to accomplish these objectives.

CV–22 special operations tiltrotor aircraft

The budget request included $576.8 million in PE 64262N for development of the V–22 tiltrotor aircraft to meet the medium lift amphibious/vertical lift needs of the Marine Corps (MV–22) and the special operations needs (CV–22) of the Special Operations Command (SOCOM). The Navy and the SOCOM acquisition executives reached agreement on a program that will develop an aircraft capable of meeting the SOCOM's needs for the CV–22. This program provides for remanufacture of a MV–22 test aircraft to CV–22 standards for test and evaluation, rather than providing a new aircraft off the production line.

The House bill would authorize an additional $37.0 million to procure a new aircraft to support testing and evaluation of the CV–

22, notwithstanding the agreement between the Department of the Navy and SOCOM acquisition executives. The House report (H. Rept. 104–563) expressed the opinion that the remanufacturing alternative would represent a significant challenge for the program office to complete the CV–22 program with the desired capabilities by the date of the required special operations initial operational capability (IOC). The report expressed the opinion that the agreed plan would pose an unacceptable risk to CV–22 program. The report indicated that the House expected the Secretary of the Navy to include the total of $47.0 million required to complete the CV–22 test and evaluation aircraft in the Navy's budget requests for fiscal years 1998 and 1999.

The Senate amendment would authorize an additional $20.0 million for funding for risk mitigation during the first year of low rate initial production. The Senate report (S. Rept. 104–267) noted that the program agreed upon by the Navy and SOCOM acquisition executives would be predicated on remanufacture of an MV–22 aircraft for CV–22 test and evaluation, and would represent compliance with all key performance parameters and most of the threshold requirements defined in the joint operational requirements document (JORD). The report noted that using a remanufactured MV–22 flight test article would represent an innovative, cost-effective solution to the problem of living within the program's resources. The report also noted that the remanufacturing approach represents a challenge for the program office to complete the CV–22 program with the agreed-on capabilities on or before the required IOC in 2005. The report also noted that the Senate expected the joint program office to release aircraft number nine back to the contractor for remanufacture by August 1, 1999. Should additional testing for the MV–22 program be necessary, the program manager would be required to develop and implement the necessary options to complete MV–22 testing without the use of aircraft number nine after August 1, 1999.

The conferees understand that, notwithstanding the agreement that the SOCOM acquisition executive signed, the SOCOM would prefer to have a new, rather than a remanufactured aircraft to conduct CV–22 testing. The SOCOM has expressed concern that meeting the established IOC of having 15 aircraft available in fiscal year 2005 is at risk. The conferees also understand that the SOCOM has reservations about accepting an aircraft for the remanufacture program that could have upwards of 200 hours of flight time, based on previous experience with the MH–47 program.

The conferees observe that there are some similarities and some differences between the schedules for the buying and remanufacturing approaches;

(1) The schedule laid out by the Department indicates that the program preferred by the SOCOM would involve building an MV–22 aircraft that would later be converted to CV–22 configuration. Building a CV–22 aircraft, when the CV–22 is itself in development, now would involve too much concurrency.

(2) This MV–22 aircraft would be inducted into a CV–22 conversion program at the same time that an existing test aircraft would enter a remanufacturing program to turn it into a CV–22

test aircraft. According to the current schedule, both programs would deliver a CV–22 aircraft for testing in May, 2000.

(2) Buying a new dedicated test aircraft would reduce schedule risk. Should something happen to one of the test aircraft during MV–22 testing, the whole testing program and making one of the test aircraft available for remanufacturing could be delayed.

The conferees note that such schedule risk could be mitigated by the fact that this bill would add two production MV–22 aircraft that could be made available in lieu of providing a test aircraft for remanufacture. However, having an extra test aircraft available over the life of the MV/CV–22 program would ease the problems of testing schedules.

The conferees agree to provide an additional $37.0 million, with $27.0 million for the new MV–22 aircraft that would be converted to CV–22 configuration later, and $10.0 million provided only for mitigating technical risk in the overall V–22 program.

The conferees have agreed to support the extra dedicated test aircraft because of SOCOM's view that this aircraft is the Command's number one unfunded priority. The conferees are willing to defer to the SOCOM in this case, with the understanding that the SOCOM will budget for the additional funds, beyond those now included in the program plan for remanufacture of an MV–22 to the CV–22 configuration, for: (1) the rest of the costs of the new aircraft; and (2) any CV–22-unique risk mitigation effort that SOCOM views as important. The conferees expect that these funds would be transferred from SOCOM to the Navy acquisition executive during the years of execution.

Precision targeting and location system

The budget request included $78.7 million in PE 64270N for electronic warfare engineering and manufacturing development.

The House bill would authorize an additional $3.5 million for development and demonstration in a flyable prototype of currently available technology capable of rapid, precision location of sources of global positioning system collateral interference and intentional jamming in order to assess the technical feasibility and utility of such a targeting system on operational aircraft and unmanned aerial vehicles.

The Senate amendment did not include a specific authorization for such a precision targeting and location system development and demonstration program.

The Senate recedes.

Smart Ship initiative

The budget request included no funding for the Navy's Smart Ship initiative. This initiative, developed too late for inclusion in the budget request, will be managed at fleet level and is designed to demonstrate that crew workload for a surface combatant ship can be reduced via technology and changes to existing policies and procedures. The lessons derived from it are expected to have a direct, cost saving impact on the designs for future ships, such as the arsenal ship and the Navy's next generation of surface combatant, the SC–21. It may also produce modification proposals that could

be cost effectively incorporated into existing fleet units to lower operating and support costs.

The Senate amendment would authorize an increase of $31.3 million above the budget request to accelerate the Smart Ship initiative. Of this amount, $21.9 million would be for PE 64307N. The balance of $9.4 million would be added to the Navy's operating account.

The House bill would authorize the requested amount.

The conferees agree to authorize $23.4 million above the budget request to accelerate the Smart Ship initiative. Of this amount, $14.0 million would be for PE 64307N. The balance of $9.4 million would be added to the Navy's operating account.

Arsenal ship

The budget request included $25.0 million in PE 64310N for Department of the Navy engineering and manufacturing development to initiate a "new start" development for the arsenal ship. The budget request for the Defense Advanced Research Projects Agency (DARPA) also included $16.4 million in PE 63226E for development of technologies for application to future surface warfare and fast sealift ships, including the arsenal ship.

The House bill would authorize the budget request, but would provide funding for the Navy for the arsenal ship program in PE 63563N, Ship Concept Advanced Design, an advanced development program element, rather than in PE 64310N. The House report (H. Rept. 104–563) would direct the Secretary of the Navy to submit the initial results of a review of DOD Directive 5000.1 and DOD Regulation 5000.2 with respect to core acquisition management issues relative to the arsenal ship with the fiscal year 1998 budget request.

The Senate amendment would authorize an increase of $147.0 million in PE 64310N to accelerate development of the arsenal ship weapons system and to accelerate the process of finding answers to questions that would allow the Navy to develop the arsenal ship as a system, not just a ship. The Senate report (S. Rept. 104–267) noted that the Senate expects the Navy to be prepared to address this matter and its various developmental and resource implications before the submission of the fiscal year 1998 budget request.

The conferees agree to authorize $25.0 million for the arsenal ship program in a new advanced development program element, PE 63310N, and $16.4 million in 63226E as included in the budget request.

The conferees commend the Navy's leadership and the Navy development community and participating Defense agencies for the innovative way in which the concept for the arsenal ship has been developed. The conferees agree that the program is in an early conceptual stage and that a number of questions regarding the program, as expressed in the House and Senate reports, need to be answered as the program proceeds. The conferees also agree that the projected cost of the program indicates that the arsenal ship will be a major defense acquisition program.

The conferees support the concept of the Department of Defense advanced concept technology demonstration and the desirability of early user involvement in the development and evalua-

tion of emerging technologies. The conferees also support the need to break out of bureaucratic practices, and make maximum use of best commercial practices, streamlined acquisition procedures, and modern design and analytical tools to develop new defense acquisition paradigms. The conferees see no conflict between these goals and the requirement for the Department of Defense to answer necessary questions at the beginning and at subsequent milestones in any development and acquisition program. The challenge for the Department, as expressed in the House report, is to create better analytical tools that will provide answers to the continuing questions in any development program, such as: (1) what is the operational requirement?; and (2) what is the most cost and operationally effective way of meeting that operational requirement?

Standard missile "Terrier" target

The budget request included $1.6 million in PE 64366N for development of improvements to the Standard missile.

The House bill would authorize an additional $8.0 million for a proof of concept demonstration and evaluation of the potential effectiveness of the Terrier missile as a supersonic sea-skimming target (SSST).

The Senate amendment would authorize this initiative in PE 63795N.

The Senate recedes.

The conferees note that the Navy's inventory of SSSTs is insufficient to meet both test and evaluation and fleet training needs and believe that the Navy must seriously address the development and procurement of a follow-on SSST to ensure that production units are available when needed.

Airborne mine detection systems

The budget request included $14.5 million in PE 64373N for airborne mine countermeasures systems.

The Senate amendment would authorize an increase of $10.0 million in PE 64373N to produce a competitive evaluation of two airborne laser mine detection systems (ALMDS), ATD–111 and Magic Lantern. Both systems are based on light detection and ranging (LIDAR) technology. The funding increase would be used to prepare the two systems for the competition, to conduct the competitive assessment, and to prepare the required report as follows:

(1) $3.0 million would be available to prepare ATD–111 for the competition;

(2) $5.0 million would be available to prepare Magic Lantern for the competition; and

(3) $2.0 million would be available to organize and conduct the competition, analyze data, and prepare the required report.

The Senate amendment would also require the Secretary of the Navy, upon completion of the competitive assessment, to develop a plan to procure a sufficient number of the winning systems to provide the active Navy forces with a satisfactory contingency ALMDS capability. To begin this procurement, the Senate amendment would authorize an increase of $25.0 million above the budget request.

The House bill would authorize an increase of $25.0 million above the budget request for the procurement of three additional Magic Lantern systems.

The conferees agree to authorize an increase of $10.0 million in PE 64373N to conduct the competitive assessment described in the report accompanying the Senate amendment (S. Rept. 104–267).

The Senate report noted that, in testimony on its mine warfare programs this year, the Navy, emphasized its long term objective of providing an organic mine countermeasures (MCM) capability to the active fleet that will permit fleet units to respond immediately to mine threats while waiting for specialized MCM units to arrive on the scene. However, progress in fielding an organic capability for the Navy's aircraft carrier battle groups (CVBGs) and amphibious ready groups (ARGs) to conduct minehunting by use of an ALMDS has been marginal.

The conferees are aware that there are two LIDAR systems in development, Magic Lantern and ATD–111, that could be candidates for a solution to the ALMDS requirement. They have been in development for a number of years at very modest levels of funding. However, it would appear that, while their technology is sufficiently mature to proceed to the engineering and manufacturing development stage, sufficient resources are not available to transition both systems.

Accordingly, the conferees direct the Navy to conduct a competitive evaluation field test, during fiscal year 1997, of the two candidate technologies represented by Magic Lantern and ATD–111, for the purpose of identifying a single system that can be procured and integrated into active Navy fleet aircraft to provide them with an organic MCM capability. This assessment should include a quantitative determination of each system's performance with respect to detection and classification of moored and floating mines, area coverage, false alarm rates, potential for multi-mission capability, system availabity, and capability for integration and carriage abroad the SH–60 series active fleet helicopters. The conferees further direct that this competitive evaluation be conducted as soon as practicable, but no later than July 1, 1997. The Secretary of the Navy shall report result to the congressional defense committees no later than August 1, 1997.

Upon completion of this assessment, the Navy shall develop a plan that will lead to procurement of a sufficient number of the winning systems to provide active Navy forces with a satisfactory contingency ALMDS capability. The conferees direct the Secretary of the Navy to submit this plan to the congressional defense committees in conjunction with the fiscal year 1999 budget request to continue execution of the plan.

Multi-purpose processor

The budget request included $61.4 million in PE 64503N, including $33.6 million for development of submarine sonar improvements. Included in this program element is a program for the development and introduction of multipurpose processor (MPP) technology into the U.S. submarine fleet.

The MPP was developed under the Small Business Innovative Research Program. Using commercial off-the-shelf (COTS) hardware and an open software architecture, the MMP has capitalized on the exponential improvement in commercial hardware and software to facilitate rapid improvements in submarine acoustic data processing. Fundamental to the MPP is the concept of protecting the Navy's investment in processor software through software transportability, i.e., the ability to transport new, advanced software to existing hardware utilizing an open operating system. The MPP has been incorporated into the design of the command, control, communications, and intelligence system of the New Attack Submarine Program. The Navy's Submarine Combat Systems Program has also selected the MPP as a cornerstone for sonar upgrades for the existing SSN–688, 688I, and SSBN–726 class submarines.

The House bill would authorize an increase of $11.0 million in PE 64503N for advanced development and rapid introduction of MPP technology into the U.S. submarine fleet.

The Senate amendment would authorize an increase of $15.2 million in PE 64558N to mature MPP transportable software technology for use in research and development programs, and to improve the performance of Navy towed and hull mounted arrays.

The conferees agree to an increase of $15.2 million in PE 64503N to support advanced development of MPP transportable software technology and rapid introduction of MPP technology into the U.S. submarine fleet.

Seawolf shock test

The budget request included $91.9 million in PE 64561N for Seawolf class research and development

The Senate amendment would authorize an increase of $26.0 million in PE 64561N to provide for shock testing of Seawolf components not covered by the budget request.

The House bill would authorize the requested amount

The Senate recedes.

Tactical fiber optic communications

The budget request included $4.6 million in PE 32019K for the joint/defense information systems engineering and integration program.

The House bill would authorize an increase to the budget request of $3.0 million to investigate military applications of the planned world wide commercial fiber optic grid and support a Defense Information Systems Agency proof of concept demonstration of the ability to establish Department of Defense "splices" into the grid before it is fully deployed.

The Senate amendment would authorize the budget request.

The House recedes.

Doppler sonar velocity log

The budget request included $22.9 million in PE 64562N for engineering and manufacturing systems development of submarine tactical warfare systems.

The House bill would authorize an increase of $1.0 million to the budget request in PE 64562N for the evaluation of a commercially available, non-developmental Doppler sonar velocity log as a potential replacement for standard Navy electromagnetic logs.

The Senate amendment would authorize the requested amount.

The House recedes.

Explosive ordnance disposal

The budget request included $7.3 million in PE 64654N for the joint service explosives ordnance disposal (EOD) development program.

The House bill would authorize an increase of $1.1 million in PE 64654N to accelerate development of EOD procedures for countering high threat unexploded ordnance found in the field.

The Senate amendment would authorize the budget request.

The House recedes.

Battle group passive horizon extension system—surface terminal

The budget request included $1.9 million PE 64721N for continued research and development of the battle group passive horizon extension system—surface terminal (BGPHES–ST) capabilities.

The House bill would authorize an increase of $1.0 million in PE 64721N for procurement by the Navy of existing Air Force processing capabilities and algorithms for exploitation of the class of threats known as "PROFORMA" and integration of EPR–157 and EPR–208 capabilities in existing BGPHES–ST hardware.

The Senate amendment would authorize the budget request.

The Senate recedes.

Quick reaction combat capability

The budget request included $29.5 million for continued development of the quick reaction combat capability (QRCC) for ship self-defense.

The Senate amendment would authorize an increase of $17.0 million above the budget request in PE 64755N to:

(1) accelerate engineering of the LHD amphibious assault ship self-defense system;

(2) integrate the advanced combat direction system (ACDS) with the cooperative engagement capability (CEC); and

(3) improve tracking equipment at the Navy's Wallops Island engineering test site and aboard its self-defense test ship.

The House bill would authorize the requested amount.

The Senate recedes.

SPS–48E radar pulse Doppler upgrade

The conferees are aware of a recently completed Navy study "Land Clutter Effects of Shipboard Radars", dated April 11, 1996. The study demonstrates that radar signal return clutter over land can seriously degrade the ability of shipboard air surveillance radars to detect low altitude targets. Even close-in aircraft or cruise missiles may not be detected, and sensitive, highly automated systems can become overloaded with large numbers of clutter detections and false tracks. As a case in point, the AN/SPS–48E radar,

the principal aerial surveillance and height-finding radar for aircraft carriers and large deck amphibious ships, demonstrates degraded near-shore and limited low altitude over-land detection performance against small signature targets, such as cruise missiles.

The conferees authorize an increase of $12.0 million in PE 64755N to develop and demonstrate a pulse Doppler upgrade to the AN/SPS–48E radar. Incorporating a pulse Doppler capability into this radar would provide improved near-shore and low altitude over-land clutter rejection and improved radar performance.

Infrared search and track

The budget request included $3.9 million in PE 64755N for the continued development of the infrared search and track (IRST) weapons system.

To eliminate a substantial portion of the delays in the IRST program that the budget request would produce, the Senate amendment would authorize an increase of $8.0 million above the budget request in PE 64755N.

House bill would authorize the requested amount.

The Senate recedes.

Evolved Sea Sparrow missile

The budget request included $39.5 million in PE 64755N for continued development of the evolved Sea Sparrow missile (ESSM).

The Senate amendment would authorize an increase of $8.0 million above the budget request in PE 64755N to:

(1) modify the safe and arming device of the RIM–7P to ensure safe separation from the firing ship;

(2) additional simulation capability that will better reflect the improved missile design and the environmental conditions that the missile will encounter within its flight envelop; and

(3) an S-band link to support the missile's employment by AEGIS ships.

The House bill would authorize the requested amount.

The Senate recedes.

Fixed distributed system–1

The budget request included no funding for improving the capabilities of the Navy's fixed distributed system-1 (FDS–1), a modern surveillance system that can detect even the most modern threat submarines. The committee has learned that additional enhancements in this system could improve significantly its surveillance coverage.

The House bill would authorize an increase of $35.0 million to the budget request in PE 64784N for a fixed distributed system commercial-off-the-shelf/non-development initiative fiber optics upgrade.

The Senate amendment would authorize an increase of $52.0 million above the budget request in PE 64784N to complete enhancements to FDS–1.

The Senate recedes.

Safety and survivability

The House bill would authorize an increase of $2.0 million in PE 65864N to support ongoing non-developmental item (NDI) operational assessments of commercial safety and survivability technology and systems for potential use in Navy operational units. In addition, the House bill would authorize an increase of $4.0 million in PE 63226E for the Defense Advanced Research Projects Agency (DARPA) to examine high leverage technologies for firefighting and personnel protection.

The Senate amendment did not contain similar provisions.

The conferees agree to authorize only the increase of $2.0 million in PE 65864N, because no appropriation was provided for the DARPA portion of the recommended program.

SSBN security and survivability program

The budget request included $21.3 million in PE 11224N for the SSBN security and survivability program.

The House bill would authorize an additional $2.0 million for further development and evaluation of wake trail sensors and an additional $6.0 million to sustain the funding level required to maintain a credible SSBN security and survivability program.

The Senate amendment would authorize an increase of $5.5 million to explore several promising technologies, such as forward scatter barrier, low frequency active sonar, radar detection, and light detection and ranging (LIDAR) buoy detection.

The House recedes.

The conferees agree with the views expressed in the House report (H. Rept. 104–563) concerning the need to maintain a credible and robust SSBN security program in view of the critical role of strategic deterrence in U.S. national military strategy that is provided by the U.S. SSBN force.

Joint target support system testbed

The budget request includes $136.4 million in PE 24229N, including $130.5 million for operational systems development of the Tomahawk Baseline Improvement Program (TBIP) and $5.9 million for the Tomahawk theater mission planning center.

The House bill would authorize an additional $8.0 million in PE 24229N to continue development and demonstration of the joint targeting support system testbed (JTSST).

The Senate amendment would authorize an increase to the budget request of $29.0 million in PE 24229N for continued development of the Tomahawk Block IV missile.

The Senate recedes.

In the statement of managers accompanying the conference report on S. 1124 (H. Rept. 104–450), the conferees agreed to initiate development of a JTSST for demonstration of potential joint targeting operations with the expectation that the results of the initial JTSST study and follow-on demonstrations would contribute to the definition of long-term objectives, guidelines, and schedule milestones for convergence of the Navy/Marine Corps tactical aircraft mission planning systems and the Air Force mission support system, and lead to the development of a joint mission planning system architecture for the military services.

The conferees voice their displeasure that the Secretary of Defense has failed to comply with the previous guidance provided by the Congress with regard to the JTSST demonstration. The Secretary is directed to report to the congressional defense committees, no later than December 31, 1996, the Department's plans for:

(1) development of a joint mission planning system architecture for the military services;

(2) the convergence of Navy/Marine Corps and Air Force tactical mission planning and mission support systems; and

(3) the role a JTSST demonstration will play in furthering these plans.

Integrated surveillance system improvements

The budget request included $14.0 million in PE 24311N for research and development support of the Integrated Undersea Surveillance System (IUSS) including $3.3 million for research and development support of the Surveillance Towed Array Sensor System (SURTASS) and $10.7 million for the IUSS detection/classification system.

The House bill would authorize an increase of $22.1 million in PE 24311N to the budget request in PE 24311N to:

(1) continue development and integration of SURTASS twin line arrays, reduce the size of transmit arrays, continue fiber optic array development, expand frequency processing capabilities, and conduct at-sea testing of resulting developments;

(2) sustain the low frequency array program and development of more reliable low frequency active transmitters; and

(3) adapt SURTASS software algorithms for submarine sonar systems.

The Senate amendment would authorize an increase of $8.0 million in PE 63504N for adaptation of SURTASS software algorithms for use in submarine sonar systems.

The Senate recedes.

Consolidated training systems development

The budget request included $34.9 million in PE 24571N for consolidated training systems development, including $3.4 million for continued development of the Navy's surface tactical team trainer (STTT), $17.9 million for the joint tactical combat training system (JTCTS), and $6.0 million for training and training devices systems (TTDS).

The House bill would authorize an increase of $3.0 million in PE 24571N to continue integration and evaluation of the cryptologic systems trainer in the battle force tactical training (BFTT) system component of the STTT.

The Senate amendment would authorize an increase of $5.0 million in PE 64735F and $9.0 million in PE 24571N for the JTCTS to correct an imbalance between the program's planned development timeline and the schedule allowed by the funding included in the budget request.

The Senate recedes.

Advanced anti-radiation guided missile

The budget request included no funds to continue development of the advanced anti-radiation guided missile (AARGM) technology.

The House bill would authorized an additional $50.0 million for AARGM in PE 25601N. The House report (H. Rept. 104–563) would direct the Secretary of the Navy to proceed with the development program and use the additional funds to continue seeker development, analyses, demonstrations, and test support. The House report would direct that the use of these funds be limited to design reviews and support for test and evaluation. The report further would encourage the Secretaries of the Navy and the Air Force to fund the fiscal year 1998 requirements for the program.

The Senate amendment would approve the budget request.

The Senate recedes.

High speed anti-radiation missile

The House bill would authorize an additional $5.0 million in PE 25601N and an additional $3.5 million in PE 27162F for the High Speed Anti-Radiation Missile (HARM).

The Senate amendment would authorize the requested amount.

The conferees agree to authorize an additional $2.5 million in PE 25601N to accomplish risk reduction efforts for the block IV program and block V software for HARM.

Tactical data links

The budget request included $37.3 million in PE 25604N for development of improvements in tactical data links in operational Navy systems.

The House bill would authorize an increase to the budget request of $11.6 million for further development of Link 16 and related tactical data link programs for surface ship applications; $13.6 million in Other Procurement, Navy; and $2.2 million in Operations and Maintenance, Navy (OMN 0205604N 4B7N) to accelerate the installation of Link 16 tactical data links in AEGIS surface combatants.

The Senate amendment would authorize the requested amount.

The House recedes.

Towed array receive system

The budget request included $4.9 million in PE 25620N for surface anti-submarine warfare combat systems integration.

The House bill would authorize an increase to the budget request of $4.0 million in PE 25620N for integration of the Navy's towed array receive system (TARS) upgrade in the AN/SQQ–89 surface ship sonar suite in order to address shortcomings in the Navy's capability for detecting slow-moving diesel-electric submarines in shallow water.

The Senate amendment would authorize the budget request.

The Senate recedes.

Commander in Chiefs' technology initiative

The budget request included $5.0 million in the Navy Science Assistance program (PE 25658N).

The Senate amendment would authorize and increase of $10.0 million in PE 25658N to support efforts by the services and defense agencies to transition rapidly selected technologies from the defense research and development establishment to the services for use in military operations through the Commander in Chiefs' technology initiative established by Congress last year.

The House bill would authorize the budget request.

The House recedes. The conferees expect that funding in future years for this initiative will be included in the Navy budget request.

Tactical electronic reconnaissance processing and evaluation system

The budget request included $2.5 million in PE 26313M for upgrade to, and communications integration testing within, the tactical electronic reconnaissance processing and evaluation system (TERPES).

The House bill would authorize an additional $855,000 to provide communication software upgrades to improve TERPES interoperability with the global command and control system (GCCS) and the tactical air mission planning system (TAMPS).

The Senate amendment would authorize the budget request.

The Senate recedes.

Medium tactical vehicle remanufacturing

The budget request included $5.2 million in PE 26624M for Marine Corps combat services support.

The House bill would authorize the requested amount.

The Senate amendment would authorize an additional $3.0 million in PE 26624M to retain a third contractor during the engineering and manufacturing development phase of the medium tactical vehicle remanufacturing program.

The Senate recedes.

GEOSAT Follow-On

The Senate amendment contained $20.0 million to begin development of a second GEOSAT Follow-On (GFO–2) altimetry satellite.

The House bill did not include funding for GFO–2.

Given the cost growth that has taken place in the GFO–1 program, the conferees agree to authorize $15.0 million in PE 35160N to commence work on GFO–2, subject to the following restrictions: (1) Of the $15.0 million authorized for GFO–2, the conferees agree to authorize the use of up to $10.0 million to compensate for cost growth in the GFO–1 program and to ready the satellite for launch; and (2) the conferees direct the Secretary of the Navy not to obligate or expend any of the funds on a GFO–2 program until the Secretary certifies to Congress that technical and cost issues associated with GFO–1 have been satisfactorily resolved and the Secretary recommends proceeding with GFO–2.

Manufacturing technology (MANTECH)

The budget request included $16.8 million for the Army MANTECH program (PE 78045A), $35.5 million for the Navy MANTECH program (PE 78011N) and $49.9 million for the Air Force MANTECH program (PE 78011F).

The Senate amendment would fund the Army program at the requested amount and authorize a general increase in the services' manufacturing technology programs with an increase of $30.0 million in PE 78011N and an increase of $20.0 in PE 78011F, as part of a broader thrust to address current and future affordability concerns.

The House bill would authorize an increase of $11.0 million in the Army MANTECH program and authorize the requested amount for the Navy and Air Force MANTECH programs.

The conferees agree to authorize the following amounts for the MANTECH program:

PE 78045A—$27.9 million.
PE 78011N—$65.5 million.
PE 78011F—$69.9 million.

The conferees are aware of issues involved with the delay of funding for MANTECH programs and direct the Department of Defense to take the necessary actions to ensure expeditious and timely obligation of fiscal year 1996 and 1997 funding for these programs. The committee encourages the continuation of programs currently funded in the MANTECH account designed to demonstrate the effectiveness of comprehensive career analysis and retraining models for military and civilian personnel who have been or will be terminated as a consequence of base closure decisions.

A provision (sec. 276) in the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106) amended section 2525 of title 10, United States Code to require the Secretary of Defense to seek the participation of manufacturers of manufacturing equipment for the projects under the programs. The conferees agree that this language is not hortatory but intend it to provide specified direction and focus to the program. The focus of the MANTECH program is the development of manufacturing process technology, and the manufacturing equipment segment of the industry should be actively involved in the projects under these programs.

Acquisition center of excellence

The Senate amendment would authorize $8.0 million in a new budget line for the establishment of an acquisition center of excellence in the Navy.

The House bill did not contain a similar provision.

The House recedes. The conferees expect that the Navy will provide follow-on funding for this effort in fiscal year 1998 and beyond as part of the budget requested for each fiscal year. The conferees direct the Secretary of the Navy to submit to the congressional defense committees, no later than June 15, 1997, a report on progress made toward establishing the center as well as toward the development of performance measures for judging the effectiveness of the center in acting as an agent of reform for the acquisition process in the Navy and elsewhere in the Department of Defense.

Overview

The budget request for fiscal year 1997 contained an authorization of $14,417.5 million for Air Force, Research and Development in the Department of Defense. The House bill would authorize $13,271.1 million. The Senate amendment would authorize $14,786.4 million. The conferees recommended an authorization of $14,756.4 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Title II - Research, Development, Test and Evaluation

PE	Line No.	Title (Dollars in Thousands)	FY 1997 Request	House Authorized	Senate Authorized	Conference Change	Agreement
ACCOUNT	0	RESEARCH DEVELOPMENT TEST & EVAL AF					
0601102F	1	DEFENSE RESEARCH SCIENCES	234,476	234,476	226,476	(8,000)	226,476
0602102F	2	MATERIALS	72,360	72,360	72,360		72,360
0602201F	3	AEROSPACE FLIGHT DYNAMICS	65,080	65,080	65,080		65,080
0602202F	4	ARMSTRONG LAB EXPLORATORY DEVELOPMENT	87,103	87,103	87,103		87,103
0602203F	5	AEROSPACE PROPULSION	74,906	77,906	77,906		74,906
0602204F	6	AEROSPACE AVIONICS	71,261	71,261	71,261	(3,200)	68,061
0602205F	7	PERSONNEL, TRAINING AND SIMULATION	.	.	.		.
0602206F	8	CIVIL ENGINEERING AND ENVIRONMENTAL QUALITY	.	.	.		.
0602269F	9	HYPERSONIC TECHNOLOGY PROGRAM	7,471	7,471	7,471		7,471
0602601F	10	PHILLIPS LAB EXPLORATORY DEVELOPMENT	121,107	128,107	128,607	14,500	135,607
0602602F	11	CONVENTIONAL MUNITIONS	42,573	42,573	42,573		42,573
0602702F	12	COMMAND CONTROL AND COMMUNICATIONS	96,616	96,616	96,616		96,616
0603106F	13	LOGISTICS SYSTEMS TECHNOLOGY	18,254	18,254	18,254		18,254
0603108F	14	INTEGRATED DATA SYSTEMS	18,232	18,232	18,232		18,232
0603112F	15	ADVANCED MATERIALS FOR WEAPON SYSTEMS	23,803	26,303	23,803	2,500	26,303
0603202F	16	AEROSPACE PROPULSION SUBSYSTEMS INTEGRATION	28,318	28,318	28,318		28,318
0603203F	17	ADVANCED AVIONICS FOR AEROSPACE VEHICLES	28,691	28,691	28,691		28,691
0603205F	18	FLIGHT VEHICLE TECHNOLOGY	8,433	8,433	8,433		8,433
0603211F	19	AEROSPACE STRUCTURES	10,423	10,423	10,423		10,423
0603216F	20	AEROSPACE PROPULSION AND POWER TECHNOLOGY	38,264	38,264	38,264		38,264
0603227F	21	PERSONNEL, TRAINING AND SIMULATION TECHNOLOGY	7,761	7,761	7,761		7,761
0603231F	22	CREW SYSTEMS AND PERSONNEL PROTECTION TECHNOLOGY	17,969	22,969	22,969	5,000	22,969
0603238F	23	GLOBAL SURVEILLANCE AND COMMUNICATION TECHNOLOGY	2,293	2,293	2,293		2,293
0603245F	24	FLIGHT VEHICLE TECHNOLOGY INTEGRATION	6,423	6,423	6,423		6,423
0603250F	25	LINCOLN LABORATORY	.	.	.		.
0603253F	26	ADVANCED AVIONICS INTEGRATION	15,488	15,488	15,488		15,488
0603270F	27	ELECTRONIC COMBAT TECHNOLOGY	25,202	25,202	25,202		25,202
0603302F	28	SPACE AND MISSILE ROCKET PROPULSION	15,740	22,740	15,740	7,000	22,740
0603311F	29	BALLISTIC MISSILE TECHNOLOGY	2,828	2,828	2,828		2,828
0603401F	30	ADVANCED SPACECRAFT TECHNOLOGY	39,637	89,637	114,637	75,000	114,637
0603410F	31	SPACE SYSTEMS ENVIRONMENTAL INTERACTIONS TECHNOLOGY	2,914	2,914	2,914		2,914
0603428F	32	SPACE SUBSYSTEMS TECHNOLOGY	.	.	.		.
0603601F	33	CONVENTIONAL WEAPONS TECHNOLOGY	24,885	24,885	24,885		24,885
0603605F	34	ADVANCED WEAPONS TECHNOLOGY	41,895	41,895	41,895		41,895
0603707F	35	WEATHER SYSTEMS TECHNOLOGY	3,406	3,406	3,406		3,406
0603723F	36	ENVIRONMENTAL ENGINEERING TECHNOLOGY	7,885	7,885	7,885		7,885
0603726F	37	C3I SUBSYSTEM INTEGRATION	8,777	8,777	8,777		8,777
0603728F	38	ADVANCED COMPUTING TECHNOLOGY	8,509	8,509	8,509		8,509
0603771F	39	INDUSTRIAL PREPAREDNESS MANUFACTURING TECHNOLOGY	.	.	.		.

Title II - Research, Development, Test and Evaluation

(Dollars in Thousands)

PE	Line No.	Title	FY 1997 Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
0603789F	40	C3 ADVANCED DEVELOPMENT	10,895	10,895	10,895		10,895
0305176F	41	COMBAT SURVIVOR EVADER LOCATOR	9,596	9,596	9,596		9,596
0603260F	42	INTELLIGENCE ADVANCED DEVELOPMENT	4,878	4,878	4,878		4,878
0603307F	43	AIR BASE OPERABILITY ADVANCED DEVELOPMENT	-	-	-		-
0603319F	44	AIRBORNE LASER TECHNOLOGY	56,828	56,828	56,828		56,828
0603402F	45	SPACE TEST PROGRAM (SPACE)	-		-		-
0603430F	46	ADVANCED MILSATCOM (SPACE)	31,643	31,643	31,643		31,643
0603432F	47	POLAR ADJUNCT (SPACE)	62,387	62,387	62,387		62,387
0603434F	48	NATIONAL POLAR ORBITING OPERATIONAL ENVIRONMENTAL SATELLITE SYS (SPACE)	34,024	19,024	29,024	(5,000)	29,024
0603438F	49	SATELLITE SYSTEMS SURVIVABILITY	-	-	-		-
0603441F	50	SPACE BASED INFRARED ARCHITECTURE (SPACE) - DEM/VAL	120,151	254,151	254,151	134,000	254,151
0603617F	51	COMMAND, CONTROL, AND COMMUNICATION APPLICATIONS	4,378	4,378	4,378		4,378
0603742F	52	COMBAT IDENTIFICATION TECHNOLOGY	4,225	4,225	4,225		4,225
0603790F	53	NATO RESEARCH AND DEVELOPMENT (N)	10,233	-	10,233		10,233
0603800F	54	JOINT ADVANCED STRIKE TECHNOLOGY - DEM/VAL	263,836	263,836	263,836		263,836
0603851F	55	INTERCONTINENTAL BALLISTIC MISSILE - DEM/VAL	30,644	30,644	49,744		30,644
0603852F	56	C-130J - DEM/VAL	-	-	-		-
0603853F	57	EVOLVED EXPENDABLE LAUNCH VEHICLE PROGRAM (SPACE)- DEM/VAL	44,457	44,457	44,457		44,457
0603854F	58	GLOBAL BROADCAST SERVICE	45,000	45,000	45,000		45,000
0603855F	59	SPACE ARCHITECT OFFICE	15,000	-	15,000	(15,000)	-
0604701F	60	AIRCRAFT AVIONICS EQUIPMENT DEVELOPMENT	18,620	20,620	18,620		18,620
0604218F	61	ENGINE MODEL DERIVATIVE PROGRAM (EMDP)	705	705	705		705
0604222F	62	NUCLEAR WEAPONS SUPPORT	4,788	4,788	4,788	1,000	5,788
0604226F	63	B-1B	220,932	229,232	268,932	8,300	229,232
0604227F	64	TRAINING SYSTEMS DEVELOPMENT	4,439	4,439	4,439		4,439
0604231F	65	C-17 PROGRAM	-	-	-		-
0604233F	66	SPECIALIZED UNDERGRADUATE PILOT TRAINING	84,291	82,291	84,291	(2,000)	82,291
0604237F	67	VARIABLE STABILITY IN-FLIGHT SIMULATOR TEST AIRCRAFT	-	1,400	1,400	1,400	1,400
0604239F	68	F-22 EMD	2,002,959	2,002,959	2,002,959		2,002,959
0604240F	69	B-2 ADVANCED TECHNOLOGY BOMBER	528,454	818,454	528,454	212,000	740,454
0604243F	70	MANPOWER, PERSONNEL AND TRAINING DEVELOPMENT	4,940	4,940	4,940		4,940
0604249F	71	NIGHT/PRECISION ATTACK	-	-	-		-
0604268F	72	AIRCRAFT ENGINE COMPONENT IMPROVEMENT PROGRAM	-	-	-		-
0604270F	73	EW DEVELOPMENT	104,423	104,423	104,423	(5,000)	99,423
0604321F	74	COMBAT INTELLIGENCE SYSTEM -EMD	1,943	1,943	1,943		1,943
0604441F	75	SPACE BASED INFRARED ARCHITECTURE (SPACE) - EMD	173,290	180,290	192,390		173,290
0604479F	76	MILSTAR LDR/MDR SATELLITE COMMUNICATIONS (SPACE)	700,278	720,278	720,278	20,000	720,278
0604480F	77	GLOBAL POSITIONING SYSTEM BLOCK IIF (SPACE)	37,142	37,142	44,242		37,142
0604600F	78	MUNITIONS DISPENSER DEVELOPMENT	56,229	56,229	56,229		56,229
0604601F	79	CHEMICAL/BIOLOGICAL DEFENSE EQUIPMENT	-	-	-		-

Title II - Research, Development, Test and Evaluation

(Dollars in Thousands)

PE	Line No.	Title	FY 1997 Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
0604602F	80	ARMAMENT/ORDNANCE DEVELOPMENT	3,642	32,142	3,642		3,642
0604604F	81	SUBMUNITIONS	4,873	4,873	9,873		4,873
0604609F	82	R&M MATURATION/TECHNOLOGY INSERTION	.	.	.		.
0604617F	83	AIR BASE OPERABILITY	2,926	2,926	2,926		2,926
0604618F	84	JOINT DIRECT ATTACK MUNITION	38,636	38,636	38,636		38,636
0604703F	85	AEROMEDICAL/CHEMICAL DEFENSE SYSTEMS	5,977	5,977	5,977		5,977
0604704F	86	COMMON SUPPORT EQUIPMENT DEVELOPMENT	.	.	.	.	.
0604706F	87	LIFE SUPPORT SYSTEMS	4,363	7,863	4,363	1,500	5,863
0604708F	88	CIVIL, FIRE, ENVIRONMENTAL, SHELTER ENGINEERING	2,736	2,736	2,736		2,736
0604711F	89	SYSTEMS SURVIVABILITY (NUCLEAR EFFECTS)	36	.	36		36
0604727F	90	JOINT STANDOFF WEAPONS SYSTEMS	23,563	23,563	23,563		23,563
0604733F	91	SURFACE DEFENSE SUPPRESSION	.	.	.		.
0604735F	92	COMBAT TRAINING RANGES	23,018	23,018	28,018		23,018
0604740F	93	COMPUTER RESOURCE TECHNOLOGY TRANSITION (CRTT)	1,956	1,956	1,956		1,956
0604750F	94	INTELLIGENCE EQUIPMENT	1,211	1,211	1,211		1,211
0604754F	95	JOINT TACTICAL INFORMATION DISTRIBUTION SYSTEM (JTIDS)	11,075	66,775	11,075	19,800	30,875
0604770F	96	JOINT SURVEILLANCE/TARGET ATTACK RADAR SYSTEM (JSTARS)	207,284	212,284	227,284	(3,500)	203,784
0604779F	97	JOINT INTEROPERABILITY OF TACTICAL COMMAND & CONTROL SYSTEMS (JINTACCS)	5,976	5,976	5,976		5,976
0604851F	98	INTERCONTINENTAL BALLISTIC MISSILE - EMD	198,595	212,295	212,895	13,700	212,295
0207325F	99	JOINT AIR TO-SURFACE STANDOFF MISSILE (JASSM)	198,632	198,632	198,632		198,632
0303606F	100	UHF SATELLITE COMMUNICATIONS	.	.	.		.
0603402F	101	SPACE TEST PROGRAM (SPACE)	44,752	44,752	44,752		44,752
0604256F	102	THREAT SIMULATOR DEVELOPMENT	43,635	43,635	43,635		43,635
0604258F	103	TARGET SYSTEMS DEVELOPMENT	4,966	4,966	4,966		4,966
0604759F	104	MAJOR T&E INVESTMENT	33,529	40,529	33,529		33,529
0605101F	105	RAND PROJECT AIR FORCE	23,292	23,292	23,292		23,292
0605306F	106	RANCH HAND II EPIDEMIOLOGY STUDY	9,212	9,212	9,212		9,212
0605502F	107	SMALL BUSINESS INNOVATIVE RESEARCH (H)	.	.	.		.
0605704F	108	THEATER AIR DEFENSE BMC4I	12,496	12,496	12,496		12,496
0605708F	109	NAVIGATION/RADAR/SLED TRACK TEST SUPPORT	.	.	.		.
0605712F	110	INITIAL OPERATIONAL TEST & EVALUATION	26,921	26,921	26,921		26,921
0605807F	111	TEST AND EVALUATION SUPPORT	425,195	425,195	425,195		425,195
0605808F	112	DEVELOPMENT PLANNING	6,531	6,531	6,531		6,531
0605853F	113	ENVIRONMENTAL CONSERVATION	10,870	10,870	10,870		10,870
0605854F	114	POLLUTION PREVENTION	20,628	20,628	20,628		20,628
0605856F	115	ENVIRONMENTAL COMPLIANCE	22,698	22,698	22,698		22,698
0605860F	116	ROCKET SYSTEMS LAUNCH PROGRAM (SPACE)	8,152	8,152	33,252	25,100	33,252
0605863F	117	RDT&E AIRCRAFT SUPPORT	.	.	.		.
0605876F	118	MINOR CONSTRUCTION (RPM) - RDT&E	.	.	.		.
0605878F	119	MAINTENANCE AND REPAIR (RPM) - RDT&E	.	.			

Title II - Research, Development, Test and Evaluation

(Dollars in Thousands)

PE	Line No.	Title	FY 1997 Request	House Authorized	Senate Authorized	Conference Change	Agreement
0605896F	120	BASE OPERATIONS - RDT&E	128,676	128,676	128,676		128,676
0909900F	121	FINANCING FOR EXPIRED ACCOUNT ADJUSTMENTS	.	.	.		.
0604268F	124	AIRCRAFT ENGINE COMPONENT IMPROVEMENT PROGRAM	.	.	.		.
0101113F	125	B-52 SQUADRONS	11,035	11,035	11,035		11,035
0101120F	126	ADVANCED CRUISE MISSILE	1,165	1,165	1,165		1,165
0102325F	127	JOINT SURVEILLANCE SYSTEM	13,239	13,239	13,239		13,239
0102411F	128	NORTH ATLANTIC DEFENSE SYSTEM	5,278	5,278	5,278		5,278
0102412F	129	NORTH WARNING SYSTEM (NWS)	.	.	.		.
0207129F	130	F-111 SQUADRONS	.	.	.		.
0207133F	131	F-16 SQUADRONS	142,202	142,202	155,902	(10,000)	132,202
0207134F	132	F-15E SQUADRONS	143,095	160,095	172,095	15,000	158,095
0207136F	133	MANNED DESTRUCTIVE SUPPRESSION	12,384	12,384	12,384		12,384
0207141F	134	F-117A SQUADRONS	12,050	12,050	12,050		12,050
0207160F	135	TRI-SERVICE STANDOFF ATTACK MISSILE	.	.	.		.
0207161F	136	TACTICAL AIM MISSILES	36,382	36,382	36,382	(4,490)	31,892
		HARM IMPROVEMENTS	.	3,500			.
0207163F	137	ADVANCED MEDIUM RANGE AIR TO-AIR MISSILE (AMRAAM)	25,883	30,883	35,883	5,000	30,883
0207217F	138	PODDED RECONNAISSANCE SYSTEM	6,714	6,714	6,714		6,714
0207247F	139	AF TENCAP	20,116	20,116	20,116		20,116
0207248F	140	SPECIAL EVALUATION PROGRAM	53,495	53,495	53,495		53,495
0207268F	141	AIRCRAFT ENGINE COMPONENT IMPROVEMENT PROGRAM	99,050	99,050	99,050	(2,200)	96,850
0207320F	142	SENSOR FUSED WEAPONS	.	19,100	19,100	19,100	19,100
0207412F	143	THEATER AIR CONTROL SYSTEMS	622	622	622		622
0207417F	144	AIRBORNE WARNING AND CONTROL SYSTEM (AWACS)	57,559	126,759	87,559	34,900	92,459
0207419F	145	TACTICAL AIRBORNE COMMAND AND CONTROL SYSTEMS	342	342	342		342
0207422F	146	DEPLOYABLE C3 SYSTEMS	.	.	.		.
0207423F	147	ADVANCED COMMUNICATIONS SYSTEMS	1,822	1,822	1,822		1,822
0207424F	148	EVALUATION AND ANALYSIS PROGRAM	85,521	83,521	85,521		85,521
0207431F	149	COMBAT AIR INTELLIGENCE SYSTEM ACTIVITIES	7,749	8,749	7,749		7,749
0207433F	150	ADVANCED PROGRAM TECHNOLOGY	72,501	72,501	72,501		72,501
0207438F	151	THEATER BATTLE MANAGEMENT (TBM) C4I	30,915	30,915	35,915	5,000	35,915
0207579F	152	ADVANCED SYSTEMS IMPROVEMENTS	.	.	.		.
0207590F	153	SEEK EAGLE	15,469	15,469	15,469		15,469
0207591F	154	ADVANCED PROGRAM EVALUATION	198,327	198,327	198,327		198,327
0207601F	155	USAF WARGAMING AND SIMULATION	19,361	19,361	19,361		19,361
0208006F	156	MISSION PLANNING SYSTEMS	18,500	18,500	18,500		18,500
0208060F	158	THEATER MISSILE DEFENSES	22,285	22,285	28,285		22,285
0208160F	159	TECHNICAL EVALUATION SYSTEM	114,603	114,603	114,603		114,603
0208161F	160	SPECIAL EVALUATION SYSTEM	41,776	41,776	41,776		41,776
0303110F	165	DEFENSE SATELLITE COMMUNICATIONS SYSTEM (SPACE)	24,527	24,527	24,527		24,527

Title II - Research, Development, Test and Evaluation

PE	Line No.	Title (Dollars in Thousands)	FY 1997 Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
0303131F	166	MINIMUM ESSENTIAL EMERGENCY COMMUNICATIONS NETWORK (MEECN)	21,902	21,902	21,902		21,902
0303140F	167	INFORMATION SYSTEMS SECURITY PROGRAM	6,900	6,900	6,900		6,900
0303144F	168	ELECTROMAGNETIC COMPATIBILITY ANALYSIS CENTER (ECAC)	7,667	7,667	7,667		7,667
0303152F	169	WORLD WIDE MILITARY COMMAND AND CONTROL SYSTEMS, INFORMATION SYSTEM	7,481	7,481	7,481		7,481
0303601F	170	MILSTAR SATELLITE COMMUNICATIONS SYSTEM (SPACE)	26,962	26,962	26,962		26,962
0303605F	171	SATELLITE COMMUNICATIONS TERMINALS	-	-	-		-
0304311F	173	SELECTED ACTIVITIES	3,000	-	3,000		3,000
		SPACE ARCHITECT OFFICE		11,000	-	13,000	13,000
0305110F	174	SATELLITE CONTROL NETWORK (SPACE)	89,960	89,960	89,960		89,960
0305111F	175	WEATHER SERVICE	6,126	6,126	6,126		6,126
0305114F	176	AIR TRAFFIC CONTROL, APPROACH, AND LANDING SYSTEM (ATCALS)	3,870	8,870	3,870	5,000	8,870
0305119F	177	MEDIUM LAUNCH VEHICLES (SPACE)	13,368	13,368	13,368		13,368
0305128F	178	SECURITY AND INVESTIGATIVE ACTIVITIES	289	289	289		289
0305137F	179	NATIONAL AIRSPACE SYSTEM (NAS) PLAN	12,614	12,614	12,614		12,614
0305138F	180	UPPER STAGE SPACE VEHICLES (SPACE)	3,154	3,154	3,154		3,154
0305144F	182	TITAN SPACE LAUNCH VEHICLES (SPACE)	105,472	105,472	105,472		105,472
0305145F	183	ARMS CONTROL IMPLEMENTATION	26,786	26,786	26,786		26,786
		NUCLEAR SEISMIC MONITORING			6,500		-
0305158F	184	CONSTANT SOURCE	2,914	2,914	2,914		2,914
0305160F	185	DEFENSE METEOROLOGICAL SATELLITE PROGRAM (SPACE)	17,964	17,964	17,964		17,964
0305164F	186	NAVSTAR GLOBAL POSITIONING SYSTEM (USER EQUIPMENT) (SPACE)	32,450	32,450	37,450	5,000	37,450
0305165F	187	NAVSTAR GLOBAL POSITIONING SYSTEM (SPACE AND CONTROL SEGMENTS)	42,243	42,243	42,243		42,243
0305182F	189	EASTERN SPACE LAUNCH FACILITY (ESLF) (SPACE)	35,704	35,704	35,704		35,704
0305887F	190	INTELLIGENCE SUPPORT TO INFORMATION WARFARE	-	-	-		-
0305906F	191	NCMC - TW/AA SYSTEM	31,692	31,692	31,692		31,692
0305910F	192	SPACETRACK (SPACE)	18,867	18,867	18,867		18,867
0305911F	193	DEFENSE SUPPORT PROGRAM (SPACE)	29,397	29,397	29,397		29,397
0305913F	194	NUDET DETECTION SYSTEM (SPACE)	13,623	27,223	13,623		13,623
0308610F	195	INFORMATION MANAGEMENT-AUTOMATION PROGRAM 3	15,193	15,193	15,193		15,193
0401119F	196	C-5 AIRLIFT SQUADRONS	1,153	1,153	1,153		1,153
0401130F	197	C-17 AIRCRAFT	87,486	87,486	87,486		87,486
0401214F	198	AIR CARGO MATERIAL HANDLING (463-L) (NON IF)	3,212	3,212	3,212		3,212
0401218F	199	KC-135S	757	757	757		757
0404102F	200	AEROSPACE RESCUE AND RECOVERY	3,322	3,322	3,322		3,322
0702207F	201	DEPOT MAINTENANCE (NON-IF)	1,444	1,444	1,444		1,444
0708011F	202	INDUSTRIAL PREPAREDNESS	49,969	49,969	69,969	20,000	69,969
0708012F	203	LOGISTICS SUPPORT ACTIVITIES	-	-	-		-
0708026F	204	PRODUCTIVITY, RELIABILITY, AVAILABILITY, MAINTAIN. PROG OFC (PRAMPO)	13,564	13,564	18,064	4,500	18,064
0708054F	205	POLLUTION PREVENTION	-	-	-		-
0708611F	206	SUPPORT SYSTEMS DEVELOPMENT	5,405	5,405	5,405		5,405

Title II - Research, Development, Test and Evaluation

PE	Line No.	Title (Dollars in Thousands)	FY 1997 Request	House Authorized	Senate Authorized	Conference Change	Agreement
0804734F	207	CRYPTOLOGIC/SIGINT-RELATED SKILL TRAINING	1,887	1,887	1,887		1,887
0901218F	208	CIVILIAN COMPENSATION PROGRAM	6,917	6,917	6,917		6,917
1001004F	209	INTERNATIONAL ACTIVITIES	3,633	3,633	3,633		3,633
1001018F	210	NATO JOINT STARS	.	.	.		.
XXXXXXX	999	Classified Programs	4,844,501	2,950,401	4,683,501	(270,000)	4,574,501
		TOTAL, RESEARCH DEVELOPMENT TEST & EVAL AIR FORCE	14,417,456	13,271,087	14,786,356	338,910	14,756,366

Carbon/carbon nosetips

The Senate amendment recommended that $1.5 million of the funds provided in PE 62102F be utilized for the development of carbon/carbon thermal protection material for reentry vehicles as well as for aircraft, spacecraft and missile applications.

The House bill had no similar provision.

The House recedes.

Thermally stable jet fuels

The budget request included $74.9 million for aerospace propulsion technology (PE 62203F).

The Senate amendment would authorize an increase of $3.0 million in PE 62203F for thermally stable jet fuels.

The House bill would authorize the budget request.

The conferees agree to an authorization of $74.9 million for PE 62203F of which $3.0 million is authorized for the continuation of the thermally stable jet fuel program.

High frequency active auroral research program

The budget request included $121.1 million for Phillips Laboratory exploratory development (PE 62601F) and $54.1 million for counterproliferation support (PE 63160D).

The Senate amendment authorized an increase of $15.0 million for the high frequency active auroral research program, with $7.5 million in PE 62601F and $7.5 million in PE 63160D.

The House bill authorized the budget request.

The House recedes.

Metal fatigue monitoring

The budget request included $23.8 million for advanced materials for weapon systems technology (PE 63112F).

The House bill would authorize an increase of $2.5 million in PE 63112F for the metal fatigue monitoring program.

The Senate amendment contained no similar provision.

The Senate recedes.

Aircraft ejection seats

The budget request included $18.0 million in PE 63231F for crew systems and personnel protection technology, $11.1 million in PE 64264N for aircrew systems development, and $4.4 million for life support systems in PE 64706F.

The House bill and the Senate amendment would authorize an additional $5.0 million in PE 63231F and PE 64264N each to accelerate program phases for ejection seat upgrades. The House bill would also provide an additional $3.5 million in PE 64706F to evaluate the ACES II ejection seat with stabilization, limb restraints, and expanded crew member accommodation and to examine new technology for the integration of tactical aircrew personal equipment.

The conferees agree to authorize an additional $11.5 million, $5.0 million to PE 63231F and $5.0 million to PE 64264N, for ejection seat development, and $1.5 million in PE 64706F to evaluate the ACES II ejection seat with stabilization, limb restraints, and expanded crew member accommodation.

Space architect

The budget request included $15.0 million in PE 63855F for the Department of Defense Space Architect.

The House bill recommended a reduction of $4.0 million from the request, to include any "pass-through" funding intended for the Office of the Secretary of Defense for which there was no request.

The Senate amendment approved the budget request.

The conferees agree to authorize $13.0 million in a new operational systems development program element, a reduction of $2.0 million. The conferees are following with interest the DOD Space Architect's on-going reviews of the appropriate military satellite communications architecture and the architecture for space control. The conferees expect to be kept apprised of progress during the conduct of these important reviews. The conferees also strongly urge the Architect to consult closely with the Commander-in-Chief, U.S. Space Command during these reviews. Finally, the conferees direct that, in the submission of the fiscal year 1998 budget request, funding for the Deputy Under Secretary of Defense for Space not be included along with funds for the Space Architect.

B–2 Conventional capability enhancements

The House bill would authorize an increase of $290.0 million in PE 64240F to accelerate precision guided munition (PGM) integration and conventional weapons capability into the B–2 bomber fleet.

The Senate amendment would authorize the budget request.

The conferees note that the Department plans to equip the B–2 fleet with enhanced conventional capability, but are concerned with the low levels of funding and slow pace of these efforts. Consequently, the conferees authorize an increase of $212.0 million to accelerate integration of PGMs and to provide enhanced communications, information data link capability, and improved conventional weapons accuracy for the existing fleet of 21 B–2 bombers.

Nuclear weapons support

The budget request included $4.8 million in PE 64222F for nuclear weapons support.

The conferees are concerned about the backlog of requirements for nuclear weapons support for various systems and the impact this backlog can have upon U.S. confidence in the reliability of the nuclear weapons stockpile. Accordingly, the conferees recommend an increase of $1.0 million for activities of the Air Force's Nuclear Weapons Integration Office. The conferees direct the Secretary of the Air Force to include sufficient funds in the fiscal year 1998 budget request to eliminate this backlog.

Global positioning system

The Senate amendment recommended an increase of $7.1 million in PE 64480F to sustain the development and support a production rate of three Block IIF Global Positioning System (GPS) satellites per year, which will be required to maintain a full 24-satellite constellation. The Senate amendment also recommended an increase of $5.0 million in PE 35164F to accelerate activities necessary to ensure effective use of high-precision GPS signals by

United States forces, and the means to deny access to those signals by hostile forces.

The House bill recommended approval of the budget request for GPS.

The conferees agree to authorize an increase of $7.1 million in Missile Procurement, Air Force, to sustain the development and support a production rate of three Block IIF GPS satellites per year. The conferees also agree to authorize an increase of $5.0 million in PE 35164F to accelerate activities necessary to ensure effective use of high-precision GPS signals by United States forces, and the means to deny access to those signals by hostile forces.

Joint tactical information distribution system (JTIDS)

The budget request included $11.1 million for JTIDS.

The House bill would add $55.7 million to the budget request.

The Senate amendment would add $19.8 million.

The conferees agree to an increase of $19.8 million to the budget request for PE 64754F to accelerate the integration of Link 16 into the B–1B, F–15E, and F–16.

F–15 countermeasures

The House bill would authorize an additional $17.0 million in PE 27134F to complete development of the ALQ–135 for the F–15E.

The Senate amendment would provide no additional authorization.

The conferees agree to authorize an additional $15.0 million to complete ALQ–135 development.

Trusted Rubix

The budget request included $6.9 million in PE 33140F for information systems security. The conferees agree that of the amount authorized to be appropriated in PE 33140F, up to $1.5 million may be used for the Trusted Rubix multi-level security program.

Precision landing system

The House bill would authorize an additional $5.0 million in PE 35114F to complete development of the precision landing systems receiver.

The Senate amendment had no similar authorization.

The Senate recedes.

Blade tip repair

The budget request included $13.6 million for the Program Office for Productivity, Reliability, Availability and Maintenance (PE 78026F).

The Senate amendment would authorize an increase of $4.5 million in PE 78026F to extend the current modeling under the Air Force Blade Repair Program to the Propulsion Directorate at the Oklahoma Air Logistics Center.

The House bill would authorize the budget request.

The House recedes.

Overview

The budget request for fiscal year 1997 contained an authorization of $8,672.8 million for Defense-Wide, Research and Development in the Department of Defense. The House bill would authorize $9,406.4 million. The Senate amendment would authorize $9,679.5 million. The conferees recommended an authorization of $9,691.3 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Title II - Research, Development, Test and Evaluation

PE	Line No.	Title (Dollars in Thousands)	FY 1997 Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
ACCOUNT	0	RESEARCH DEVELOPMENT TEST & EVAL DEFWIDE					
0601101D	1	IN HOUSE LABORATORY INDEPENDENT RESEARCH	2,154	2,154	2,154		2,154
0601101E	2	DEFENSE RESEARCH SCIENCES	74,923	76,923	94,923	15,000	89,923
0601103D	3	UNIVERSITY RESEARCH INITIATIVES	209,235	229,235	219,235	10,000	219,235
0601110D	4	FOCUSED RESEARCH INITIATIVES	15,580	15,580	15,580		15,580
0601384BP	5	CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM	28,739	28,739	28,739		28,739
	5a	ASAT			75,000	75,000	75,000
0602160D	6	COUNTERPROLIFERATION SUPPORT	-	-	-		-
0602173C	7	SUPPORT TECHNOLOGIES/FOLLOW ON TECHNOLOGIES EXPLORATORY DEVELOPMENT	94,023	94,023	104,023	10,000	104,023
0602227D	8	MEDICAL FREE ELECTRON LASER	23,457	20,457	23,457		23,457
0602228D	9	HISTORICALLY BLACK COLLEGES AND UNIVERSITIES (HBCU) SCIENCE AND ENGINEER	11,163	11,163	11,163		11,163
0602234D	10	LINCOLN LABORATORY RESEARCH PROGRAM	20,068	10,568	20,068		20,068
0602301E	11	COMPUTING SYSTEMS AND COMMUNICATIONS TECHNOLOGY	346,957	346,957	346,957	(4,000)	342,957
0602384BP	12	CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM	65,273	70,873	65,273		65,273
0602702E	13	TACTICAL TECHNOLOGY	117,944	129,944	120,944	(3,400)	114,544
0602708E	14	INTEGRATED COMMAND AND CONTROL TECHNOLOGY	45,000	65,000	45,000	20,000	65,000
0602712E	15	MATERIALS AND ELECTRONICS TECHNOLOGY	218,539	226,539	240,539	3,800	222,339
0602715H	16	DEFENSE NUCLEAR AGENCY	195,131	192,131	207,131	(3,000)	192,131
0602787D	17	MEDICAL TECHNOLOGY	8,196	8,196	8,196		8,196
		COOPERATIVE PROJECTS WITH RUSSIA	-	20,000			-
0305108K	18	COMMAND AND CONTROL RESEARCH	1,856	1,856	1,856		1,856
0603002D	19	MEDICAL ADVANCED TECHNOLOGY	3,363	3,363	3,363		3,363
0603104D	20	EXPLOSIVES DEMILITARIZATION TECHNOLOGY	-	15,000	-	15,000	15,000
0603105D	21	MILITARY HIV RESEARCH	-	-	-		-
0603120D	22	DEMINING	7,746	-	18,046	10,300	18,046
0603122D	23	COUNTERTERROR TECHNICAL SUPPORT	16,521	16,521	16,521		16,521
0603160D	24	COUNTERPROLIFERATION SUPPORT - ADV DEV	54,142	54,142	61,642	17,500	71,642
0603173C	25	SUPPORT TECHNOLOGIES/FOLLOW-ON TECHNOLOGIES - ADVANCED TECHNOLOGY DEVEL	132,319	172,319	279,819	137,500	269,819
0603225D	26	JOINT DOD-DOE MUNITIONS TECHNOLOGY DEVELOPMENT	16,158	14,558	21,158		16,158
0603226E	27	EXPERIMENTAL EVALUATION OF MAJOR INNOVATIVE TECHNOLOGIES	635,553	664,653	707,853	13,100	648,653
0603232D	28	AUTOMATIC TARGET RECOGNITION	4,841	4,841	4,841		4,841
0603384BP	29	CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM - ADVANCED DEVELOPMENT	41,685	41,685	41,685		41,685
0603569E	30	ADVANCED SUBMARINE TECHNOLOGY	-	-	-		-
0603570D	31	DEFENSE LABORATORY PARTNERSHIP PROGRAM	-	-	-		-
0603570E	32	DEFENSE REINVESTMENT	-	-	-		-
0603704D	33	SPECIAL TECHNICAL SUPPORT	12,068	10,868	12,068	(1,200)	10,868
0603711H	34	VERIFICATION TECHNOLOGY DEMONSTRATION	26,199	26,199	26,199		26,199
0603712S	35	GENERIC LOGISTICS R&D TECHNOLOGY DEMONSTRATIONS	18,162	18,162	20,162		18,162
0603716D	36	STRATEGIC ENVIRONMENTAL RESEARCH PROGRAM	54,880	57,380	54,880		54,880
0603724D	37	BIOLOGICAL DEFENSE - ADVANCED DEVELOPMENT	-	-	-		-
0603726D	38	JOINT TECHNOLOGY INSERTION PROGRAM	14,523	-	14,523	(12,600)	1,923

Title II - Research, Development, Test and Evaluation

(Dollars in Thousands)

PE	Line No.	Title	FY 1997 Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
0603738D	40	COOPERATIVE DOD/VA MEDICAL RESEARCH	-	-	-		-
0603739E	41	ADVANCED ELECTRONICS TECHNOLOGIES	332,100	357,100	332,100	15,000	347,100
0603744E	42	ADVANCED SIMULATION	-	-	-		-
0603745E	43	SEMICONDUCTOR MANUFACTURING TECHNOLOGY	-	-	-		-
0603746E	44	MARITIME TECHNOLOGY	37,408	37,408	37,408		37,408
0603747E	45	ELECTRIC VEHICLES	-	-	-		-
0603750D	46	ADVANCED CONCEPT TECHNOLOGY DEMONSTRATIONS	98,471	78,471	98,471	(20,000)	78,471
0603752D	47	COMMERCIAL TECHNOLOGY INSERTION PROGRAM	48,411	-	24,211	(38,500)	9,911
0603755D	48	HIGH PERFORMANCE COMPUTING MODERNIZATION PROGRAM	99,880	99,880	124,880	25,000	124,880
0603756D	49	CONSOLIDATED DOD SOFTWARE INITIATIVE	-	-	-		-
0603771S	50	INDUSTRIAL PREPAREDNESS MANUFACTURING TECHNOLOGY	-	-	-		-
0603800E	51	JOINT ADVANCED STRIKE TECHNOLOGY DEM/VAL	78,400	78,400	78,400		78,400
0603805E	52	DUAL USE APPLICATIONS PROGRAMS	250,000	-	100,000	(165,000)	85,000
0603832D	53	JOINT WARGAMING SIMULATION MANAGEMENT OFFICE	59,968	59,968	59,968		59,968
0603889E	54	COUNTERDRUG RDT&E PROJECTS	-	-	-		-
		DUAL-USE MANAGEMENT		5,000			-
0603228D	55	PHYSICAL SECURITY EQUIPMENT	18,676	18,676	18,676		18,676
0603708D	56	INTEGRATED DIAGNOSTICS	9,742	9,742	9,742		9,742
0603709D	57	JOINT ROBOTICS PROGRAM	23,744	31,744	23,744	8,000	31,744
0603714D	58	ADVANCED SENSOR APPLICATIONS PROGRAM	24,001	30,001	34,001	4,000	28,001
0603715D	59	AIM 9 CONSOLIDATED PROGRAM	-	-	-		-
0603734J	60	ISLAND SUN SUPPORT	1,246	1,246	1,246		1,246
0603736D	61	CALS INITIATIVE	1,936	13,936	15,936	14,000	15,936
0603790D	62	NATO RESEARCH AND DEVELOPMENT	22,776	20,576	22,776	(2,200)	20,576
0603851D	63	ENVIRONMENTAL SECURITY TECHNICAL CERTIFICATION PROGRAM	14,155	14,155	22,155	8,000	22,155
0603881C	64	THEATER HIGH ALTITUDE AREA DEFENSE SYSTEM - TMD - DEM/VAL	269,000	409,000	344,000	75,000	344,000
0603882C	65	THEATER MISSILE DEFENSE GROUND BASED RADAR (GBR-T) - DEM/VAL	-	-	-		-
0603883C	66	HAWK UPGRADES THEATER MISSILE DEFENSE ACQUISITION - DEM/VAL	-	-	-		-
0603884C	67	BATTLE MANAGEMENT AND C4I FOR TMD ACQUISITION - DEM/VAL	-	-	-		-
0603885C	68	NAVY LOWER TIER TMD ACQUISITION - DEM/VAL	60,000	60,000	60,000		60,000
0603886C	69	NAVY UPPER TIER TMD - DEM/VAL	58,171	304,171	304,171	246,000	304,171
0603889C	70	CORPS SURFACE-TO-AIR MISSILE - TMD - DEM/VAL	56,232	-	56,232		56,232
0603890C	71	BOOST PHASE INTERCEPT THEATER MISSILE DEFENSE ACQUISITION - DEM/VAL	-	-	24,300	24,300	24,300
0603891C	72	NATIONAL MISSILE DEFENSE - DEM/VAL	508,437	858,437	808,437	350,000	858,437
0603892C	73	OTHER THEATER MISSILE DEFENSE/FOLLOW-ON TMD ACTIVITIES ACQUISITION - DEM	520,111	520,111	515,711	6,400	526,511
0603884BP	74	CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM - DEM/VAL	54,511	56,711	54,511		54,511
		GENERAL REDUCTION-BMD	-	(15,000)			-
0604160D	75	COUNTERPROLIFERATION SUPPORT - EMD	2,651	2,651	2,651		2,651
0604384BP	76	CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM - EMD	89,915	107,715	89,915		89,915
0604771D	77	JOINT TACTICAL INFORMATION DISTRIBUTION SYSTEM (JTIDS)	44,501	44,501	44,501	-	44,501
0604881C	78	THEATER HIGH-ALTITUDE AREA DEFENSE SYSTEM - TMD - EMD	212,798	212,798	277,798	65,000	277,798

Title II - Research, Development, Test and Evaluation

(Dollars in Thousands)

PE	Line No.	Title	FY 1997 Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
0604864C	79	BATTLE MANAGEMENT AND C4I FOR TMD ACQUISITION - EMD	-	-	-		-
0604865C	80	PATRIOT PAC 3 THEATER MISSILE DEFENSE ACQUISITION - EMD	381,509	381,509	381,509		381,509
0604866C	81	FRINT/PATRIOT PAC-3 RISK REDUCTION - TMD - EMD	-	-	-		-
0604867C	82	NAVY LOWER TIER TMD ACQUISITION - EMD	241,582	241,582	241,582		241,582
0604889K	83	COUNTERDRUG ENGINEERING AND MANUFACTURING DEVELOPMENT PROJECTS	-	-	-		-
0305889D	84	COUNTERDRUG INTELLIGENCE SUPPORT	-	-	-		-
0605104D	85	TECHNICAL STUDIES, SUPPORT AND ANALYSIS	35,101	25,101	35,101	(10,000)	25,101
0605110D	86	TECHNICAL SUPPORT TO USD(A)--CRITICAL TECHNOLOGY	2,743	2,743	2,743		2,743
0605114E	87	BLACK LIGHT	4,730	4,730	4,730		4,730
0605117D	88	FOREIGN MATERIAL ACQUISITION AND EXPLOITATION	40,760	40,760	40,760		40,760
0605128D	89	CLASSIFIED PROGRAM USD(P)	11,400	11,400	11,400		11,400
0605129D	90	TECHNICAL ASSISTANCE	4,785	-	4,785		4,785
0605160D	91	COUNTERPROLIFERATION SUPPORT	8,563	20,563	8,563		8,563
0605218C	92	BALLISTIC MISSILE DEFENSE RDT&E PROGRAM MANAGEMENT AND SUPPORT	-	-	-		-
0605384BP	93	CHEMICAL AND BIOLOGICAL DEFENSE PROGRAM	16,708	35,408	16,708		16,708
0605502D	94	SMALL BUSINESS INNOVATIVE RESEARCH	-	-	-		-
0605710D	95	CLASSIFIED PROGRAMS - C3I	2,311	2,311	2,311		2,311
0605790D	96	SMALL BUSINESS INNOVATIVE RESEARCH ADMINISTRATION	1,628	1,628	1,628		1,628
0605798S	97	DEFENSE SUPPORT ACTIVITIES	13,796	13,796	16,796	3,000	16,796
0605801S	98	DEFENSE TECHNICAL INFORMATION CENTER	45,238	45,238	45,238		45,238
0605898E	99	MANAGEMENT HEADQUARTERS (RESEARCH AND DEVELOPMENT)	36,369	36,369	36,369	(1,900)	34,469
0909900E	100	FINANCING FOR EXPIRED ACCOUNT ADJUSTMENTS	-	-	-		-
0201135J	101	CINC C2 INITIATIVES	-	-	-		-
0208045K	102	C3 INTEROPERABILITY (JOINT TACTICAL C3 AGENCY)	24,268	24,268	24,268		24,268
0302016K	106	NATIONAL MILITARY COMMAND SYSTEM-WIDE SUPPORT	2,047	2,047	2,047		2,047
0302019K	107	JOINT/DEFENSE INFORMATION SYSTEMS ENGINEERING AND INTEGRATION	4,594	7,594	4,594		4,594
0303126K	108	LONG HAUL COMMUNICATIONS (DCS)	23,361	23,361	23,361		23,361
0303127K	109	SUPPORT OF THE NATIONAL COMMUNICATIONS SYSTEM	3,910	3,910	3,910		3,910
0303129K	110	DEFENSE MESSAGE SYSTEM	2,532	2,532	2,532		2,532
0303131K	111	MINIMUM ESSENTIAL EMERGENCY COMMUNICATIONS NETWORK (MEECN)	2,311	2,311	2,311		2,311
0303140D	113	INFORMATION SYSTEMS SECURITY PROGRAM	-	-	-		-
0303149J	115	C4I FOR THE WARRIOR	2,618	-	2,618		2,618
0303149K	116	C4I FOR THE WARRIOR	2,907	17,907	2,907		2,907
0303153K	117	JOINT SPECTRUM CENTER	-	-	-		-
0305139B	121	DMA MAPPING, CHARTING, AND GEODESY (MC&G) PRODUCTION SYSTEM IMPROVEMENTS	100,997	90,997	100,997	(10,000)	90,997
0305154D	122	DEFENSE AIRBORNE RECONNAISSANCE PROGRAM	438,559	529,059	461,959	54,700	493,259
0305159B	124	DEFENSE RECONNAISSANCE SUPPORT ACTIVITIES (SPACE)	-	-	-		-
0305159I	126	DEFENSE RECONNAISSANCE SUPPORT ACTIVITIES (SPACE)	55,911	55,911	55,911		55,911
0305190D	127	C3I INTELLIGENCE PROGRAMS	7,081	6,381	7,081		7,081
0305889D	130	COUNTERDRUG INTELLIGENCE SUPPORT	-	-	-		-
0305889G	131	COUNTERDRUG INTELLIGENCE SUPPORT	-	-	-		-

Title II - Research, Development, Test and Evaluation

PE	Line No.	Title (Dollars in Thousands)	FY 1997 Request	House Authorized	Senate Authorized	Conference Change	Conference Agreement
0708011S	133	INDUSTRIAL PREPAREDNESS	6,831	6,831	6,831		6,831
0902298J	134	MANAGEMENT HEADQUARTERS (OJCS)	34,912	11,912	34,912		34,912
0909900S	135	FINANCING FOR EXPIRED ACCOUNT ADJUSTMENTS	-	-	-		-
0909999D	136	FINANCING FOR CANCELLED ACCOUNT ADJUSTMENTS	-	-	-		-
1160279BB	137	SMALL BUSINESS INNOVATIVE RESEARCH/SMALL BUS TECH TRANSFER PILOT PROG	-	-	-		-
1160401BB	138	SPECIAL OPERATIONS TECHNOLOGY DEVELOPMENT	4,083	4,083	4,083		4,083
1160402BB	139	SPECIAL OPERATIONS ADVANCED TECHNOLOGY DEVELOPMENT	7,927	7,927	7,927		7,927
1160404BB	140	SPECIAL OPERATIONS TACTICAL SYSTEMS DEVELOPMENT	83,923	88,573	92,523	9,151	93,074
1160405BB	141	SPECIAL OPERATIONS INTELLIGENCE SYSTEMS DEVELOPMENT	1,315	2,315	1,315	1,000	2,315
1160407BB	142	SOF MEDICAL TECHNOLOGY DEVELOPMENT	1,887	1,887	1,887		1,887
1160408BB	143	SOF OPERATIONAL ENHANCEMENTS	23,216	23,216	23,216		23,216
XXXXXXX	999	Classified Programs	1,202,794	1,288,794	1,236,094	37,500	1,240,294
		UNDISTRIBUTED REDUCTION			(67,800)		-
		TOTAL, RESEARCH DEVELOPMENT TEST & EVAL DEFWIDE	8,398,838	9,132,371	9,388,538	1,001,451	9,400,287
ACCOUNT	0	DIRECTOR OF TEST & EVAL DEFENSE					
0604940D	1	CENTRAL TEST AND EVALUATION INVESTMENT DEVELOPMENT (CTEIP)	116,007	116,007	133,007	17,000	133,007
0605130D	2	FOREIGN COMPARATIVE TESTING	33,560	33,560	33,560		33,560
0605804D	3	DEVELOPMENT TEST AND EVALUATION	102,471	102,471	102,471		102,471
		TOTAL, DIRECTOR OF TEST & EVAL DEFENSE	252,038	252,038	269,038	17,000	269,038
ACCOUNT	0	DIRECTOR OF OPERATIONAL TEST & EVALUATION					
0605118D	1	OPERATIONAL TEST AND EVALUATION	11,980	11,980	11,980		11,980
0605131D	2	LIVE FIRE TESTING	9,988	9,988	9,988		9,988
		TOTAL, DIRECTOR OF OPERATIONAL TEST & EVALUATION	21,968	21,968	21,968	-	21,968

Defense research sciences

The budget request included $74.9 million for Defense Research Sciences (PE 61101E).

The Senate amendment would authorize that, within the funds provided in PE 61101E, $20.0 million be utilized for optoelectronics development.

The House bill would authorize the budget request.

The House recedes with an amendment. The conferees agree to an authorization of $89.9 million for PE 61101E. This amount includes an increase of $20.0 million for optoelectronics, $10.0 million for computer-assisted education programs, a reduction of $2.7 million for gallium nitride programs, and a reduction of $2.3 million for ultraphotonics programs.

University research initiative

The budget request included $209.2 million in PE 61103D for the University Research Initiative (URI).

The House bill would authorize an increase of $20.0 million in PE 61103D for the continuation of the Defense Experimental Program to Stimulate Research (DEPSCoR) program.

The Senate amendment would authorize a decrease of $10.0 million for the URI and an authorization of $20.0 million from available funds for the DEPSCoR program. The Senate amendment also included an authorization of $3.0 million from available funds for the pilot program for the transfer of defense technology information to private industry described elsewhere in this report.

The conferees agree to an authorization of $219.2 million in PE 61103D. This amount includes a general reduction of $10.0 million, an increase of $20.0 million for the DEPSCoR program and $3.0 million for the pilot program for the transfer of defense technology.

Tactical technology

The budget request included $117.9 million in PE 62702E for tactical technology programs.

The House bill would authorize an increase of $12.0 million for the DP–2 program.

The Senate amendment would authorize an increase of $3.0 million for the expansion of the small low-cost interceptor device (SLID) program.

The conferees agree to authorize $114.5 million in PE 62702E, including a $3.0 million increase for SLID in accordance with the S. Rept. (104–267), a decrease of $3.9 million for the collaborative crises and mitigation program, and a decrease of $2.5 million for the fast computational algorithms program. The conferees agree that $12.0 million of the available funding is for the continuation of testing and demonstration of the DP–2 program.

Flat panel technology

The budget request included $45.0 million for flat panel displays (FPDs) in PE 62708E.

The House bill would authorize an increase of $20.0 million in PE 62708E to accelerate the ability to produce high quality, low cost flat panel displays for military equipment and missions.

The Senate amendment would authorize the requested amount.

The conferees agree to an increase of $20.0 million in PE 62708E for flat panel displays and infrastructure development. The conferees support continued research and development efforts and endorse the Defense Advanced Research Projects Agency's (DARPA) industry team efforts and encourage DARPA's continued investment in the program as outlined in the FPD Initiative.

Materials and electronics technology

The budget request included $218.5 million for materials and electronics technology programs (PE 62712E).

The House bill would authorize an increase of $8.0 million in PE 62712E for Chemical Vapor Composite (CVC) and Chemical Vapor Deposition (CVD) synthetic diamond materials.

The Senate amendment would authorize an increase of $11.0 million in PE 62712E: $3.0 million for pulsed laser deposition to create hard carbon based coatings and $8.0 million to support continuation of high temperature superconductivity. The Senate amendment would also authorize, of the funds available for materials and electronics technology, $7.0 million to be used for the seamless high off-chip connectivity (SHOCC) program in PE 62712E.

The conferees agree to a total authorization of $222.3 million in PE 62712E. The conferees agree to an increase of $4.0 million for CVD and CVC synthetic diamond materials; an increase of $8.0 million for high temperature superconductivity as discussed in the Senate report (S. Rept. 104–267); and an increase of $3.0 million for carbon-based coatings. The SHOCC program is authorized for $7.0 million within the program element. The conferees further agree to reduce the authorization by $7.5 million for healthcare information infrastructure and $3.7 million for the nonvolatile memory program.

Joint Department of Defense-Department of Energy munitions technology development program

The budget request included $16.2 million for the joint Department of Defense and Department of Energy munitions technology development program.

The House bill would reduce the budget request by $1.6 million.

The Senate amendment would increase the budget request by $5.0 million for projects approved by the joint technology advisory committee.

The conferees agree to authorize the budget request.

Fuel cells

The House bill would authorize an increase of $2.4 million in PE 63226E to complete the fixed base powerplant development and an increase of $4.0 million in PE 63573N for competing conceptual ship service powerplant design studies.

The Senate amendment would authorize an increase of $8.0 million in PE 63851D to complete the development of the climate change fuel cell program and an increase of $4.3 million in PE

63226E for the completion of the development of the 2 MW carbonate-based fuel cell technology.

The conferees agree to an increase of $8.0 million in PE 63851D for the climate change fuel cell program, an increase of $2.1 million in PE 63226E for the completion of development of the 2 MW carbonate-based fuel cell program, and an increase of $1.9 million in PE 63513N for competing conceptual ship service powerplant design studies.

Experimental evaluation of major innovative technologies (EEMIT)

The budget request included $635.6 million for experimental evaluation of major innovative technologies (EEMIT) (PE 63226E).

The House bill would authorize an increase of $38.4 million in PE 63226E: $2.4 million for fuel cells; $5.0 million for telemedicine (PE 63002A); $10.0 million for cruise missile defense; $4.0 million for safety and survivability; $5.0 million for digital battlefield medical x-ray technology; and $12.0 million for the passive millimeter wave camera.

The Senate amendment would authorize an increase of $77.3 million in PE 63226E: $50.0 million for cruise missile defense; $3.0 million for the large millimeter wave telescope; $10.0 million for Crown Royal; $4.3 million for carbonate-based fuel cells; and $10.0 million for thermophotovoltaics.

The conferees agree to a total authorization for EEMIT of $648.7 million in PE 63226E. The conferees agree to authorize $2.1 million for fuel cells; $8.0 million for the telemedicine project for disaster relief and emergency medical services (DREAMS); $10.0 million for thermophotovoltaics; $3.0 million for the large millimeter wave telescope; and of the funds available in the EEMIT line, $5.0 million may be used for the passive millimeter wave camera.

The conferees agree to reduce the authorization by $5.0 million for dynamic multiuse information fusion, and by $5.0 million for the joint forward air combat control project.

Electronic commerce resource centers

The budget request included $332.1 million for Advanced Electronics Technologies (PE 63739E).

The House bill would authorize an increase of $15.0 million in PE 63739E for the creation of five new electronic commerce resource centers (ECRC).

The Senate authorized the budget request.

The Senate recedes. The conferees agree to authorize an increase of $15.0 million in PE 63739 to expand the ECRC program.

High performance computing modernization

The budget request included $99.9 million for the high performance computing modernization program (PE 63755D).

The Senate amendment would authorize an increase of $25.0 million in PE 63755D to sustain the operations of supercomputing centers.

The House bill would authorize the budget request.

The House recedes.

Mobile detection assessment response system

The budget request included $23.7 million for the Joint Robotics Program (PE 63709D).

The House bill would authorize an increase of $8.0 million in PE 63709D for the continued development of the mobile detection assessment response system (MDARS).

The Senate amendment would authorize the budget request.

The Senate recedes.

Non-acoustic antisubmarine warfare

The budget request included $24.0 million in PE 63714D for the advanced sensor applications program (ASAP), the independent non-acoustic antisubmarine warfare (NAASW) research program managed by the Office of the Secretary of Defense.

The House bill would authorize an increase of $6.0 million above the budget request in PE 63714D for the ASAP program. The report accompanying the House bill (H. Rept. 104–563) observed that the funding level requested in the budget request for the ASAP program is approximately 20 percent less than the level appropriated for fiscal year 1996, and approximately 10 percent of the level originally programmed in the fiscal year 1996 future years defense program for fiscal year 1997. The House report also discussed the increased capabilities of advanced nuclear submarines, the proliferation of modern, quiet diesel submarines and advanced non-nuclear submarine technology, and significant strides in submarine operational proficiency being made by several Third World navies. Reflecting the conclusion that the reductions in funding for the ASAP program in the budget request were imprudent and that increased emphasis needs to be placed on improving the anti-submarine warfare capabilities of U.S. forces in general, and on the NAASW program in particular, the House bill would authorize an increase of $6.0 million above the budget request for the ASAP program and identify $1.0 million of this increase to conduct additional investigations of foreign technology and systems relevant to the missions of the ASAP program.

The report accompanying the Senate amendment (S. Rept. 104–267) expressed similar reservations about reductions in funding for the Department of Defense (DOD) ASAP program. It also commented on the Department's unsatisfactory response to direction given in the statement of managers accompanying the National Defense Authorization Act for Fiscal Year 1996 for DOD to conduct a comparative evaluation of a light detection and ranging (LIDAR) system, ATD–111, against other comparable approaches. This response stated that DOD intends to test the ATD–111 system in fiscal year 1996 but would delay testing for another LIDAR system, April Showers, until fiscal year 1998. Thus DOD would spend two more years developing April Showers and then compare those two sets of test results.

The Senate amendment would authorize an increase of $10.0 million in PE 63714D for the ASAP program to:

(1) continue the work on scattering theory, microwave radiometry, and the joint U.S.–UK radar ocean imaging investigations; and

(2) conduct a competitive evaluation in fiscal year 1997 between ATD–111 and the April Showers LIDAR system.

The conferees agree to authorize an increase of $4.0 million in PE 63714D for the following purposes:

(1) the comparative evaluation of ATD–111 and the April Showers LIDAR system; and

(2) continuation of work on ocean remote sensing, scattering theory, microwave radiometry, and the joint U.S.–U.K. radar ocean imaging investigations.

The conferees acknowledge the concerns expressed in the Senate report and agree that the Department's plan for comparative assessment of ATD–111 and April Showers must provide equitable treatment for both systems. The conferees direct the Secretary of Defense to develop a new plan and provide it to the congressional defense and intelligence committees no later than January 15, 1997.

The conferees direct the program office to reassess the value of some of the lower priority projects it is pursuing with the aim of freeing up resources for higher priority projects. The conferees reiterate that the ASAP program is a congressional interest item.

Integrated weapons system database

The budget request included $1.9 million for the Continuous Acquisition and Life-cycle Support Activities (PE 63736E).

The Senate amendment would authorize an increase of $4.0 million in PE 63736E for the Integrated System Database for continuation of the Integrated Data Environment (IDE) program.

The House bill would authorize the budget request.

The House recedes.

Rapid acquisition of manufactured parts

The budget request did not include research and development funds for the rapid acquisition of manufactured parts (RAMP) program.

The House bill would authorize an increase of $12.0 million in PE 63736D for RAMP.

The Senate amendment would authorize an increase of $10.0 million in PE 63736D for RAMP.

The House recedes.

NATO research and development

The budget request included $22.7 million for NATO research and development (PE 63790D)

The House bill would reduce the budget request by $2.2 million.

The Senate amendment would authorize the budget request.

The Senate recedes.

Data review and analysis monitoring aid (DRAMA)

The budget request included $13.8 million for the Defense Support Activities (PE 65798S).

The Senate amendment would authorize an increase of $3.0 million in PE 65798S for the continuation of the DRAMA program to reduce duplication in the defense supply system.

The House bill would authorize the budget request.

The House recedes.

Joint command, control, communications, and computers/intelligence, surveillance, and reconnaissance

The budget request included $2.9 million in PE 33149K for C4I for the Warrior, a new initiative that promotes the development and demonstration of joint and coalition command, control, communications, and computers/intelligence interoperability.

The House bill would authorize an increase of $15.0 million for development of improved capabilities for concept development, analysis, and evaluation of advanced technology and concepts for joint command, control communications, and computers/intelligence, surveillance, and reconnaissance, including $10.0 million for establishment of a battle laboratory and $5.0 million for development of advanced modeling and simulation.

The Senate amendment would authorize the budget request.

The House recedes.

Defense Airborne Reconnaissance Office (DARO) research and development

The budget request included $438.6 million for research and development for the Defense Airborne Reconnaissance Program.

The House bill would add a total of $90.5 million to the request. The Senate amendment would increase the request by $23.4 million. Details of the adjustments in the House bill and the Senate amendment, as well as the final conference agreement, are displayed in the table below:

DEFENSE AIRBORNE RECONNAISSANCE PROGRAM DEVELOPMENT

[In thousands of dollars]

Program	Budget request	Proposed House	Change Senate	Conference agreement
Tactical UAV joint program—project 141:				
Tactical UAV	51,449	(18,000)	(12,800)	33,449
Tactical control system	7,067			7,067
Common systems development	6,092			6,092
Subtotal—project 141	64,608	(18,000)	(12,800)	46,608
Airborne reconnaissance program—project 525:				
Advanced sensors	66,367	15,000		76,367
Reconnaissance advanced technology	17,523	8,000		25,523
Common data link	29,431		(6,500)	22,931
DARO operations	641			641
Subtotal—project 525	113,962	23,000	(6,500)	125,462
Endurance UAVs—project 527:				
Predator	6,099			6,099
High altitude endurance (HAE) UAV common ground segment	71,642			71,642
Conventional HAE (Global Hawk)	81,227			71,227
Low observable HAE (Dark Star)	17,426	28,500		45,926

DEFENSE AIRBORNE RECONNAISSANCE PROGRAM DEVELOPMENT—Continued

[In thousands of dollars]

Program	Budget request	Proposed House	Change Senate	Conference agreement
Subtotal—project 527	176,394	28,500		194,894
Manned reconnaissance program—project 530:				
U–2	4,161	57,000	42,700	46,861
U–2 support for precision guided munitions	24,119			24,119
Subtotal—project 530	28,280	57,000	42,700	70,980
Distributed common ground system (DCGS)—project 531:				
Common imagery ground/surface system (CIGSS)	47,780	11,000		47,780
Airborne reconnaissance ground SIGINT system (ARGSS)	5,116			5,116
DCGS interoperability	2,419			2,419
Subtotal—project 530	55,315	11,000		55,315
Total PE 35154D	438,559	90,500	23,400	493,259

TACTICAL UNMANNED AERIAL VEHICLES (PROJECT 141)

The budget request for tactical unmanned aerial vehicles (project 141) included $64.6 million for fiscal year 1997.

The House bill would reduce the budget request by $18.0 million.

The Senate amendment would reduce the budget request by $12.8 million.

The conferees agree to recommend $46.6 million for the joint tactical unmanned aerial vehicle (JTUAV) program, a reduction of $18.0 million. The restructuring of the program and the creation of an advanced concept technology demonstration (ACTD) has resulted in excess unexpended funds from fiscal years 1995 and 1996. Accordingly, the conferees recommend a reduction of $18.0 million.

The conferees note the rapidity with which the DARO has initiated the JTUAV program as an ACTD. The conferees are skeptical of the Department's stated intention to transition the JTUAV ACTD into an acquisition program before having any experience with even a limited demonstration of the program. It appears that the Department is using the ACTD program to circumvent acquisition requirements, rather than to demonstrate new technologies on a limited basis. Considering the Department's unimpressive record of UAV acquisitions, and continuing difficulties in fielding proposed sophisticated UAVs, the conferees urge caution. Not only has the Department had difficulties in fielding systems, but it continues to endure significant losses of existing UAVs to mechanical malfunction. The conferees intend to follow closely the JTUAV development to ensure DARO adheres to accepted acquisition principles and regulations, and its commitment to timely results.

Finally, noting the continued difficulties experienced by the DARO in developing a suitable heavy fuel engine for its UAVs, the

conferees encourage competition to the maximum extent possible in developing this capability.

AIRBORNE RECONNAISSANCE PROGRAM (PROJECT 525)

Joint airborne signals intelligence (SIGINT) architecture (JASA)

The budget request included $51.8 million within the $66.3 million contained in the advanced sensors line to continue the joint airborne SIGINT system (JASS) development, including continuing work on the JASS high band prototype (HBP).

The House bill would authorize the request. The House report (H. Rept. 104–563) would prohibit the Department from obligating any funds for the HBP follow-on system, the JASS high band subsystem (HBSS), until the completion of flight testing and when the HBP had proven its utility.

The Senate amendment would authorize the request without similar restrictions.

The conferees agree to authorize the requested amount for HBP to continue airborne SIGINT functional developments, including the technical infrastructure upgrades necessary for aircraft to incorporate future developments. However, because the Department is scheduled to award the HBSS contract before the HBP flight testing has begun, the conferees direct that no funds be obligated to integrate and develop the HBSS until the Secretary of Defense certifies to the Congress that such concurrency provides an acceptable level of technical and schedule risks. The conferees also direct the Secretary to provide a complete cost and capability analysis of those elements of the HBP that will be used in the HBSS.

The conferees remain concerned about the health and long-term well-being of airborne SIGINT reconnaissance, because of the pressures to field sensor and system improvements to keep abreast of constantly evolving threats. The conferees believe the DARO should be managing the airborne SIGINT program in a manner that provides for needed upgrades while moving toward the objective JASA architecture.

Electro-optic camera framing technology

The budget request contained $114.0 million for the airborne reconnaissance program (project 525), including $66.4 million for advanced sensor development.

The House report (H. Rept. 104–563) noted that several technologies show promise for providing precision point targeting and location data. The House bill would authorize an additional $15.0 million for the continued development and evolution of the electro-optic (EO) framing sensors with on-chip forward motion compensation (FMC) technology, including:

(1) $3.0 million for the operational insertion and testing of a medium altitude wide area coverage "step frame" sensor;

(2) $2.2 million to develop enhanced data compression algorithms;

(3) $5.8 million to conduct a study of, and begin development for, an EO framing infrared (IR) charge-coupled device with on-chip FMC; and

(4) $4.0 million to support multi-spectral EO framing technologies with on-chip FMC.

The Senate amendment would authorize the budget request.

The conferees agree to authorize $10.0 million for continued research and development of this capability, including:

(1) $3.0 million for the medium altitude wide area coverage step frame sensor;

(2) $4.0 million for enhanced data compression algorithms; and

(3) $3.0 million for multi-spectral EO framing technology development with on-chip FMC.

The conferees are aware that the area of EO/IR framing technologies is dynamic, with several vendors offering approaches to solving reconnaissance mission needs. Therefore, the conferees encourage the DARO to avail itself of the benefits of this competitive marketplace in addressing the conferees' concerns.

Multi-function self-aligned gate technology

The budget request included $114.0 million for the airborne reconnaissance program (project 525), including $17.5 million for the reconnaissance advanced technology project.

The House bill would provide an additional $8.0 million for the reconnaissance advanced technology project for multi-function self-aligned gate (MSAG) technology.

The Senate amendment would authorize the budget request.

The conferees agree to provide an additional $8.0 million for MSAG as described in the House report (H. Rept. 104–563).

ENDURANCE UNMANNED AERIAL VEHICLES (PROJECT 530)

Global Hawk

The budget request included $81.2 million project 530 for the Global Hawk UAV ACTD, including $10.0 million for development of a signals intelligence payload.

The House bill would prohibit the obligation of funds for the signals intelligence payload until the Global Hawk has been proven in flight demonstrations.

The Senate amendment would authorize the budget request.

The conferees agree to recommend a reduction of $10.0 million to the budget request for the Global Hawk.

Dark Star

The budget request included $17.4 million within project 530 for the Dark Star UAV.

The House bill would increase the budget request by $17.5 million to upgrade electro-optical cameras, provide a redesigned synthetic aperture radar antenna, and provide a more robust aerial vehicle design.

The first Dark Star vehicle crashed on its second test flight. Subsequent to this event and the passage of H.R. 3230, the Intelligence Authorization Bill recommended adding $22.0 million to recover from the air vehicle crash.

The Senate amendment would support the authorization in the budget request, but include a provision (sec. 216) on Dark Star de-

scribed elsewhere in the statement of managers. The Senate recedes on the bill provision.

The conferees agree on the importance of returning the Dark Star program to flight testing as soon as the program manager has extracted the necessary lessons from the recent crash. Realizing the potential of the Dark Star UAV to provide unique support to operational users, the conferees agree to authorize an additional $28.5 million for the Dark Star UAV, for the following purposes:

(1) $22.0 million to complete the necessary engineering and design efforts to recover from the crash of the first air vehicle;

(2) $3.5 million for integrating EO framing technology with on-chip forward motion compensation into the aircraft and associated ground processing equipment; and

(3) $3.0 million for long lead procurement for the fifth air vehicle, which will replace the destroyed aircraft.

MANNED RECONNAISSANCE PROGRAM (PROJECT 530)

The budget request for the manned reconnaissance program (project 530) was $28.3 million.

The House bill would increase the budget request by $57.0 million for projects as follows:

(1) $10.0 million to improve and downsize the Senior Year electro-optical system (SYERS) sensor to:

(a) enable the Air Force to fly the two systems simultaneously on the U–2; and

(b) to improve SYERS geolocational accuracies;

(2) $7.0 million to support the ASARS improvement program (AIP) to ensure this upgrade can be fielded by fiscal year 1998;

(3) $40.0 million, the remainder of recommended additional funding, to upgrade Senior Ruby, Senior Spear, and Senior Glass to a common configuration. Specifically, the House report would direct the Air Force to:

(a) upgrade the Senior Spear and Senior Ruby sensors to the Senior Glass configuration; and

(b) upgrade the existing Senior Glass systems to an open architecture configuration consistent with an architectural approach approved by the Defense Cryptologic Program manager.

The House bill would also direct the Department to determine, and to program for, necessary future years level-of-effort funding to continue evolutionary U–2 sensor upgrades.

The Senate amendment would authorize an additional $32.7 million to procure and integrate two additional Senior Glass payloads for the U–2 fleet. The Senate amendment would also provide an additional $10.0 million to repackage the SYERS sensor for simultaneous operation with other sensors, and to begin the effort to add geolocation, broad area coverage, and multi-spectral imaging capabilities.

The conferees agree to recommend $70.9 million, or an increase of $42.7 million, to be applied as follows:

(1) $32.7 million to procure and integrate additional Senior Glass payloads;

(2) $10.0 million to repackage the SYERS sensor for simultaneous operation with other sensors, and to begin the effort to improve capabilities for geolocation, broad area coverage, and multi-spectral imaging.

The conferees recognize that:

(1) the DARO needs to develop and field systems compliant with the joint airborne SIGINT architecture (JASA);

(2) the JASA effort is an important initiative for providing future intelligence gathering capability; and

(3) the Department needs to continue making incremental upgrades to U–2 SIGINT capabilities to maintain near-term capability, while the Department completes JASA development.

DISTRIBUTED COMMON GROUND SYSTEM (PROJECT 531)

The budget request included $55.3 million in project 531, including $47.8 million for the common imagery ground/surface system (CIGSS).

The House bill would authorize an additional $11.0 million to modify core CIGSS components to ensure the program can achieve a common, interoperable baseline by fiscal year 1998. The House report complimented the Department's technical solutions and management approach to migrating the various imagery ground stations to the CIGSS configuration and standards as outlined in the published handbook.

The Senate amendment would support the budget request.

The conferees agree to support the budget request of $55.3 million for project 531.

AC–130 aircraft enhancements, Special Operations Command

The budget request included $83.9 million for tactical systems development for the U.S. Special Operations Command (SOCOM).

The Senate amendment would authorize an increase of $5.8 million in PE 1160404BB for enhancements to the SOCOM AC–130 aircraft.

The House bill would authorize the requested amount.

The Senate recedes.

Advanced SEAL delivery system

The budget request included $83.9 million in PE 1160404BB for special operations tactical development.

In order to provide a significant improvement in the acoustic characteristics of the advanced SEAL delivery system (ASDS) before its procurement begins, the Senate amendment would authorize an increase of $2.8 million above the budget request in PE 1160404BB to provide quieter pumps and motors for the base design of the ASDS.

The House bill would authorize the requested amount.

The House recedes.

Rigid hull inflatable boat

The budget request included $5.0 million for procurement of special warfare equipment, including $4.5 million for procurement

of the Naval Special Warfare 10 meter Rigid Hull Inflatable Boat (RHIB).

The House bill would authorize an increase of $2.75 million in PE 1160404BB to complete development and operational testing of competing prototype RHIBs, a downselect decision to a single contractor, and other activities relative to a Milestone III decision for the RHIB in fiscal year 1997.

The Senate amendment would authorize the budget request.

The conferees agree to authorize the budget request.

The conferees agree to authorize an increase of $4.5 million in PE 1160404BB to complete development and operational testing of the RHIB as recommended in the House report (H. Rept. 104–563). The conferees further agree to a corresponding reduction in the amount authorized for procurement of special warfare equipment.

Ballistic missile defense funding and programmatic guidance

The fiscal year 1997 budget request for the Ballistic Missile Defense Organization (BMDO) was $2.8 billion, including research, development, test, and evaluation (RDT&E), procurement, and military consideration.

The House bill would authorize an increase of $724.8 million for BMDO.

The Senate amendment would authorize an increase of $855.9 million for BMDO.

The conferees agree to authorize a total of $3,712.9 million for BMDO, an increase of $914.2 million above the budget request. The conferees' recommended funding allocations are summarized in the following table. Additional programmatic and funding guidance are also provided below.

BMDO FUNDING ALLOCATION

[Millions of dollars]

Program	Request	Change	Recommendation
Support Technology	226.3	+147.5	373.8
THAAD	481.8	+140.0	621.8
Hawk*	19.4	.....	19.4
TMD–BM/C3*	19.3	.....	19.3
Navy Lower Tier**	310.7	.....	310.7
Navy Upper Tier	58.2	+246.0	304.2
Corps SAM	56.2	.....	56.2
BPI	.....	+24.3	24.3
NMD	508.4	+350.0	858.4
Joint TMD***	521.5	+6.4	527.9
PAC–3**	596.9	.....	596.9
BMDO Total	2,798.7	+914.2	3,712.9

*Procurement only.
**Procurement and RDT&E.
***RDT&E and Military Construction.

SUPPORT TECHNOLOGY

The budget request for BMDO's support technology programs (E 62173C/63173C) was $226.3 million. The conferees agree to authorize a net increase of $147.5 million for support technology.

The conferees support BMDO's efforts in the area of wide bandgap electronics that are funded in the Innovative Science and Technology program (project 1651). The conferees agree to authorize an increase of $10.0 million in PE 62173C to facilitate a wide bandgap electronics program specifically targeting gallium nitride and silicon carbide as the major semiconductor technologies to be developed. The program should be affiliated with an academic institution involving a research and development facility for material growth, material characterization (including material surface behavior), and wide bandgap semiconductor device development.

The conferees recommend an increase of $20.0 million in PE 63173C for United States-Russian cooperative BMD programs and activities, as specified in the House report (H. Rep. 104–563).

The conferees recommend an increase of $7.5 million in PE 63173C for the Scorpius space launch technology demonstration program.

The conferees strongly support BMDO's development of the Atmospheric Interceptor Technology (AIT) program and recommend an increase of $40.0 million in PE 63173C for the AIT program.

The conferees continue to support development of the Space-Based Laser (SBL) program. SBL offers the potential for a high leverage system to deal with ballistic missiles of virtually all ranges. The conferees agree to authorize an increase of $70.0 million in PE 63173C to continue the SBL effort. The conferees believe that the Air Force should begin to take a much more active role in developing the SBL program. Specifically, the committee believes that the Air Force Space and Missile Systems Center should play a key role in designing a demonstrator spacecraft and providing detailed cost estimates for completion of such a demonstration program.

THEATER HIGH ALTITUDE AREA DEFENSE SYSTEM

The budget request included $481.8 million to complete Theater High Altitude Area Defense (THAAD) demonstration and validation (Dem/Val) and to begin engineering and manufacturing development (EMD). The conferees continue to support the development, production, and fielding of THAAD as a matter of highest priority. The conferees remain committed to fielding the THAAD system as quickly as technically feasible. The conferees agree to authorize an increase of $75.0 million in PE 63861C and an increase of $65.0 million in PE 64861C, an overall increase of $140.0 million for the THADD program.

The conferees also attach importance to the THAAD User Operational Evaluation (UOES) system. This system will provide valuable opportunities for training and testing. Most importantly, it will provide some limited operational capability in the event of a crisis. However, the conferees question the adequacy of a UOES capability based on 40 interceptor missiles. The conferees believe that a total of 80 missiles is more appropriate, and direct the Secretary of Defense to include funding to acquire these additional 40 UOES missiles in the fiscal year 1998 budget request.

The administration's proposed program for THAAD does not include funding for a second EMD radar until very late in the program. The conferees believe that there are many compelling reasons to fund this radar earlier. Accordingly, the conferees direct the

Secretary of Defense to proceed with acquisition of a second EMD radar in fiscal year 1997 and agree to authorize $65.0 million in long-lead funding for this purpose.

The conferees strongly reject the idea that the THAAD development program should be delayed so as to allow a "fly-off" between THAAD and the Navy Upper Tier system.

The conferees understand that the Army plans to complete THAAD dem/val flight testing at the White Sands Missile Range and transition to flight testing at the Kwajalein Missile Range for the EMD phase. The conferees support this plan.

NAVY UPPER TIER (THEATER WIDE)

The budget request included $58.2 million for continued development of the Navy Upper Tier (Theater Wide) TMD system. This is a significant reduction from the $200.4 million authorized and appropriated in fiscal year 1996, and reflects the low priority that the administration attaches to this program. The conferees do not support the Department's recommendation to delay the development and deployment of the Navy Upper Tier system.

The National Defense Authorization Act for Fiscal Year 1996 mandates that the Navy Upper Tier system become the fourth "core" TMD system and establishes accelerated milestones for this program. The conferees have not been made aware of any technical reasons why a Navy Upper Tier capability cannot be fielded on a much more aggressive schedule than proposed by the administration.

The conferees continue to support the Navy Upper Tier system as a matter of priority. Sea-based upper tier TMD capability provides an important complement to ground-based systems, and each has unique attributes. Accordingly, the conferees recommend a net increase in PE 63868C of $246.0 million to support an accelerated Navy Upper Tier program.

The conferees are aware that BMDO has begun evaluating the key modifications required for the THAAD kill vehicle to be a candidate for the Navy Upper Tier mission. The conferees recommend the use of not more than $10.0 million to support this effort in fiscal year 1997 from the overall amount authorized for the Navy Upper Tier program, and not more than $10.0 million from the overall amount authorized for THAAD for this purpose.

The conferees believe that the Navy, in conjunction with BMDO, should assess the potential that development of a new second stage motor for the Standard Missile could have for a range of missile defense applications. Accordingly, the conferees recommend the use of $10.0 million of the funds authorized for Navy Upper Tier to initiate this second stage motor development effort.

CORPS SAM/MEDIUM EXTENDED AIR DEFENSE SYSTEM

The budget request included $56.2 million for Corps surface-to-air missile (SAM)/Medium Extended Air Defense System (MEADS) program. The conferees endorse the MEADS program, which is required to defend forward-deployed troops, and approve the budget request, subject to limitation specified elsewhere in this report.

UNITED STATES-ISRAEL BOOST PHASE INTERCEPT PROGRAM

In the Statement of Managers accompanying the National Defense Authorization Act for Fiscal Year 1996, the conferees endorsed a cooperative program between the United States and Israel to develop a kinetic energy boost-phase intercept program based on an unmanned aerial vehicle (UAV). The conferees maintain their strong support for this concept. The budget request included $9.3 million in the Joint TMD program element (PE 63872C) to continue this effort. The conferees recommend that these funds be transferred to the BPI program element (PE 63870C) and that this amount be increased by $15.0 million for a total authorization of $24.3 million.

The conferees believe that the first step of this U.S.-Israel BPI program should be a joint technology risk mitigation effort, aimed at reducing technological uncertainties. If this proves successful, it can be followed by an advanced technology demonstration to validate the technical feasibility of the concept and the major system elements. This would enable the United States and Israel to evaluate the potential for a joint acquisition program or one in which both countries continue to collaborate on separate but mutually reinforcing efforts.

NATIONAL MISSILE DEFENSE

The budget request included $508.4 million for National Missile Defense (NMD). Based on information received from the Department of Defense, the conferees do not believe that the administration's proposed budget and program plan for NMD are adequate even to meet the stated purpose of its "deployment readiness" program. As acknowledged by the Director of BMDO in congressional testimony, the planned test program for the exoatmospheric kill vehicle (EKV) is inadequate to support a deployment decision within the framework of the "3+3" program. The administration's proposed NMD program consists of just five EKV flights: two in fiscal year 1997; two in fiscal year 1998; and one in fiscal year 1999. Under this plan, the NMD deployment decision supposedly could be made at the end of fiscal year 1999; however, such a decision would be based on a single integrated interceptor tests. Furthermore, the test booster would not represent an operational configuration.

To support a lower risk and more robust NMD program, the conferees believe that additional EKV flight tests are required. Specifically, the conferees direct the Secretary of Defense to restructure the EKV program to support two flight tests in fiscal year 1997, three in fiscal year 1998, and four in fiscal year 1999. This requires the acquisition of additional kill vehicle and test booster hardware. Additionally, the conferees direct the Secretary to evaluate the advantages of upgrading the Payload Launch Vehicle (PLV) system to provide a more representative velocity regime and test environment for NMD system tests. To accomplish these objectives, and to ensure that other aspects of the NMD program are able to support an initial operational capacity (IOC) in fiscal year 2003 (which the administration's proposal supposedly protects), the conferees recommend an increase of $350.0 million in PE 63871C.

The conferees commend the Under Secretary of Defense (Acquisition and Technology) for his recent decision to establish an NMD joint-service program office (JPO), and direct the Director of BMDO to ensure full participation by the Army, Navy, and Air Force in the JPO. In addition, the committee directs the Director of BMDO to ensure that the EKV and associated booster designs are compatible with the widest possible range of NMD system architectures and basing modes. The conferees direct that the Director of BMDO inform the Senate Committee on Armed Services and the House Committee on National Security of his plans in this regard not later than February 15, 1997.

The conferees note that the prototype ground-based radar (GDR–P) is an important NMD system element, and the GBR–P is scheduled to begin testing at U.S. Army Kwajalein Atoll (USAKA) in 1998. This schedule must be maintained, or accelerated, in order to realize cost savings associated with leveraging the THAAD radar program and test schedule. Of the amounts authorized in PE 63871C, the conferees recommend $68.0 million for GBR–P in order to ensure that the radar is available for integrated system testing in fiscal year 1998.

The conferees recognize the importance of the Midcourse Space Experiment (MSX) for collecting and analyzing background data of use to future midcourse sensors such as the Space Missile and Tracking System. The conferees are concerned, however, that BMDO has failed to budget funds to continue operations through the end of the expected lifetime of the satellite. Therefore, the conferees strongly urge the Director, BMDO to provide adequate funds in the fiscal year 1998 budget submission and over the Future Years Defense Plan (FYDP) for MSX satellite operations.

The conferees understand the importance of an effective battle management/command, control, and communications (BM/C3) architecture to overall NMD system performance and reliability. In this regard, the conferees are aware of proposals to leverage existing TMD BM/C3 capabilities, including such capabilities being developed under the THAAD program, to support an NMD system. The committee therefore urges the Director, BMDO to study these proposals and inform the committee not later than February 15, 1997, of his views in this regard.

JOINT NATIONAL TEST FACILITY

The budget request included $5.8 million for Joint National Test Facility (JNTF) modernization, split among program elements 63871C, 63872C, and 63173C. To adequately satisfy the complex missile defense integration requirements leading to successful joint tests, analysis, war gaming, CINC exercises, and acquisition support, the conferees recommend $15.0 million be made available for modernization, computational and wide area network capabilities in support of the Ballistic Missile Defense Network (BMDN) from within the program elements listed above.

MANAGEMENT

The budget request did not contain a separate program element for management.

The House bill recommended a general reduction of $15.0 million for management.

The Senate did not recommend a reduction for management.

The House recedes.

JOINT THEATER MISSILE DEFENSE

The budget request included $521.5 in BMDO's Joint TMD program element (formerly known as Other TMD). The committee recommends a net increase of $6.4 million in PE 63872C, including the following adjustments: (1) a transfer of $9.3 million to the BPI program element for the U.S.-Israel Joint BPI program; (2) an increase of $3.7 million for the Arrow Deployability Project (ADP), for a total authorization of $35.0 million to fully fund the U.S. share of the program envisioned in the recently completed Memorandum of Agreement between the United States and Israel; (3) an increase of $7.0 million for the Army's Advanced Research Center (ARC), for a total authorization of $15.0 million; and (4) an increase of $5.0 million for BMDO to ensure that the Navy's Cooperative Engagement Capability is compatible with all of BMDO's core TMD programs.

Holloman high speed test track

The budget request included $116.0 million for the Central Test and Evaluation investment development program (PE 64940D).

The Senate amendment would authorize an increase of $17.0 million in PE 64940D for the joint high speed upgrade for the Holloman High Speed Test Track.

The House recedes.

ITEMS OF SPECIAL INTEREST

Anti-submarine warfare program

The budget request included $49.6 million in PE 62314N for exploratory development of advanced undersea warfare surveillance technologies.

The House bill would authorize an increase of $21.0 million to the budget request to accelerate the development of advanced anti-submarine warfare (ASW) technologies.

The Senate amendment would authorize the budget request.

The House recedes.

In the statement of managers accompanying the conference report on the National Defense Authorization Act for Fiscal Year 1996 (H. Rept. 104–450), the conferees directed the Secretary of Defense to assess the current and projected U.S. ASW capability in light of the continuing development of quieter nuclear submarines, the proliferation of very capable diesel submarines, the sale of sophisticated, submarine launched weapons, and the declining trend in budget resources associated with ASW program. The assessment was expected to identify both short-term and long-term improvements that are needed to cope with the evolving submarine threat in both littoral and open ocean areas. The conferees directed that the results of this assessment and the plan for the U.S. ASW pro-

gram be reported to the congressional defense committees by July 1, 1996.

The conferees' comments on the Secretary's assessment are included in the classified annex to this statement of managers.

Battle group airborne anti-submarine warfare

The report accompanying the Senate amendment (S. Rept. 104–267) expressed concern about the Navy's slow progress in planning for and funding organic battle group airborne anti-submarine warfare (ASW) systems suitable for countering the existing and projected littoral ASW threat. The report acknowledged the reality of current budgetary constraints, but also emphasized the need for a solid conceptual plan, supported by adequate resources, to meet the evolving littoral ASW threat.

The Senate report expressed the opinion that the Navy's overall plan for modernizing its H–60 series helicopters has not met these criteria. It opined that the plan's broad concept, to convert existing H–60 variants into a multi-mission SH–60R helicopter and introduce it by fiscal year 2001 as a complement to introduction of DDG–51 Flight IIA destroyers into the fleet, appears sound. However, the mix of aircraft to be converted and the funding programmed to implement this concept have remained in a state of flux for the past two years. For example, the Navy's integrated helicopter plan for fiscal year 1997 reversed the Navy's previous decision to convert aircraft carrier based SH–60F ASW helicopters to HH–60H combat/utility helicopters. Instead, the new plan would convert these SH–60F helicopters to the SH–60R configuration. Some would be converted in the near term to fill surface combatant requirements, but the balance of the SH–60Fs would not undergo conversion until after fiscal year 2006.

Last year, the Navy's fiscal year 1996 helicopter plan would not have converted some 60 SH–60Fs to the SH–60R configuration. The statement of managers accompanying the National Defense Authorization Act for Fiscal Year 1996 directed the Secretary of the Navy to evaluate the cost effectiveness of a modernization program for the dipping sonars installed on these helicopters. Because the fiscal year 1997 plan now calls for conversion of these 60 helicopters to the SH–60R configuration, implying eventual installation of the airborne low frequency dipping sonar (ALFS), a different set of assumptions applies, and different questions have emerged.

Although the 60 SH–60F helicopters are now to be converted to the SH–60R configuration, most of these conversions will not occur for at least 10 to 15 years. The conferees are concerned about whether the dipping sonars presently installed on these carrier based SH–60F helicopters are now, or will remain, suitable for the littoral ASW operations envisioned by the Navy's strategic concept "Forward . . . From the Sea" during this 15 year period.

To help resolve their uncertainty, the conferees direct the Secretary of the Navy to develop a plan, containing decision options, that would ensure that its carrier based SH–60F helicopters not scheduled for conversion to the SH–60R in the near term, i.e., the helicopters that will remain responsible for inner-zone battle group ASW, are equipped with a dipping sonar, including possible modifications to the presently installed sonar, that is suitable, and will

remain suitable, for littoral ASW operations. The Secretary is directed to submit this plan no later than March 1, 1997.

Chemical and biological defense program

The budget request included a total of $505.0 million for the chemical-biological defense program, including $296.8 million in research and development, test and evaluation and $208.2 million in procurement.

The House bill would authorize an increase of $44.3 million for research, development, test and evaluation, and an increase of $16.2 million in the operations and maintenance accounts ($13.2 million for Army and $3.0 million for the Air Force).

The Senate bill would authorize the budget request.

The conferees agree to provide an increase to the budget request of $16.2 million for shortfalls in operations and maintenance ($13.2 million in the Army account and $3.0 million in the Air Force account).

The conferees remain concerned with findings contained in the March 1996 General Accounting Office (GAO) report on chemical and biological defense. While the GAO report notes improvement in the readiness of U.S. military forces to operate in a chemical or biological environment, the report also identifies continued deficiencies in the areas of chemical-biological defense training; inadequacy of the biological vaccine stockpile; development and implementation of a DOD immunization policy; and adequacy of training and equipment for medical personnel. In this regard, the conferees express concern with the Department's management and oversight of the chemical and biological defense program.

The conferees direct the Deputy Secretary of Defense to review and report back to the Congress on steps taken by the Department to correct deficiencies highlighted by the GAO report, to include a decision on the development and implementation of a DOD immunization policy. The conferees agree that it is essential that a decision be made on the vaccines to be stockpiled and on an immunization policy. Further the conferees agree that it is essential that medical personnel assigned to deploy with U.S. military forces to high threat areas have the necessary training and equipment to protect themselves against chemical or biological agents, and the necessary training and equipment to treat casualties in a chemically or biologically contaminated area.

Composite materials insertion for fielded weapon systems

The House bill would direct the Secretary of Defense to institute a composite materials insertion program in the military services and cited a number of material technologies to be considered. The conferees clarify that the Secretary may include other materials, such as polymer based composites, in the program at his discretion.

Dredge spoil disposal

The House bill would authorize an increase of $2.5 million in PE 62233N to investigate potential low cost alternatives to the current methods of disposal or reclamation of dredge spoils.

The Senate amendment contained no similar provision.

The conferees could not provide an authorization since the project was not appropriated by either appropriations committee. The conferees believe, however, that the Navy must begin to look at alternative technologies to reduce the cost of processing dredged material which it will incur as it faces the costly challenge of dredging the 15 ports it cites will require dredging over the next 15 years.

Electron scrubber technology

The electron scrubber (e-SCRUB) technology may potentially be used to eliminate or reduce pollutants that cause acid rain, air toxins, and volatile organic compounds from off gas generated by incinerators. It may also be used in the treatment of waste water. The technology combines electron beam flue gas scrubbing treatment with high average electron beam technology. Under the Strategic Defense Initiative, the Defense Nuclear Agency (DNA) directed the development of e-SCRUB as an antimissile technology. Several years ago, it was first evaluated as an environmental compliance technology under the Strategic Environmental Research and Development Program (SERDP).

The conferees have followed with interest the progress of the e-SCRUB technology under SERDP. The conferees note that SERDP development and testing of the technology was hindered by program funding reductions, the lack of relevance to the Department of Defense (DOD) environmental requirements, and poor performance.

In fiscal year 1995, DNA submitted a proposal for funding of the e-SCRUB technology under the Environmental Security Technology Certification Program (ESTCP). In order to receive favorable consideration for ESTCP participation, the proposal would have to satisfy a high priority need, be technically mature, project a high return on investment, and include an appropriate transition plan. A panel of experts reviewed the technology and determined that it was not ripe for ESTCP support.

The conferees have remaining concerns regarding the technical maturity, the overall cost, and the utility to DOD. However, proponents of the e-SCRUB technology maintain that it is ready for prototyping and demonstration, and that it will benefit major DOD maintenance and operation facilities confronted with significant air and water pollution problems. It is claimed that many of the significant problems associated with early development of the e-SCRUB technology have been overcome.

The conferees direct the Department to conduct another review of the e-SCRUB technology to determine if it meets the criteria for demonstration and validation of technology relevant to the Department's environmental needs. If the technology has no relevance or fails to meet the Department's criteria, the Secretary of Defense shall submit a report to the congressional defense committees describing those findings. If the technology is relevant and meets the Department's criteria, the Secretary shall use no more than $2.0 million from available funds to complete demonstration and validation through ESTCP or the National Defense Center of Environmental Excellence.

FFG–7 modernization

The Navy now plans to retain more of its FFG–7s in active and reserve status than had been previously planned. Heavy operational demands have caused the Navy to reverse an earlier decision to retire most of the FFG–7 class of ships. While the Navy has not made a final decision on the total number that will be retained, it is likely that the Navy will retain a portion of them in active service until at least 2010. The ships that will remain available include 12 that have the coherent receiving transmitter (CORT) installed. There are an additional 11 flight 3 and flight 4 ships that form a separate subclass. They are somewhat less capable than the CORT ships but are presently planned to remain in active service. The Navy intends to transition the remaining ships of the FFG–7 class to naval reserve force, ready reserve force or foreign military sales status.

The conferees appreciate the Navy's rationale in retaining some FFG–7s in service. However, it would now appear prudent to evaluate the ability of these ships to deal with evolving threats during their remaining service life. Factors for consideration include:

(1) the FFG–7 class has several different configurations, some have an updated anti-air warfare (AAW) system, while others have a more capable anti-submarine warfare (ASW) weapons system;

(2) the FFG–7 class was originally developed as a design-to-cost, open ocean, anti-submarine escort, and was not optimized for near land operations or countering advanced sea-skimming cruise missiles; and

(3) several groups have approached the committee during its review of the fiscal year 1997 budget request, asserting that relatively inexpensive off-the-shelf upgrades are available that will provide the FFG–7 class with the capabilities needed to counter modern threats.

The conferees want the Navy to clarify its intentions for modernizing the FFG–7 class. Therefore, the conferees direct the Secretary of the Navy to prepare a report on options for modernizing the FFG–7 class and submit that report with the fiscal year 1998 budget request. The report should include, but need not be limited to, answers to the following questions:

(1) what are the threats that will likely be encountered in operational situations where the FFG–7s might be employed?

(2) what priority does the Navy place on modernizing the FFG–7 class to deal with these threats?

(3) what are the alternatives for buying off-the-shelf upgrade packages that could defeat these threats?

(4) would buying off-the-shelf upgrade packages be cost effective relative to potential development programs? and,

(5) what would be a reasonable funding and installation program to procure and install either off-the-shelf packages or upgrade packages deriving from a development program?

Integrated avionics

Congress has frequently expressed concern over the proliferation of avionics systems for strategic and tactical aircraft. Congres-

sional reports dating back to fiscal year 1980 brought attention to the fact that there were over thirty discrete defensive avionics systems designed and developed to counter the same threat.

During the past decade, the Department of Defense has made some progress in fostering commonality among the military services. The Joint Integrated Avionics Working Group (JIAWG) has advanced the goal of developing common integrated avionics. It is important that this progress continue.

The conferees reiterate the need for joint integrated avionics to improve performance and substantially reduce the operational and maintenance cost associated with aircraft avionics.

Lithography

The conferees support the pursuit of extreme ultraviolet (EUV) lithography aimed at the fabrication of 100 nanometer design rule structures to support nanowriters, nanofabrication prototypes, and the facilities for short wavelength meterologies, calibration and standards. The conferees recognize its potential as the technology of choice of the next generation short wavelength tools for the industry and encourage the Department of Defense to consider using $10.0 million, of the total authorization for lithography, for EUV technologies.

Materials nanostructures

The conferees recognize that there is no appropriation to accelerate this program. The conferees recognize the potential of the emerging field of material nanostructures. This regime of science offers the opportunity to integrate inorganic and organic chemistry and physics at the material formative dimension that will impact microelectronics, micromachines, molecular level controllers and switches, among many other applications. Nanostructures have the potential to revolutionize future military technological superiority. The conferees urge the Department of Defense to devote additional funds to the development of these promising technologies.

Molecular design

Although there was no additional funding appropriated above the Department of Defense's request that would allow the conferees to consider any additional authorization for the molecular design program, the conferees fully endorse the current program in the Office of Naval Research (ONR) and urge its continuance. The conferees agree that the scientific investigations into the molecular synthesis of atoms as foundational building blocks of new material nanostructures will lead to a culture shift that will allow "crosscuts" in scientific disciplines of chemistry, biology and physics to occur. The conferees commend ONR, the Defense Advanced Research Projects Agency, and those universities participating in innovative research for their initiatives in this revolutionary direction of science. The conferees urge continued funding support by the Department.

Nickel-zinc battery technology

The military services have requirements for low cost, high energy density batteries with high power capability and low mainte-

nance requirements. The conferees have become aware of emerging technology for a state-of-the-art, high energy density nickel-zinc battery, which would be significantly cheaper, lower maintenance and more durable than the silver-zinc batteries now in service use, and would not carry the same environmental penalties as a silver-zinc and nickel-cadmium batteries. The conferees encourage the Secretary of the Navy to develop and demonstrate high energy density nickel-zinc battery technology that could provide great potential for a low cost, high performance replacement for nickel-cadmium aircraft batteries and for other applications.

Plasma Energy Pyrolysis System

The conferees support the ongoing joint effort between the U.S. Army Environmental Center/Environmental Technology Division and the Tennessee Valley Authority/Muscle Shoals Environmental Research Center to develop, demonstrate, and validate the Plasma Energy Pyrolysis System (PEPS) technology. The conferees urge the Department of Defense to continue its activity in this area with available funds. The Department of the Army shall report to the congressional defense committees on the feasibility of this technology not later than April 30, 1997.

LEGISLATIVE PROVISIONS

Subtitle A—Authorization of Appropriations

LEGISLATIVE PROVISIONS ADOPTED

Dual use technology program (sec. 203)

The House bill contained a provision (sec. 203) that would require the Secretary of Defense to designate a senior official, reporting directly to the Under Secretary of Defense for Acquisition and Technology, whose sole responsibility would be to develop policy and ensure effective execution of dual use programs and integration of commercial technologies into military systems. Further, the provision would require that not less than five, seven, ten, and fifteen percent, respectively for each of fiscal years 1997–2000, of each service's science and technology program be available only for dual use cost-shared programs. The provision would prohibit the use of "in-kind" contributions as a part of non-Federal entity participation in dual use projects. The provision also modified the other transaction authorities of the Department.

The conferees agree to a provision that would require designation of an official to manage dual use programs governed by this provision and a requirement for at least five percent of the amounts appropriated for science and technology programs for fiscal year 1997 be available for dual use programs. In addition, the conferees agree to authorize $85.0 million in PE 63805E for this purpose and direct that the management of these funds be under the jurisdiction of the person designated by the Secretary of Defense to manage dual use programs. The Secretary would be required to submit with the fiscal year 1998 budget request the Department's outyear funding strategy for this dual use program.

The conferees agree to modify the House provision to allow "in-kind" contributions as a part of non-Federal entity participation in

dual use projects. The conferees direct the official managing dual use programs in the Department of Defense to develop a set of consistent and equitable procedures for the treatment of the in-kind contributions. The official shall ensure that such procedures are consistent with the guidance on this issue contained in the Senate report (S. Rept. 104–267).

Defense Special Weapons Agency (DSWA) formerly known as the Defense Nuclear Agency (DNA) (sec. 204)

The budget request included $314.3 million for the Defense Nuclear Agency (DNA).

The Senate amendment contained provisions (secs. 109, 203, and 303) that would authorize a $15.0 million increase to the budget request for the Defense Nuclear Agency (DNA) to increase the frequency of nuclear weapons incidents field training exercises ($3.0 million defense operations and maintenance); to establish a counter terrorism support program leveraging DNA capabilities developed during the Cold War, and to establish a nuclear weapons delivery sustainment program ($12.0 million in research and development, PE 62715H).

The House bill would reduce the budget request for DNA by $3.0 million. Additionally, it would deny $7.0 million requested for the Topaz International Program (project AX), and would make available $4.0 million to continue the counter terrorist explosives research program.

The conferees agree to a provision that would authorize $314.3 million for DNA ($192.1 million in PE 62715H, $26.2 million in PE 63711H, $88.1 million in operations and maintenance, and $7.9 million in procurement). Of the amount available in PE 62715H, the conferees agree that funds shall be available for the following activities/programs: $4.0 million for the continuation of the counter terrorism support program; $3.0 million for Deep Digger; and $12.0 million to establish a nuclear weapons delivery sustainment program.

Included in the budget request for DNA was $7.0 million for the Topaz International program (project AX). The conferees have reviewed the assessment conducted by the National Research Council of this program. The conferees agree with a number of conclusions and recommendations reached by the NRC. Substantial amounts of money have been spent, both by the United States and Russia, to develop space nuclear power. Despite the identification of space reactor power as a potential enabler for future missions, no potential users of mission requirements have been identified.

Accordingly, the conferees deny the budget request for the Topaz International Program (project AX). The conferees understand that of the funds authorized for this program for fiscal year 1996, $4.6 million remained unobligated and unexpended. The conferees recommend that $3.0 million be used to terminate the program. A substantial amount of money has been spent over the decades on various space nuclear reactor power technologies. To save this investment for potential future use, the conferees recommend that all information and technology related to the Topaz international program and the U.S. space nuclear reactor power technology program be deposited in a central repository.

Subtitle B—Program Requirements, Restrictions, and Limitations

LEGISLATIVE PROVISIONS ADOPTED

Space launch modernization (sec. 211)

The House bill contained a provision (sec. 211) that would: (1) authorize $50.0 million for a competitive reusable space launch vehicle (RLV) program; and (2) permit obligation of the authorized funds only to the extent that the current operating plan of the National Aeronautics and Space Administration (NASA) allocates at least an equal amount for the RLV program.

The Senate amendment contained a provision (sec. 211) that would: (1) authorize $44.5 million for the Evolved Expendable Launch Vehicle program and $25.0 million for a competitive reusable launch vehicle technology program; (2) prohibit the use of DOD funds for RLV in an amount in excess of that dedicated to the program by NASA; and (3) prohibit the obligation of funds authorized for the Evolved Expendable Launch Vehicle (EELV) program in fiscal year 1997 until the Secretary of Defense certifies that funds authorized to be appropriated for RLV have been made available for obligation.

The House recedes with an amendment that would: (1) authorize $44.5 million for the Evolved Expendable Launch Vehicle program and $25.0 million for a competitive reusable launch vehicle program; (2) permit obligation of the funds authorized for RLV only to the extent that the current operating plan of NASA allocates at least an equal amount for the RLV program; (3) limit the obligation of funds for EELV to $20.0 million until the Secretary of Defense makes available for obligation funds authorized for RLV; and (4) require the Secretary of Defense and the Administrator of the National Aeronautics and Space Administration to submit to Congress a joint plan for coordinating and eliminating unnecessary duplication in the operations and planned improvements of rocket engine test facilities managed by the Air Force and NASA.

Space-Based Infrared System program (sec. 212)

The House bill contained a provision (sec. 219) that would authorize funds for the Space-Based Infrared System (SBIRS) program, prohibit the obligation of expenditure of funds until the Secretary of Defense issues a certification to Congress, and direct the Secretary to consider the appropriate management responsibilities for the Space and Missile Tracking System (SMTS) program.

The Senate amendment contained a similar provisions (sec. 213).

The Senate recedes with an amendment that would authorize $427.4 million for the SBIRS program ($173.3 million for SBIRS Space Segment High, $247.2 million for SMTS, and $6.9 million for Cobra Brass), prohibit the obligation or expenditure of more than $100.0 million for SBIRS Space Segment High until the Secretary of Defense issues a certification to Congress, and direct the Secretary to consider the appropriate management responsibilities for the SMTS program.

The conferees are disappointed by the Department of Defense's management of the SMTS program. The Department has yet to

present the revised SMTS program baseline as required by section 216 of the National Defense Authorization Act for Fiscal Year 1996. Additionally, poor management practices on the part of the Air Force, the Office of the Secretary of Defense, and the contractor have forced delays in the SMTS program. The conferees are particularly disappointed by the Department of Defense's decision to recommend for rescission $51.0 million for fiscal year 1996 funds authorized and appropriated for SMTS acceleration and competition. Shortly after recommended these funds for rescission, the Department endorsed a plan for enhanced competition. The Department's handling of the fiscal year 1996 SMTS funding and its on-again, off-again approach to competition is not acceptable. The conferees direct the Secretary of Defense to promptly complete the program baseline specified in section 216 of the National Defense Authorization Act for Fiscal Year 1996, and to promptly release the additional funds authorized for SMTS for fiscal year 1997 for purposes of accelerating the program.

Clementine 2 micro-satellite development program (sec. 213)

The Senate amendment contained a provision (sec. 215) that would authorize $50.0 million for the Clementine 2 mico-satellite near-earth interception mission. The provision would also prohibit the obligation of any funds for the Global Positioning System (GPS) Block IIF satellite development program until the Secretary of Defense certifies to Congress that the fiscal year 1996 funds for Clementine 2 have been obligated and the fiscal year 1997 funds for Clementine 2 have been made available for obligation.

The House bill contained no similar provision.

The House recedes with an amendment that would authorize $50.0 million for the Clementine 2 micro-satellite near-earth asteroid mission and would prohibit the obligation of more than $25.0 million for GPS Block IIF until the Secretary of Defense certifies that fiscal year 1997 funds for Clementine 2 have been made available for obligation.

Live-fire survivability testing of V–22 Osprey aircraft (sec. 214)

The House bill contained a provision (sec. 212) which would permit the Secretary of Defense to waive the survivability testing requirements of section 2366(c) of title 10, United States Code, notwithstanding the fact that the V–22 tilt-rotor aircraft has already entered engineering and manufacturing development. The provision would require the Secretary to report to the Congress on how the Secretary plans to evaluate the survivability of the V–22 aircraft, his assessment of possible alternatives to realistic survivability testing of the aircraft, and alternative survivability test requirements for the conduct of any alternative live-fire test program. The provision would also require that funds required for alternative live-fire testing of the V–22 shall be made available from amounts appropriated for the V–22 program.

The Senate amendment contained a similar provision (sec. 242), but allowed rather than directed the use of V–22 program funds to carry out the tests.

The Senate recedes.

Live-fire testing of the F–22 aircraft (sec. 215)

The House bill contained a provision (sec. 213) that would provide authority to the Secretary of Defense to waive certain live fire testing required by section 2366© of title 10, United States Code.

The Senate amendment contained a similar provision.

The conferees agree to a provision (sec.) that would provide the Secretary of Defense the waiver authority and further require that alternative survivability testing be funded from funds appropriated from the F–22 program.

Limitation on funding for F–16 tactical manned reconnaissance aircraft (sec. 216)

The House bill contained a provision (sec. 216) that would establish a limitation of $50.0 million on the total obligations and expenditures of the Department of Defense for the F–16 tactical manned reconnaissance aircraft program for research, development, test, evaluation, acquisition, and modification. The provision would exempt from limitation the obligations for the incorporation of the common data link.

The Senate amendment contained no similar provision.

The Senate recedes.

Cost analysis of F–22 aircraft program (sec. 217)

The Senate amendment contained a provision (sec. 218) that would direct the Secretary of Defense to review, analyze and estimate the production costs of the F–22 aircraft program using the Cost Analysis Improvement Group to complete the study. Detailed requirements for the report were outlined in the provision, and a date of March 30, 1997 was given for the completion of the report. A limitation on the use of funds for the F–22 program was also included pending receipt of the report.

The House bill contained no similar provision.

The House recedes.

F–22 aircraft program reports (sec. 218)

The Senate amendment contained a provision (sec. 219) that would require the Secretary of Defense to submit reports to Congress on event-based decision making when submitting the budget for an upcoming fiscal year. Reports of decisions made, comparing previously defined criteria and decision outcomes, would also be required.

The House bill contained no similar provision.

The House recedes.

Cost-benefit analysis of the F/A–18E/F aircraft program (sec. 219)

The Senate amendment contained a provision (sec. 228) that would require the Secretary of Defense to submit a report to the congressional defense committees on the F/A–18E/F program, comparing the costs and benefits of the F/A–18C/D with the F/A–18E/F. Not more than 90 per cent of the funds appropriated for the F/A–18E/F could be obligated or expended on the F/A–18E/F until 30 days after the date of receipt of the report by the congressional defense committees.

The House bill contained no similar provision.

The House recedes.

Joint Advanced Strike Technology (JAST) program (sec. 220)

The House bill contained a provision (sec. 220) that would preclude the obligation of funds for the Advanced Short Takeoff and Vertical Landing variant of JAST, and require an analysis of force structure alternatives and associated costs.

The Senate amendment contained no similar provision, but would provide an additional $13.0 million for alternate engine concepts.

The Senate recedes with an amendment that would remove the prohibition on the obligation of funds for the Advanced Short Takeoff and Vertical Landing variant of JAST, but would retain the provisions in the House bill requiring an analysis of future force structure needs and existing alternatives to the JAST program.

The conferees agree to provide the additional $13.0 million as identified in the Senate report (S. Rept. 104–267) for competitive engine initiatives.

Unmanned aerial vehicles (sec. 221)

The House bill contained a provision (sec. 217) that had five sections addressing unmanned aerial vehicle (UAV) programs. The sections would:

(1) prohibit the Secretary of Defense from entering into a contract for the Joint Tactical Unmanned Aerial Vehicle project until 30 days after certification was received by the Congressional defense committee of the justification and affordability of various reconnaissance programs;

(2) require a clear depiction of reconnaissance budget requests;

(3) transfer management of the Predator program to the Department of the Air Force;

(4) prohibit the obligation of funds to operate Predator UAV's from naval vessels; and

(5) provide $10.0 million for advanced concepts technology demonstrations of air-to-surface precision guided munitions employment using a UAV and a non developmental laser target designator.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would remove the following sections:

(1) the prohibition on entering into contracts on the Joint Unmanned Aerial Vehicle, and

(2) authorization of $10.0 million for an ACTD of air to surface precision guided munitions employment using a UAV and a non developmental laser target designator.

High altitude endurance unmanned aerial reconnaissance system (sec. 222)

The House bill contained a provision (sec. 223) that would require that any funds authorized to be appropriated for an improved Tier III Minus High Altitude Endurance Unmanned Aerial Reconnaissance System that would increase the unit flyaway cost above

the established contracted for amount be awarded through competitive acquisition procedures.

The Senate amendment contained no similar provision.

The Senate recedes.

Cyclone class patrol craft self-defense (sec. 223)

The Senate amendment contained a provision (sec. 225) that would direct the Secretary of Defense to carry out a study through the Commander in Chief of the U.S. Special Operations Command (USSOCOM) of self-defense options for USSOCOM's *Cyclone* class patrol craft and report the results to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives.

The House bill contained no similar provision.

The House recedes with an amendment.

One-year extension of deadline for delivery of Enhanced Fiber Optic Guided Missile (EFOG–M) system (sec. 224)

The House bill contained a provision (sec. 243) that would amend Section 272(a)(2) of the National Defense Authorization Act for fiscal year 1996 (Public Law 104–106; 110 Stat. 239) by striking out "September 30, 1998," and insert "September 30, 1999" that would extend the deadline for delivery of the EFOG–M systems.

The Senate amendment contained no similar provisions.

The Senate recedes.

Hydra-70 rocket product improvement program (sec. 225)

The budget request included $6.2 million for enhancements to existing missile programs.

The House bill included a provision (sec. 218) that would authorize an increase of $15.0 million for at least one composite motor type Hydra-70 missile evaluation on the Apache helicopter.

The Senate amendment would authorize an increase of $9.0 million for a Hydra-70 missile evaluation and an additional $4.5 million to develop and qualify an insensitive rocket motor as well as to support minor software improvements for the Hellfire missile.

The conferees agree to a provision (sec. 225) that would authorize $9.0 million for the Hydra-70 evaluation. An additional $3.9 million is authorized for Hellfire missile insensitive rocket motor development, for a total of $19.1 million in PE 23802A.

Federally-funded research and development centers (sec. 226)

The Senate amendment contained a provision (sec. 222) that would impose a combined ceiling on the funding that may be provided to both federally-funded research and development centers (FFRDCs) and university-affiliated research centers (UARCs) fiscal year 1997 at the same level as that imposed for fiscal year 1996.

The House bill contained no similar provision.

The House recedes with an amendment that would remove the UARCs from the ceiling and would limit the statutory funding ceiling for FFRDCs at the level reflected in projected expenditures for studies and analyses FFRDCs in the fiscal year 1997 budget request. The conferees direct that funds expended by an FFRDC on recapitalization not be limited by the amount of the ceiling allo-

cated to that FFRDC by the Department of Defense. The conferees direct that management of the FFRDCs be undertaken consistent with the direction in the House report (104–563) and Senate report (104–267).

The conferees note the continued importance of maintaining within the FFRDC community an international trade and technology support capability as described in the Senate report (104–112) to accompany the National Defense Authorization Act for Fiscal Year 1996. The conferees urge the Under Secretary of Defense for Acquisition and Technology to ensure that this capability is continued at an appropriate FFRDC and that sufficient funding be allocated to maintain it at a robust level of effort.

Demilitarization of conventional munitions, rockets, and explosives (sec. 227)

The House bill contained a provision (sec. 214) that would authorize $15.0 million for the demilitarization of conventional munitions, explosives and rockets, and would require the Secretary of Defense to establish a five year program for the development and demonstration of environmentally compliant technologies for the disposal and demilitarization of conventional munitions, explosives, and rockets.

The Senate amendment contained no similar provision.

The Senate recedes.

Research activities of the Defense Advanced Research Projects Agency relating to chemical and biological warfare defense technology (sec. 228)

The House bill contained a provision (sec. 215) that would amend provisions of Title XVII of the National Defense Authorization Act of Fiscal Year 1994 (Public Law 103–160) to clarify the role of the Defense Advanced Research Projects Agency in the Department of Defense's research and developments efforts related to chemical and biological warfare defense technologies.

The Senate amendment contained no similar provision.

The Senate recedes.

Certification of capability of United States to prevent illegal importation of nuclear, biological, or chemical weapons (sec. 229)

The House bill contained a provision (sec. 224) that would require the President to certify to the Congress whether or not the United States has the capability (as of the date of certification) to prevent the illegal importation of nuclear, biological, or chemical weapons into the United States and its possessions.

The Senate amendment contained no similar provision.

The Senate recedes.

The Office of the Secretary of Defense report, titled "Proliferation: Threat and Defense", dated April 1996, cites the growing threat posed by the proliferation of weapons of mass destruction and the spread of technology for their production. According to the report, one of the most volatile and frightening scenarios for U.S. defense planning would be based on a terrorist group that might attempt to smuggle nuclear, chemical, or biological weapons materials into the United States and attack U.S. domestic targets. The

conferees believe that the capability of the United States to deal with the potential threat posed by the illegal importation of nuclear, biological, or chemical weapons into the United States should be acknowledged, so that U.S. citizens might understand the seriousness of the threat and that increased emphasis might be placed on meeting the threat.

Nonlethal weapons and technologies program (sec. 230)

The House bill contained a provision (sec. 222) that would provide $3.0 million in PE 63640M for the nonlethal weapons research and development program.

The Senate amendment contained a provision (sec. 220) that would provide $15.0 million for a joint service research, development, test and evaluation program for nonlethal weapons and nonlethal technologies, and would require the establishment of a new program element to be administered by the program's designated executive agent. The provision would also place limits on the funds authorized for the foreign comparative testing program and the NATO research and development program until the funds authorized for the joint service nonlethal weapons and nonlethal technologies program in the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106), and additional funding for nonlethal weapons and technologies authorized for fiscal year 1997, are released to the executive agent for obligation. Additionally, a second Senate provision (sec. 313) would authorize $2.0 million in operations and maintenance funds for the Army and $3.0 million in operations and maintenance funds for the Marine Corps for procurement of nonlethal weapons capabilities to meet existing deficiencies in current nonlethal weapons inventories.

The House recedes with an amendment.

Last year, $37.2 million was authorized for the nonlethal weapons technologies program. The conferees have been troubled by the reluctance of the DOD to release the funds for execution and implementation of this program. Nonlethal weapons can enhance significantly the flexibility and operational effectiveness of forward deployed forces. As the military services become increasingly involved in unorthodox, non-traditional military operations, nonlethal weapons can help to manage, contain, and defuse certain volatile and low-intensity situations. The conferees do not accept or condone the Department's failure to make these funds available to the executive agent for obligation.

Currently, the Department's plan for execution of funds authorized in fiscal year 1996 includes a total of $15.95 million for nonlethal weapons technologies, with $10.45 million for research, development, test and evaluation, and $5.4 million for procurement. On July 17, 1996, the Under Secretary of Defense for Acquisition and Technology forwarded correspondence pledging to make available an additional $11.09 million in nonlethal funding during fiscal year 1996. Specifically, the Department agrees to prepare a reprogramming action that would transfer funding from the Defense Advanced Research Projects Agency (DARPA) to the various services, as follows: $5.4 million to reimburse the services ($1.0 million to the Army, $2.1 million to the Marine Corps, and $2.3 million to the Air Force); $1.04 million for research, development,

test and evaluation for additional investment; and $4.65 million to accommodate current nonlethal priorities for use at the discretion of the executive agent.

The conferees understand that the fiscal year 1997 budget submission includes $10.2 million for the various services and DOD nonlethal initiatives. The conferees agree to an investment strategy utilizing additional funds authorized by this provision, allocated as follows: $13.74 million for research, development, test and evaluation, as outlined in the July 17, 1996 letter from the Under Secretary of Defense for Acquisition and Technology; $1.26 million available to the executive agent for research, development, test and evaluation activities, at his discretion; and $5.0 million for training and replenishment of nonlethal technology needs ($2.0 million for the Army and $3.0 million for the Marine Corps).

The conferees emphasize that the revised Department plan for fiscal year 1996 does not bring the Department into compliance with Section 219 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106). However, it does represent a reasonable effort to ensure the immediate and near term nonlethal requirements of the military services. The conferees will closely monitor the formulation of the fiscal year 1996 nonlethal reprogramming list, and expect the Department to coordinate this effort with the relevant congressional committees to ensure its prompt approval.

The conferees agree to eliminate the provision that would prohibit the obligation or expenditure of funds authorized for the foreign comparative testing program and the NATO research and development program. That decision was reached with the understanding that the Department will fully implement and execute the nonlethal weapons technologies program for fiscal years 1996 and 1997, as agreed to in the July 17, 1996 letter from the Under Secretary of Defense for Acquisition and Technology.

The conferees direct the Department to consult with the Congress on a regular basis, and to include in its consultation a review of the joint and individual service mission needs and operational requirements for nonlethal weapons systems and technologies. Additionally, the conferees expect the fiscal year 1998 budget submission to include the funds necessary to continue this effort. The conferees further direct the Department of Defense to notify Congress 15 days in advance of obligation or expenditure of fiscal year 1997 operations and maintenance funds provided to the Army and the Marine Corps for procurement of nonlethal weapons.

The conferees are aware that the Office of Technology Assessment (OTA) had underway, when it closed on October 2, 1995, a major assessment of technology with applications related to peace operations, with particular emphasis on non-lethal weapons technology. Whereas in excess of $250,000 was expended and substantial progress had been made by OTA, no report was issued. The conferees direct that up to $70,000 of the funds authorized for the non-lethal program in fiscal year 1997 be used by the Department to complete a report on non-lethal weapons technology based on the work begun at OTA.

Counterproliferation support program (secs. 231 and 1309)

The Senate amendment contained a provision (sec. 221) that would authorize $176.2 million for the counterproliferation support program, a $82.5 million increase to the budget request. Of this increase, $75.0 million would be authorized for the tactical antisatellite technologies program, and $7.5 million would be authorized for the high frequency active auroral research program (HAARP). A second provision (sec. 230) would make available $3.0 million from the counterproliferation support program for a surgical strike vehicle to defeat hardened and deep underground structures.

The House bill contained no similar provisions, but would authorize the budget request for the counterproliferation support program.

The House recedes with an amendment that would authorize $186.2 million for the counterproliferation support program, a $92.5 million increase to the budget request. Of those funds, $75.0 million is authorized for the tactical antisatellite technologies program; $7.5 million is authorized for the high frequency active auroral research program (HAARP); $10.0 million is authorized for a nonproliferation and counterproliferation research and development program to enhance efforts at interdicting and detecting nuclear, radiological, chemical and biological weapons and related materials; and $3.0 million would be available to the Air Combat Command for research and development of a near-term capability to defeat hardened and deeply buried targets, including tunnels and deeply buried facilities for the production and storage of chemical, biological and nuclear weapons and their delivery systems. Additionally, the conferees agree that $4.0 million from funds authorized for the Air Force operation and maintenance account be made available for U.S. Strategic Command (USSTRATCOM) mission planning and analysis.

The conferees agree that funds authorized in this Act for the technical studies and analyses program (PE 605104D) may not be obligated until funds authorized for the tactical antisatellite technologies program in this Act and in the National Defense Authorization Act for Fiscal Year 1996 have been released for obligation by the executive agent.

Joint Committee for Review of Counterproliferation Program of the United States

The conferees agree to a provision (sec. 1309) that would extend the authority of the Joint Committee for Review of Counterproliferation Programs (CRCP) of the United States to September 30, 2000, and require annual reports to the congressional defense committees on the activities of the committee by May 1 of each year. The provision would also modify the composition of the committee by designating the Assistant to the Secretary of Defense for Nuclear, Chemical and Biological Defense as executive secretary for the committee.

Subtitle C—Ballistic Missile Defense Programs

LEGISLATIVE PROVISIONS ADOPTED

Funding for ballistic missile defense programs for fiscal year 1997 (sec. 241)

The House bill contained a provision (sec. 231) that would authorize funding for ballistic missile defense research and development activities in fiscal year 1997.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would authorize the following amounts for the following programs:

(1) $621.8 million for the Theater High Altitude Area Defense System;

(2) $304.2 for the Navy Upper Tier system;

(3) $858.4 for National Missile Defense;

(4) $56.2 for the Corps Surface-to-Air Missile (SAM)/Medium Extended Air Defense (MEADS) program.

The amended provision would also include the following limitations: (1) a limitation on the use of funds for the Office of the Under Secretary of Defense for Acquisition and Technology for official representation until the Secretary of Defense certifies that the above specified funds have been made available for obligation and the Secretary has included the Navy Upper Tier system in the theater missile defense core program; and (2) a limitation on the obligation of more than $15.0 million for the Corps SAM program until the Secretary of Defense submits to Congress an initial program estimate, a report on Corps SAM alternatives, and a certification that there will be no increase in overall U.S. funding commitment as a result of the withdrawal of France from the project definition and validation phase of the program.

Certification of capability of United States to defend against single ballistic missile (sec. 242)

The House bill contained a provision (sec. 232) that would require the President to submit to the Congress a certification stating whether the United States has the military capability to intercept and destroy a single ballistic missile launched at the territory of the United States.

The Senate amendment contained no similar provision.

The Senate recedes.

Report on ballistic missile defense and proliferation (sec. 243)

The House bill contained a provision (sec. 235) that would direct the Secretary of Defense to submit a report to Congress by December 31, 1996, on ballistic missile defense and proliferation.

The Senate amendment contained no similar provision.

The Senate recedes.

Revision to annual report on ballistic missile defense and proliferation (sec. 244)

The House bill contained a provision (sec. 236) that would update the requirement for the annual ballistic missile defense report to Congress.

The Senate amendment contained a similar provision.

The Senate recedes.

Report on Air Force National Missile Defense Plan (sec. 245)

The Senate amendment contained a provision (sec. 238) that expressed the sense of the Senate that the Air Force National Missile Defense (NMD) plan is an important NMD option and is worthy of serious consideration. The provision would also require the Secretary of Defense to submit to Congress a report on the Air Force NMD plan not later than 120 days after enactment of this Act.

The House bill contained no similar provision.

The House recedes with an amendment that would omit the sense of the Senate language and require the report specified in the Senate provision.

Capability of National Missile Defense system (sec. 246)

The House bill contained a provision (sec. 238) that would direct the Secretary of Defense to ensure that any national missile defense system deployed by the United States is capable of defeating the threat posed by the Taepo Dong II missile of North Korea.

The Senate amendment contained no similar provision.

The Senate recedes.

Actions to limit adverse effects on private sector employment of establishment of National Missile Defense Joint Program Office (sec. 247)

The Senate amendment contained a provision (sec. 908) that would require the Director of the Ballistic Missile Defense Organization to take such actions as are necessary in connection with the establishment of the National Missile Defense (NMD) Joint Program Office to ensure that establishment of that office does not make it necessary for a Federal Government contractor to reduce the number of persons employed by the contractor for supporting the NMD program at any particular location outside the National Capitol Region.

The House bill contained no similar provision.

The House recedes with an amendment that would require the Director of the Ballistic Missile Defense Organization to take such actions as are necessary in connection with the establishment of the NMD Joint Program Office to ensure that establishment of that office does not make it necessary for a Federal Government contractor to significantly reduce the number of persons employed by the contractor for supporting the NMD program at any particular location outside the National Capitol Region.

ABM Treaty defined (sec. 248)

The House bill contained a provision (sec. 237) that would define the Anti-Ballistic Missile Treaty.

The Senate amendment contained a similar provision.

The Senate recedes.

Subtitle D—Other Matters

LEGISLATIVE PROVISIONS ADOPTED

Maintenance and repair at Air Force installations (sec. 261)

The House bill contained a provision (sec. 241) that would require that the Secretary of the Air Force establish consistent procedures and criteria to allocate real property maintenance and repair funds at all bases and facilities. The absence of consistency leaves the Air Force test and evaluation bases and facilities at a significant disadvantage in the allocation of resources.

The Senate amendment contained no similar provision.

The Senate recedes.

Report relating to Small Business Innovation Research program (sec. 262)

The House bill contained a provision (sec. 242) that would require the Secretary of Defense to ensure that the Small Business Innovation Research (SBIR) program be managed and executed by the individual program managers of programs for which $20.0 million or more has been authorized for a fiscal year. The provision would also require a report on the Small Business Innovation Research program, as to whether there has been a demonstrable reduction in the quality of research.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would eliminate the requirement that program managers individually manage and execute the SBIR program and would expand the reporting requirements to include the degree to which competitive procedures are being used and the degree to which the technologies developed are being used in military programs.

Amendment to University Research Initiative Support program (sec. 263)

The House bill contained an amendment (sec. 244) that would propose changes in the data base for calculation of university eligibility for the University Research Initiative Support program.

The Senate contained an identical provision (sec. 243).

The Senate amendment includes this provision.

Amendments to Defense Experimental Program to Stimulate Competitive Research (sec. 264)

The House bill contained a provision (sec. 245) that would allow the Department more flexibility to customize the Defense Experimental Program to Stimulate Competitive Research (DEPSCoR) program for defense needs and help to improve the administration of the program.

The Senate amendment contained no similar provision.

The Senate recedes.

Elimination of report on the use of competitive procedures for the award of certain contracts to colleges and universities (sec. 265)

The House bill contained a provision (sec. 246) that would eliminate the annual reporting requirement on the use of competi-

tive procedures for award of research and development contracts, and the award of construction contracts to colleges and universities, primarily because this report duplicates information already required in other reports.

The Senate amendment contained no similar provision.

The Senate recedes.

Pilot program for transfer of defense technology information to private industry (sec. 266)

The Senate amendment contained a provision (sec. 813) that would authorize the use of $3.0 million of the funds available in the University Research Initiative program (PE 61103D) for the establishment of a pilot program at a university to demonstrate online transfers of information on defense technologies to businesses in the private sector and through an interactive data network involving Small Business Development Centers.

The House bill contained no similar provision.

The House recedes.

The conferees direct that all applicable competitive procedures be used in the award of any contract, grant or other agreement under this pilot program and that cost sharing requirements for non-Federal participants be utilized where appropriate.

Research under transactions other than contracts and grants (sec. 267)

The Senate amendment contained a provision (sec. 810) that would modify section 2371 of title 10, United States Code, to clarify when the authority under the section may be used. The provision would also modify the annual reporting requirement in section 2371 and specify certain information that would not be required to be disclosed under section 552 of title 5, United States Code.

The House bill contained a similar provision (sec. 203).

The House recedes.

The conferees direct the services to follow the example of the Defense Advanced Research Projects Agency in the aggressive use of this authority under section 2371.

Desalting technologies (sec. 268)

The Senate amendment contained a sense of the Senate provision (sec. 244) that recognized the importance of desalting technologies and encouraged the Secretary of Defense to place greater emphasis on making funds available for research and development into efficient and economical processes and methods for converting saline water to fresh water.

The House bill contained no similar provision.

The House recedes.

Evaluation of digital video network equipment used in Olympic games (sec. 269)

The House bill contained a provision (sec. 1050) that would require the Secretary of Defense to evaluate the digital video network equipment used in the 1996 Olympic games to determine whether such equipment would be the most appropriate equipment for use as a test bed for the military application of off-the-shelf technology.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment to defer the report date from December 31, 1996 to April 1, 1997 to allow the Department time to evaluate other comparative systems.

Annual joint warfighting science and technology plan (sec. 270)

The Senate amendment contained a provision (sec. 1052) that would require the Secretary of Defense to submit to the congressional defense committees the annual Joint Warfighting Science and Technology plan so that it may be considered in the congressional review of the President's defense budget request. The provision would also require that additional information of interest to Congress be submitted in conjunction with the plan.

The House bill contained no similar provision.

The House recedes.

Subtitle E—National Oceanographic Partnership Program

LEGISLATIVE PROVISIONS ADOPTED

National Oceanographic Partnership Program (sec. 282)

The House bill contained a provision (sec. 247) that would establish a National Oceanographic Partnership Program for the purpose of leveraging all U.S. oceanographic efforts to the benefit of the military. The Partnership Program would establish a National Oceanographic Leadership Council to coordinate national oceanography programs, partnerships and facilities, and coordinate policy efforts of all Federal activities involved in oceanographic surveys and research. The council would also provide a comprehensive plan to ensure development of oceanography science and technology modeling and simulation programs throughout government, universities and that industry will be available to support military requirements in the future. The House provision would also create a national ocean data and remote sensing center to centralize all unclassified, classified and sensitive compartmented information databases, models and product synthesis capabilities to support national oceanographic requirements and a national natural littoral laboratory. The House would authorize increases of $15.0 million in PE 61153N and $15.0 million in PE 62435N for the National Oceanographic Partnership Program.

The Senate amendment contained a similar provision (sec. 252) that would provide for the establishment of a National Ocean Research Leadership Council, chaired by the Secretary of the Navy or his designee and composed of representatives of Federal agencies, industry and academia, to coordinate national oceanography programs, partnerships and facilities. The Senate amendment would provide an increase of $13.0 million in the Navy's Oceanographic and Atmospheric Technology program (PE 62435N) for support of the National Oceanographic Partnership Act. The Senate amendment also contained a provision that would establish national coastal data centers on both the east and west coasts at existing institutions of higher learning with well established institutes or graduate schools of oceanography.

The Senate recedes with an amendment that would authorize an increase of $13.0 million in PE 62435N to be allocated as di-

rected in the Senate report (S. Rept. 104–267). The conferees also agree to authorize $7.5 million for oceanographic ship operations out of funds available in operations and maintenance, project 80. The provision would also direct the National Oceanographic Leadership Council to review the requirement for the establishment of centers for the national centralization of oceanographic research data, including coastal data centers, and to establish such centers as it deems necessary.

LEGISLATIVE PROVISIONS NOT ADOPTED

Joint United States-Israeli Nautilus Laser/Theater High Energy Laser program

The House bill contained a sense of Congress provision (sec. 221) that would strongly support the Joint U.S.-Israeli Nautilus Laser/Theater High Energy Laser program and encourage the Secretary of Defense to request authorization to develop these programs as agreed to April 28, 1996, in the statement of intent signed by the Secretary of Defense and the Prime Minister of the State of Israel.

The Senate amendment contained no similar provision.

The House recedes.

The conferees agree to authorize an additional $50.0 million for a new program element to support the Nautilus/Theater High Energy Laser program and the associated design verification testing. The conferees understand that the government of Israel is prepared to devote significant resources to this effort and the committee urges the administration to seek a rapid conclusion of a memorandum of agreement (MOA) on the THEL program with Israel. The conferees fully expect that additional funding to implement such an MOA will be included in future Army budget requests.

Policy on compliance with the ABM Treaty

The House bill contained a provision (sec. 233) that would codify the "demonstrated capabilities" standard for assessing compliance of systems with the Anti-Ballistic Missile (ABM) Treaty, state certain prohibitions, and define an ABM-qualifying flight test as a test against a ballistic missile with a range in excess of 3,500 kilometers and a velocity in excess of five kilometers per second.

The Senate amendment contained a provision (sec. 239) that would extend by one year section 235 of the National Defense Authorization Act of Fiscal Year 1996 (Public Law 104–106).

The House and the Senate recede from their respective provisions.

The conferees note that the President's National Security Advisor has stated that the Theater Missile Defense (TMD) Demarcation agreement, to which the United States has tentatively agreed, would modify the rights and obligations of the parties and, hence, constitute a substantive change to the ABM Treaty. The conferees acknowledge and reaffirm the constitutional principle that any substantive treaty change may be entered into only pursuant to the President's treaty making power under the Constitution. The conferees note that this constitutional principle is specifically codified

with regard to the ABM Treaty in section 232 of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337).

The conferees would take strong exception to any interpretation by the administration that section 235 of the National Defense Authorization Act for Fiscal Year 1996 "pre-authorizes" implementation of the TMD Demarcation agreement. For example, because the agreement-in-principle does not apply the "demonstrated capabilities standard" to all TMD systems, it would not satisfy the standard specified in section 235(b)(1). More importantly, section 235 does not supersede the constitutional requirement to submit a substantive change to the ABM Treaty to the Senate for advice and consent.

In light of the fact that the President's National Security Advisor has confirmed that the draft TMD Demarcation agreement would constitute a substantive change to the ABM Treaty, the conferees agree that legislation requiring submission of the agreement for Senate advice and consent is not needed.

Requirement that multilateralization of the ABM Treaty be done only through treaty-making power

The House bill contained a provision (sec. 234) that would state that any addition of a new signatory party to the Anti-Ballistic Missile (ABM) Treaty (in addition to the United States and the Russian Federation) constitutes an amendment to the treaty that can only be agreed to by the United States through the treaty making power of the United States. This provision would prohibit the obligation or expenditure of funds during any fiscal year for the purpose of implementing or making binding upon the United States the participation of any additional nation as a party to the ABM Treaty, unless that nation is made a party to the treaty by an amendment to the Treaty that is made in the same manner as the manner by which a treaty is made.

The Senate amendment contained a provision (sec. 231) that would express the sense of the Senate that during fiscal year 1997 the United States shall not be bound by any international agreement entered into by the President that would substantively modify the ABM Treaty, including any agreement that would add one or more countries as signatories to the Treaty or would otherwise convert the treaty from a bilateral Treaty to a multilateral treaty, unless the agreement is entered pursuant to the treaty making power of the President under the Constitution.

The House and the Senate recede from their respective provisions.

The conferees acknowledge and reaffirm the constitutional principle that any substantive change to a treaty may be entered into only pursuant to the President's treaty making power under the Constitution. The conferees note that, with regard to the ABM Treaty, this constitutional principle is specifically codified in section 232 of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337). In this regard, the accord on ABM Treaty succession, tentatively agreed to by the administration, would constitute a substantive change to the ABM Treaty, which may only be entered into pursuant to the treaty making power of

the President under the Constitution. An explanation for this conclusion is presented below.

First, the fundamental circumstances that provided the rationale for the ABM Treaty have changed. The ABM Treaty, more than any other arms control agreement, was a product of the bipolar Cold War confrontation between the United States and the Soviet Union. With the dissolution of the Soviet Union, the United States faces strategic and political circumstances that are vastly different than those that obtained in 1972.

Second, by having the Soviet Union succeeded, for purposes of the ABM Treaty, by some but not all of the independent states of the former Soviet Union, each possessing sovereign rights under the Treaty, a succession agreement would change, limit, and extend certain rights and obligations previously possessed by the parties. This is virtually a text book definition of a treaty amendment. The rights of the United States would clearly be changed given the fact that the Standing Consultative Commission (SCC), the ABM Treaty's implementing body, would, for the first time, be comprised of several parties, all of whom would need to consent to changes, clarifications or amendments to the Treaty.

As the administration stated in a May 3, 1996, letter: "Each party will participate in implementing the Treaty as a sovereign entity. This includes a full and equal voice in the SCC." When asked if the consent of all parties would be needed before the Treaty could be amended, clarified, or interpreted, the administration answered: "Yes. The U.S. has insisted on a decision-making mechanism in the SCC under which legally binding obligations would be adopted by consensus." In effect, the SCC would be transformed into a corporate body in which up to a dozen affirmative votes would be required before the Treaty could be amended. In addition, some of the new treaty partners would only have partial rights. Of the former Soviet states, for example, only Russia would be entitled to deploy an operational ABM system.

Third, the functional mechanics of the ABM Treaty will be changed through multilateralization. The ABM Treaty is based, in part, on a geographical description of the United States and the Soviet Union. For example, the Treaty states specifically that certain large phased array radars may only be located along the periphery of the national territory of the parties. In the case of the former Soviet Union, however, some radars are now located outside of Russia. The Skrunda radar in Latvia, for example, is on the territory of an independent country that has rejected membership in the ABM Treaty. Clearly, any agreement that addresses the successorship issue will also have to redefine these geographic aspects of the Treaty, which will constitute substantive amendments to the Treaty. In this regard, the Senate will be as interested to see which states do not accede to the ABM Treaty as it will be to see which countries do accede.

Fourth, all succession agreements related to existing strategic arms control agreements have been addressed by the Senate through the constitutional advice and consent mechanism, with the exception of the Intermediate-Range Nuclear Forces Treaty, which was clearly identified as an exception to the rule at the time of succession.

In the case of the Conventional Armed Forces in Europe (CFE) Treaty, the Senate specifically recognized the impending breakup of the Soviet Union and adopted provisions that were intended to take this into account during the ratification debate. The Senate was so concerned about this issue with regard to the CFE Treaty that it attached a condition to the resolution of ratification that specified procedures for adding new states parties and for evaluating the implications of the withdrawal of key newly independent states from the Treaty.

In the case of the Strategic Arms Reductions Talks (START I) Treaty, the succession agreement, known as the Lisbon Protocol, was approved by a two-thirds vote of the Senate as part of the overall ratification process. As in the case of CFE, START I was surrounded by major succession issues that the Senate had to address in a formal manner. It is the view of the conferees that neither CFE nor START I would have been approved by the Senate but for the fact that the succession issues were thoroughly addressed as part of the ratification debate.

Given the compelling case that the ABM Treaty succession agreement is a substantive change to the treaty, the conferees affirm that such agreement must be submitted to the Senate for advice and consent.

Funding increase for field emission flat panel technology

The House bill included a provision (sec. 248) that would authorize an additional $10.0 million for the combat vehicle improvement program to fund field emission flat panel technology for the M1 tank upgrade.

The Senate amendment would also provide $10.0 million for this project.

The House recedes from its legislative provision.

The conferees agree to recommend an additional $10.0 million in PE 23735A for flat panel display technology.

Natural resource assessment and training delivery system

The House bill contained a provision (sec. 249) that would authorize funding to support a proposed natural resource assessment and training delivery system. The purpose of the program was to enhance the ability of the Department of Defense to mitigate the environmental impact of its operational training of forces and testing of weapons on military installations more effectively and at lower costs.

The Senate amendment contained no similar provision.

The House recedes.

The conferees agree that there are advanced technology methods such as remote sensing, satellite and aircraft mounted sensors, integrated digital data sets, and advanced computing resources that could offer the Department efficiencies in time, cost and area coverage over personnel intensive ground sampling, data processing and analysis when it monitors environmental conditions at military installations.

The conferees urge the Department to investigate industrial and academic capabilities to implement advance technologies for environmental monitoring and training.

Funds for research, development, test, and evaluation relating to humanitarian demining technologies

The budget request included $7.7 million for humanitarian demining activities.

The Senate amendment contained a provision (sec. 204) that would make $18.0 million available for humanitarian demining activities in PE 63120D, to be administered by the Assistant Secretary of Defense for Special Operations and Low Intensity Conflict.

The House bill contained no similar provision, but would recommend the budget request for humanitarian demining activities.

The Senate recedes.

The conferees agree to authorize $18.0 million in PE 63120D for research, development, test, and evaluation of near-term and long-term technologies and capabilities relating to humanitarian demining technologies. The humanitarian demining program will continue to be administered by the Assistant Secretary of Defense for Special Operations and Low Intensity Conflict. The relationship of this program to the Defense countermine program is discussed elsewhere in the report.

Department of Defense Space Architect

The Senate amendment contained a provision (sec. 212) that would require the Secretary of Defense to include the kinetic energy tactical anti-satellite (ASAT) program in the space control architecture to be developed by the Department's new Space Architect. The provision would prohibit the use of fiscal year 1997 defense funds to support the Space Architect until the Secretary certifies that he will include the ASAT program in the space control architecture, that he has obligated fiscal year 1996 funds for the kinetic energy ASAT, and that he has made available for obligation fiscal year 1997 funds appropriated for the kinetic energy ASAT, consistent with congressional guidance.

The House contained no similar provision.

The Senate recedes.

Research for advanced submarine technology

The Senate amendment contained a provision (sec. 214) that would repeal section 132 of the National Defense Authorization Act for Fiscal Year 1996.

The House bill contained no similar provision.

The Senate recedes.

Tier III minus Unmanned Aerial Vehicle

The Senate amendment contained a provision (sec. 216) that would prohibit the procurement of more than three air vehicles for the Tier III minus UAV program until flight testing is completed.

The House bill contained no similar provision.

The Senate recedes.

Defense airborne reconnaissance program

The Senate amendment contained a provision (sec. 217) that would require the Secretary of Defense to submit a report compar-

ing the Predator unmanned aerial vehicle (UAV) with the Dark Star (Tier III minus) UAV.

The House bill did not contain a similar provision.

The Senate recedes.

Advanced submarine technologies

The Senate amendment contained a provision (sec. 223) that would authorize $489.4 million for the submarine previously designated by the Navy as the New Attack Submarine and an additional $100.0 million to address the inclusion on future nuclear attack submarines of core, category I, and category II technologies, as such technologies are identified by the Secretary of Defense in Appendix C of the "Report on Nuclear Attack Submarine Procurement and Submarine Technology", submitted to Congress on March 26, 1996.

The House bill contained no similar provision.

The Senate recedes.

Funding for basic research in nuclear seismic monitoring

The Senate amendment contained a provision (sec. 224) that would make available $6.5 million for basic research in nuclear seismic monitoring from funds requested for the Air Force for arms control implementation.

The House bill contained no similar provision.

The Senate recedes.

The budget request included $26.7 million for arms control implementation in PE 35145F for research and development activities to prepare the United States for implementation of, and compliance with, nuclear testing treaties. Those activities include the development of a national and international data center, treaty implementation and technical support, and nuclear monitoring techniques. The conferees agree that, of those funds, $6.5 million shall be available for basic research in nuclear seismic monitoring.

Computer-assisted education and training

The Senate amendment included a provision (sec. 226) that would require that $10.0 million in the Defense Research Sciences program (PE 61101E) be used for the continuation of computer-assisted education and training programs in the Department of Defense.

The House bill contained no similar provision.

The Senate recedes.

Seamless high off-chip connectivity

The Senate amendment included a provision (sec. 227) that would require that $7.0 million in funds available for research, development, test and evaluation in the Department of Defense be used to continue research and development of seamless high off-chip connectivity (SHOCC) programs.

The House bill contained no similar provision.

The Senate recedes.

National Polar-Orbiting Operational Environmental Satellite System

The Senate amendment contained a provision (sec. 229) that would authorize $29.0 million for the National Polar-Orbiting Operational Environmental Satellite System (NPOESS), a reduction of $5.0 million from the Department of Defense portion of the NPOESS budget request.

The House bill contained no similar provision but recommended a reduction of $15.0 million.

The Senate recedes.

The conferees agree to authorize $29.0 million for NPOESS.

Funding for upper tier theater missile defense systems

The Senate amendment contained a provision (sec. 232) that would authorize funds for the Theater High Altitude Area Defense (THAAD) system and the Navy Upper Tier theater missile defense (TMD) system. The provision would also prohibit the use of funds during fiscal year 1997 by the Undersecretary of Defense for Acquisition and Technology for official representation activities until the Secretary of Defense certifies to Congress that: (1) fiscal year 1997 funds for THAAD and Navy Upper Tier have been made available for obligation; and (2) the Navy Upper Tier system has been included in the core TMD program.

The House bill contained no similar provision.

The Senate recedes.

Scorpius space launch technology program

The Senate amendment contained a provision (sec. 235) that would provide for the use of up to $7.5 million of funds authorized for the Ballistic Missile Defense Organization for the Scorpius space launch technology program.

The House bill contained no similar provision.

The Senate recedes.

Corps SAM/MEADS program

The Senate amendment contained a provision (sec. 236) that would authorize $56.2 million for the Corps surface-to-air/Medium Extended Air Defense System, and would require the Secretary of Defense to submit certain items prior to obligating more than $15.0 million in fiscal year 1997.

The House bill contained no similar provision.

The Senate recedes. Funding for Corps SAM/MEADS is discussed elsewhere in this report.

Annual report on threat of attack by ballistic missiles carrying nuclear, chemical, or biological warheads

The Senate amendment contained a provision (sec. 237) that would require an annual report on the threat of attack by ballistic missiles carrying weapons of mass destruction.

The House bill contained no similar provision.

The Senate recedes.

TITLE III—OPERATION AND MAINTENANCE

Overview

The budget request for fiscal year 1997 contained an authorization of $88,859.7 million for Operation and Maintenance in the Department of Defense and $1,910.9 for Working Capital Fund Accounts in fiscal year 1997. The House bill would authorize $90,728.8 million for Operation and Maintenance and $2,070.9 for Working Capital Fund Accounts. The Senate amendment would authorize $89,113.8 million for Operation and Maintenance and $2,215.9 for Working Capital Fund Accounts. The conferees recommended an authorization of $89,871.0 million for Operation and Maintenance and $2,065.9 for Working Capital Fund Accounts for fiscal year 1997. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

TITLE III	FY 1997 Authorization Request	House Authorized	Senate Authorized	Conference Change	Conference Authorization
OPERATION AND MAINTENANCE & WORKING CAPITAL FUNDS					
Operation and Maintenance, Army	18,114,479	18,436,929	18,147,623	149,927	18,264,406
Operation and Maintenance, Navy	20,196,197	20,433,797	20,298,339	191,540	20,387,737
Operation and Maintenance, Marine Corps	2,203,777	2,524,677	2,279,477	217,230	2,421,007
Operation and Maintenance, Air Force	17,913,455	17,982,955	17,949,339	(278,120)	17,635,335
Operation and Maintenance, Defense-wide	10,156,468	10,375,368	9,778,942	(243,506)	9,912,962
Office of the Inspector General	136,501	136,501	136,501	0	136,501
Defense Health Program	9,358,288	9,831,288	9,375,988	475,000	9,833,288
Operation and Maintenance, Army Reserve	1,084,436	1,155,436	1,094,436	52,000	1,136,436
Operation and Maintenance, Navy Reserve	843,927	858,927	851,027	15,000	858,927
Operation and Maintenance, Marine Corps Reserve	99,667	106,467	110,367	13,700	113,367
Operation and Maintenance, Air Force Reserve	1,488,553	1,504,553	1,493,553	11,000	1,499,553
Operation and Maintenance, Army National Guard	2,208,477	2,297,477	2,218,477	69,000	2,277,477
Operation and Maintenance, Air National Guard	2,654,473	2,688,473	2,699,173	56,700	2,711,173
United States Court of Appeals for the Armed Forces	6,797	6,797	6,797		6,797
Environmental Restoration, Army	356,916	0	356,916		356,916
Environmental Restoration, Navy	302,900	0	302,900		302,900
Environmental Restoration, Air Force	414,700	0	414,700		414,700
Environmental Restoration, Defense-Wide	258,500	0	258,500		258,500
Environmental Restoration, Defense	0	1,333,016	0		0
Drug Interdiction and Counter-drug Activities, Defense	642,724	682,724	793,824	153,800	796,524
Former Soviet Union Threat Reduction	327,900	302,900	327,900	37,000	364,900
Overseas Military Investment Recovery	0	0	0		0

	FY 1997 Authorization Request	House Authorized	Senate Authorized	Conference Change	Conference Authorization
Disposal of DoD Real Property	0	0	0		0
Lease of DoD Real Property	0	0	0		0
Payment to Kaho' Olawe Island Fund	10,000	10,000	0		10,000
Kaho' Olawe Island Conveyance	0	0	0		0
Restoration of Rocky Mountain Arsenal	0	0	0		0
Overseas Humanitarian, Disaster, & Civic Aid	80,544	60,544	49,000	(26,000)	54,544
National Science Center, Army	0	0	0		0
Defense against Weapons of Mass Destruction Act (Title XIII)	0	0	150,000	97,000	97,000
Vietnamese Commandos Payments	0	0	20,000	20,000	20,000
Subtotal Operation and Maintenance	88,859,679	90,728,829	89,113,779	1,011,271	89,870,950
REVOLVING FUNDS					
Defense Business Operations Fund (DECA)	947,900	947,900	947,900		947,900
National Defense Sealift Fund	963,002	1,123,002	1,268,002	155,000	1,118,002
National Defense Stockpile Transaction Fund (Routine & Ongoing Sales)					
National Defense Stockpile Transaction Fund (Excess of Routine Sales)					
National Defense Stockpile Transaction Fund (Proposed Sale)					
Subtotal Working Capital Funds	1,910,902	2,070,902	2,215,902	155,000	2,065,902
Total Operation and Maintenance & Working Capital Funds	90,770,581	92,799,731	91,329,681	1,166,271	91,936,852

Title III - Operations and Maintenance (Dollars in Thousands)

APPROP	ID	ACCOUNT/BA/AG/SAG	FY 1997	House Authorized	Senate Authorized	Conference Change	Conference Agreement
		OPERATION AND MAINTENANCE, ARMY					
		BUDGET ACTIVITY 1: OPERATING FORCES					
		LAND FORCES	8,978,250	9,078,000	8,978,250	38,750	9,017,000
2020A	10	COMBAT UNITS	1,785,131	1,785,131	1,785,131		1,785,131
		CONTINGENCY OPERATIONS TRANSFER					-
2020A	20	TACTICAL SUPPORT	1,144,383	1,144,383	1,144,383		1,144,383
		HUNTER UAV					-
2020A	30	THEATER DEFENSE FORCES	150,569	150,569	150,569		150,569
2020A	40	FORCE RELATED TRAINING/SPECIAL ACTIVITIES	1,410,908	1,444,958	1,410,908		1,444,958
		SOLDIER ENHANCEMENT PROGRAMS	-			34,050	
2020A	50	FORCE COMMUNICATIONS	65,150	65,150	65,150		65,150
2020A	60	DEPOT MAINTENANCE	845,251	894,951	845,251		849,951
		SPARES AND REPAIR PARTS				(30,000)	
		DEPOT MAINTENANCE RMS PROGRAM				15,000	
		COMBAT VEHICLES	-			19,700	
2020A	70	JCS EXERCISES	55,087	55,087	55,087		55,087
2020A	80	BASE SUPPORT	2,686,320	2,702,320	2,686,320		2,686,320
		MWR PROGRAMS	-				-
2020A	85	MAINTENANCE OF REAL PROPERTY	835,451	835,451	835,451		835,451
		LAND OPERATIONS SUPPORT	270,307	270,307	270,307	-	270,307
2020A	90	COMBAT DEVELOPMENTS	206,538	206,538	206,538		206,538
2020A	100	UNIFIED COMMANDS	63,769	63,769	63,769		63,769
		TOTAL, BUDGET ACTIVITY 1:	9,248,557	9,348,307	9,248,557	38,750	9,287,307
		BUDGET ACTIVITY 2: MOBILIZATION					
		MOBILITY OPERATIONS	586,443	613,443	613,443	27,000	613,443
2020A	110	POMCUS	82,303	82,303	82,303		82,303

Title III - Operations and Maintenance (Dollars in Thousands)

APPROP	ID	ACCOUNT/BA/AG/SAG	FY 1997	House Authorized	Senate Authorized	Conference Change	Conference Agreement
2020A	120	STRATEGIC MOBILIZATION	287,934	314,934	314,934	27,000	314,934
2020A	130	WAR RESERVE ACTIVITIES	150,971	150,971	150,971		150,971
2020A	140	INDUSTRIAL PREPAREDNESS	65,235	65,235	65,235		65,235
		TOTAL, BUDGET ACTIVITY 2:	586,443	613,443	613,443	27,000	613,443
		BUDGET ACTIVITY 3: TRAINING AND RECRUITING					
		ACCESSION TRAINING	334,200	334,200	334,200	-	334,200
2020A	150	OFFICER ACQUISITION	61,442	61,442	61,442		61,442
2020A	160	RECRUIT TRAINING	13,131	13,131	13,131		13,131
2020A	170	ONE STATION UNIT TRAINING	16,679	16,679	16,679		16,679
2020A	180	RESERVE OFFICER TRAINING CORPS (ROTC)	120,634	120,634	120,634		120,634
2020A	190	BASE SUPPORT (ACADEMY ONLY)	81,493	81,493	81,493		81,493
2020A	195	MAINTENANCE OF REAL PROPERTY (ACADEMY ONLY)	40,821	40,821	40,821		40,821
		BASIC SKILL/ ADVANCE TRAINING	2,115,411	2,118,011	2,115,411	-	2,115,411
2020A	200	SPECIALIZED SKILL TRAINING	242,298	242,298	242,298		242,298
2020A	210	FLIGHT TRAINING	225,460	225,460	225,460		225,460
2020A	220	PROFESSIONAL DEVELOPMENT EDUCATION	68,478	68,478	68,478		68,478
2020A	230	TRAINING SUPPORT	405,222	405,222	405,222		405,222
2020A	240	BASE SUPPORT (OTHER TRAINING)	898,954	901,554	898,954		898,954
		MWR PROGRAMS	-				-
2020A	245	MAINTENANCE OF REAL PROPERTY (OTHER TRAINING)	274,999	274,999	274,999		274,999
		RECRUITING/OTHER TRAINING	720,329	720,329	720,329	-	720,329
2020A	250	RECRUITING AND ADVERTISING	228,234	228,234	228,234		228,234
2020A	260	EXAMINING	72,125	72,125	72,125		72,125
2020A	270	OFF-DUTY AND VOLUNTARY EDUCATION	101,970	101,970	101,970		101,970
2020A	280	CIVILIAN EDUCATION AND TRAINING	83,296	83,296	83,296		83,296
2020A	290	JUNIOR ROTC	76,640	76,640	76,640		76,640
2020A	300	BASE SUPPORT (RECRUITING LEASES)	158,064	158,064	158,064		158,064

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Title III - Operations and Maintenance (Dollars in Thousands)

APPROP	ID	ACCOUNT/BA/AG/SAG	FY 1997	House Authorized	Senate Authorized	Conference Change	Conference Agreement
		TOTAL, BUDGET ACTIVITY 3:	3,169,940	3,172,540	3,169,940	-	3,169,940
		BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES					
		SECURITY PROGRAMS	364,270	373,570	362,770	2,300	366,570
2020A	310	SECURITY PROGRAMS	364,270	373,570	362,770	(7,000)	366,570
		CLASSIFIED PROGRAMS				9,300	
		LOGISTICS OPERATIONS	1,479,853	1,571,253	1,559,853	88,440	1,568,293
2020A	320	SERVICEWIDE TRANSPORTATION	515,541	515,541	515,541		515,541
2020A	330	CENTRAL SUPPLY ACTIVITIES	398,003	402,003	398,003		402,003
		DEPOT MAINTENANCE LOGISTICS TAIL	-			4,000	
2020A	340	LOGISTIC SUPPORT ACTIVITIES	308,497	345,897	348,497		342,937
		CRITICAL END ITEM MANAGEMENT	-			40,000	
		ACQUISITION WORKFORCE REDUCTIONS	-			(10,560)	
		TOTAL ASSET VISIBILITY PROGRAM	-			5,000	
2020A	350	AMMUNITION MANAGEMENT	257,812	307,812	297,812	50,000	307,812
		SERVICEWIDE SUPPORT	2,952,589	2,961,789	2,972,589	27,800	2,980,389
2020A	360	ADMINISTRATION	309,075	309,075	309,075		309,075
2020A	370	SERVICEWIDE COMMUNICATIONS	689,100	689,100	709,100		709,100
		POWER PROJECTION C4I				20,000	
2020A	380	MANPOWER MANAGEMENT	158,424	158,424	158,424		158,424
2020A	390	OTHER PERSONNEL SUPPORT	171,661	179,461	171,661		179,461
		NEW PARENT SUPPORT	-			7,800	
2020A	400	OTHER SERVICE SUPPORT	596,539	596,539	596,539		596,539
2020A	410	ARMY CLAIMS ACTIVITIES	175,881	175,881	175,881		175,881
2020A	420	REAL ESTATE MANAGEMENT	79,628	79,628	79,628		79,628
2020A	430	BASE SUPPORT	666,216	667,616	666,216		666,216
		MWR PROGRAMS	-				-
2020A	431	MAINTENANCE OF REAL PROPERTY	106,065	106,065	106,065		106,065

Title III - Operations and Maintenance (Dollars in Thousands)

APPROP	ID	ACCOUNT/BA/AG/SAG	FY 1997	House Authorized	Senate Authorized	Conference Change	Conference Agreement
		SUPPORT OF OTHER NATIONS	312,827	312,827	312,827	(6,063)	306,764
2020A	440	INTERNATIONAL MILITARY HEADQUARTERS	273,924	273,924	273,924	(6,063)	267,861
2020A	450	MISC SUPPORT OF OTHER NATIONS	38,903	38,903	38,903		38,903
		TOTAL, BUDGET ACTIVITY 4:	5,109,539	5,219,439	5,208,039	112,477	5,222,016
		UNDISTRIBUTED	-	113,200	(92,356)	(28,300)	(28,300)
		REAL PROPERTY MAINTENANCE				150,000	
		NON-LETHAL WEAPONS				2,000	
		FUEL TAX CREDIT				(13,800)	
		RMS PROGRAM					
		CIVILIAN PERSONNEL UNDEREXECUTION				(33,300)	
		ACQUISITION WORKFORCE REDUCTIONS				(8,400)	
		PRINTING EFFICIENCIES				(3,000)	
		UNOBLIGATED BALANCES				(60,000)	
		CHEMICAL-BIOLOGICAL EUIPMENT MAINTENANCE				13,200	
		USTRANSCOM EFFICIENCIES				(35,000)	
		FOREIGN CURRENCY FLUCTUATION				(40,000)	
		TOTAL, OPERATION AND MAINTENANCE, ARMY	18,114,479	18,466,929	18,147,623	149,927	18,204,406
		OPERATION AND MAINTENANCE, NAVY					
		BUDGET ACTIVITY 1: OPERATING FORCES					
		AIR OPERATIONS	4,385,939	4,437,139	4,399,039	65,400	4,451,339
1804N	10	MISSION AND OTHER FLIGHT OPERATIONS	1,867,999	1,867,999	1,881,099		1,878,599
		P-3 SQUADRONS				10,600	
1804N	20	FLEET AIR TRAINING	606,264	606,264	606,264		606,264
1804N	30	INTERMEDIATE MAINTENANCE	64,855	64,855	64,855		64,855
1804N	40	AIR OPERATIONS AND SAFETY SUPPORT	65,742	65,742	65,742		65,742

Title III - Operations and Maintenance (Dollars in Thousands)

APPROP	ID	ACCOUNT/BA/AG/SAG	FY 1997	House Authorized	Senate Authorized	Conference Change	Conference Agreement
1804N	50	AIRCRAFT DEPOT MAINTENANCE	602,679	629,979	602,679	27,300	637,479
		RMS PROGRAM				7,500	
1804N	60	AIRCRAFT DEPOT OPERATIONS SUPPORT	24,613	24,613	24,613		24,613
1804N	70	BASE SUPPORT	807,680	831,580	807,680	20,000	827,680
		MWR PROGRAMS					-
1804N	75	MAINTENANCE OF REAL PROPERTY	346,107	346,107	346,107		346,107
		SHIP OPERATIONS	6,482,485	6,570,985	6,576,485	123,300	6,605,785
1804N	80	MISSION AND OTHER SHIP OPERATIONS	1,919,975	1,919,975	1,935,975	9,800	1,929,775
1804N	90	SHIP OPERATIONAL SUPPORT AND TRAINING	457,005	457,005	457,005		457,005
1804N	100	INTERMEDIATE MAINTENANCE	396,844	396,844	422,844	26,000	422,844
1804N	110	SHIP DEPOT MAINTENANCE	1,803,854	1,863,854	1,855,854	60,000	1,871,354
		RMS PROGRAM				7,500	
1804N	120	SHIP DEPOT OPERATIONS SUPPORT	787,330	787,330	787,330		787,330
1804N	130	BASE SUPPORT	828,295	856,795	828,295	20,000	848,295
		MWR PROGRAMS					-
1804N	135	MAINTENANCE OF REAL PROPERTY	289,182	289,182	289,182		289,182
		COMBAT OPERATIONS/SUPPORT	1,636,958	1,666,858	1,636,958	17,200	1,654,158
1804N	140	COMBAT COMMUNICATIONS	206,422	206,422	206,422		206,422
1804N	150	ELECTRONIC WARFARE	7,589	7,589	7,589		7,589
1804N	160	SPACE SYSTEMS AND SURVEILLANCE	144,806	144,806	144,806		144,806
1804N	170	WARFARE TACTICS	138,113	138,113	138,113		138,113
1804N	180	OPERATIONAL METEOROLOGY AND OCEANOGRAPHY	212,854	212,854	212,854	6,200	219,054
1804N	190	COMBAT SUPPORT FORCES	386,011	386,011	386,011		386,011
1804N	200	EQUIPMENT MAINTENANCE	163,038	182,538	163,038	1,000	164,038
1804N	210	DEPOT OPERATIONS SUPPORT	1,146	1,146	1,146		1,146
1804N	220	BASE SUPPORT	327,468	337,868	327,468	10,000	337,468
		MWR PROGRAMS					-
1804N	225	MAINTENANCE OF REAL PROPERTY	49,511	49,511	49,511		49,511

Title III - Operations and Maintenance (Dollars in Thousands)

APPROP	ID	ACCOUNT/BA/AG/SAG	FY 1997	House Authorized	Senate Authorized	Conference Change	Conference Agreement
		WEAPONS SUPPORT	1,371,828	1,402,328	1,412,428	59,100	1,430,928
1804N	230	CRUISE MISSILE	79,828	79,828	120,428		120,428
		TLAM RECERTIFICATION				40,600	
1804N	240	FLEET BALLISTIC MISSILE	750,722	750,722	750,722		750,722
1804N	250	IN-SERVICE WEAPONS SYSTEMS SUPPORT	50,875	50,875	50,875		50,875
1804N	260	WEAPONS MAINTENANCE	389,406	408,906	389,406		397,906
		STANDARD MISSILE MAINTENANCE				8,500	
1804N	270	BASE SUPPORT	63,750	74,750	63,750	10,000	73,750
		MWR PROGRAMS					-
1804N	275	MAINTENANCE OF REAL PROPERTY	31,247	31,247	31,247		31,247
		DEPOT MAINTENANCE RMS PROGRAM					-
		CONTINGENCY OPERATIONS TRANSFER					-
		DBOF SUPPORT	-		-	-	-
1804N	276	DBOF SUPPORT	-	-	-		-
		TOTAL, BUDGET ACTIVITY 1:	13,877,210	14,077,310	14,024,910	265,000	14,142,210
		BUDGET ACTIVITY 2: MOBILIZATION					
		READY RESERVE AND PREPOSITIONING FORCES	497,905	497,905	497,905	-	497,905
1804N	280	SHIP PREPOSITIONING AND SURGE	497,905	497,905	497,905		497,905
		ACTIVATIONS/INACTIVATIONS	571,006	571,006	571,006	-	571,006
1804N	290	AIRCRAFT ACTIVATIONS/INACTIVATIONS	2,699	2,699	2,699		2,699
1804N	300	SHIP ACTIVATIONS/INACTIVATIONS	568,307	568,307	568,307		568,307
		MOBILIZATION PREPAREDNESS	42,025	42,025	42,025	-	42,025
1804N	310	FLEET HOSPITAL PROGRAM	19,374	19,374	19,374		19,374
1804N	320	INDUSTRIAL READINESS	722	722	722		722
1804N	330	COAST GUARD SUPPORT	21,929	21,929	21,929		21,929

Title III - Operations and Maintenance (Dollars in Thousands)

APPROP	ID	ACCOUNT/BA/AG/SAG	FY 1997	House Authorized	Senate Authorized	Conference Change	Conference Agreement
		TOTAL, BUDGET ACTIVITY 2:	1,110,936	1,110,936	1,110,936	-	1,110,936
		BUDGET ACTIVITY 3: TRAINING AND RECRUITING					
		ACCESSION TRAINING	258,380	258,380	258,380	-	258,380
1804N	340	OFFICER ACQUISITION	66,825	66,825	66,825		66,825
1804N	350	RECRUIT TRAINING	4,887	4,887	4,887		4,887
1804N	360	RESERVE OFFICERS TRAINING CORPS (ROTC)	67,777	67,777	67,777		67,777
1804N	370	BASE SUPPORT	54,338	54,338	54,338		54,338
1804N	375	MAINTENANCE OF REAL PROPERTY	64,553	64,553	64,553		64,553
		BASIC SKILLS AND ADVANCED TRAINING	1,126,663	1,128,863	1,126,663	-	1,126,663
1804N	380	SPECIALIZED SKILL TRAINING	218,689	218,689	218,689		218,689
1804N	390	FLIGHT TRAINING	295,280	295,280	295,280		295,280
1804N	400	PROFESSIONAL DEVELOPMENT EDUCATION	65,981	65,981	65,981		65,981
1804N	410	TRAINING SUPPORT	119,098	119,098	119,098		119,098
1804N	420	BASE SUPPORT	316,260	318,460	316,260		316,260
		MWR PROGRAMS					-
1804N	425	MAINTENANCE OF REAL PROPERTY	111,355	111,355	111,355		111,355
		RECRUITING, AND OTHER TRAINING AND EDUCATION	245,735	245,735	245,735	-	245,735
1804N	430	RECRUITING AND ADVERTISING	136,474	136,474	136,474		136,474
1804N	440	OFF-DUTY AND VOLUNTARY EDUCATION	61,643	61,643	61,643		61,643
1804N	450	CIVILIAN EDUCATION AND TRAINING	22,218	22,218	22,218		22,218
1804N	460	JUNIOR ROTC	24,902	24,902	24,902		24,902
1804N	470	BASE SUPPORT	439	439	439		439
1804N	475	MAINTENANCE OF REAL PROPERTY	59	59	59		59
		TOTAL, BUDGET ACTIVITY 3:	1,630,778	1,632,978	1,630,778	-	1,630,778
		BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES					
		SERVICEWIDE SUPPORT	1,504,637	1,528,137	1,529,637	19,500	1,524,137

Title III - Operations and Maintenance (Dollars in Thousands)

APPROP	ID	ACCOUNT/BA/AG/SAG	FY 1997	House Authorized	Senate Authorized	Conference Change	Conference Agreement
1804N	480	ADMINISTRATION	570,921	570,921	570,921		570,921
1804N	490	EXTERNAL RELATIONS	21,406	21,406	21,406		21,406
1804N	500	CIVILIAN MANPOWER AND PERSON MANAGEMENT	69,426	69,426	69,426		69,426
1804N	510	MILITARY MANPOWER AND PERSON MANAGEMENT	129,426	129,426	129,426		129,426
1804N	520	OTHER PERSONNEL SUPPORT	237,647	243,147	237,647		243,147
		NEW PARENT SUPPORT				5,500	
1804N	530	SERVICEWIDE COMMUNICATIONS	230,240	244,240	255,240		244,240
		CHALLENGE ATHENA				14,000	
1804N	540	BASE SUPPORT	200,375	204,375	200,375		200,375
		MWR PROGRAMS					-
1804N	544	MAINTENANCE OF REAL PROPERTY	45,196	45,196	45,196		45,196
		LOGISTICS OPERATIONS AND TECHNICAL SUPPORT	1,496,944	1,473,544	1,496,944	(15,360)	1,481,584
1804N	550	SERVICEWIDE TRANSPORTATION	151,371	151,371	151,371		151,371
1804N	560	PLANNING, ENGINEERING AND DESIGN	284,268	284,268	284,268		284,268
1804N	570	ACQUISITION AND PROGRAM MANAGEMENT	467,318	441,718	467,318		451,958
		ACQUISITION WORKFORCE REDUCTIONS				(15,360)	
1804N	580	AIR SYSTEMS SUPPORT	276,446	276,446	276,446		276,446
1804N	590	HULL, MECHANICAL AND ELECTRICAL SUPPORT	48,613	48,613	48,613		48,613
1804N	600	COMBAT/WEAPONS SYSTEMS	39,083	39,083	39,083		39,083
1804N	610	SPACE AND ELECTRONIC WARFARE SYSTEMS	72,540	74,740	72,540		72,540
		AEGIS TACTICAL DATA LINK					-
1804N	620	BASE SUPPORT	145,338	145,338	145,338		145,338
1804N	625	MAINTENANCE OF REAL PROPERTY	11,967	11,967	11,967		11,967
		SECURITY PROGRAMS	568,148	572,748	564,448	4,600	572,748
1804N	630	SECURITY PROGRAMS	555,721	560,321	552,021		560,321
		CLASSIFIED PROGRAMS				4,600	
1804N	640	BASE SUPPORT	7,344	7,344	7,344		7,344
1804N	645	MAINTENANCE OF REAL PROPERTY	5,083	5,083	5,083		5,083

Title III - Operations and Maintenance (Dollars in Thousands)

APPROP	ID	ACCOUNT/BA/AG/SAG	FY 1997	House Authorized	Senate Authorized	Conference Change	Conference Agreement
		SUPPORT OF OTHER NATIONS	7,544	7,544	7,544	-	7,544
1804N	650	INTERNATIONAL HEADQUARTERS AND AGENCIES	7,544	7,544	7,544		7,544
		TOTAL, BUDGET ACTIVITY 4:	3,577,273	3,581,973	3,598,573	8,740	3,586,013
		UNDISTRIBUTED		30,600	(68,858)	(82,200)	(82,200)
		REAL PROPERTY MAINTENANCE				110,000	
		OCEANOGRAPHIC DATA					
		GENERAL REDUCTION					
		RMS PROGRAM					
		CIVILIAN PERSONNEL UNDEREXECUTION				(108,300)	
		ACQUISITION WORKFORCE REDUCTIONS				(8,400)	
		PRINTING EFFICIENCIES				(4,000)	
		FOREIGN CURRENCY FLUCTUATION					
		USTRANSCOM EFFICIENCIES				(9,500)	
		UNOBLIGATED BALANCES				(46,000)	
		SPARE PARTS INVENTORY				(16,000)	
		TOTAL, OPERATION AND MAINTENANCE, NAVY	20,196,197	20,433,797	20,296,339	191,540	20,387,737
		OPERATION AND MAINTENANCE, MARINE CORPS					
		BUDGET ACTIVITY 1: OPERATING FORCES					
		EXPEDITIONARY FORCES	1,503,579	1,633,979	1,538,579	113,500	1,617,079
1106N	10	OPERATIONAL FORCES	331,478	364,478	356,478		374,478
		PERSONNEL SUPPORT EQUIPMENT/INITIAL ISSUE				25,000	
		WARFIGHTING LAB				8,000	
		CORROSION CONTROL				10,000	
1106N	20	FIELD LOGISTICS	171,056	171,056	171,056		171,056
1106N	30	DEPOT MAINTENANCE	155,168	175,168	165,168	10,000	165,168

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APPROP	ID	ACCOUNT/BA/AG/SAG	FY 1997	House Authorized	Senate Authorized	Conference Change	Conference Agreement
1106N	40	BASE SUPPORT	593,307	670,707	593,307		653,807
		PERSONNEL SUPPORT EQUIPMENT				20,500	
		OTHER BASE SUPPORT				40,000	
		MWR PROGRAMS					
1106N	45	MAINTENANCE OF REAL PROPERTY	252,570	252,570	252,570		252,570
		NON-LETHAL WEAPONS					
		USMC PREPOSITIONING	77,751	77,751	77,751	-	77,751
1106N	50	MARITIME PREPOSITIONING	74,003	74,003	74,003		74,003
1106N	60	NORWAY PREPOSITIONING	3,748	3,748	3,748		3,748
		PERSONNEL SUPPORT EQUIPMENT					-
		CORROSION CONTROL					-
		TOTAL, BUDGET ACTIVITY 1:	1,581,330	1,711,730	1,616,330	113,500	1,694,830
		BUDGET ACTIVITY 3: TRAINING AND RECRUITING					
		ACCESSION TRAINING	73,091	73,091	73,091	-	73,091
1106N	70	RECRUIT TRAINING	8,139	8,139	8,139		8,139
1106N	80	OFFICER ACQUISITION	270	270	270		270
1106N	90	BASE SUPPORT	47,092	47,092	47,092		47,092
1106N	95	MAINTENANCE OF REAL PROPERTY	17,590	17,590	17,590		17,590
		BASIC SKILLS AND ADVANCED TRAINING	183,009	183,489	183,009	-	183,009
1106N	100	SPECIALIZED SKILLS TRAINING	26,578	26,578	26,578		26,578
1106N	110	FLIGHT TRAINING	155	155	155		155
1106N	120	PROFESSIONAL DEVELOPMENT EDUCATION	5,929	5,929	5,929		5,929
1106N	130	TRAINING SUPPORT	74,859	74,859	74,859		74,859
1106N	140	BASE SUPPORT	51,086	51,566	51,086		51,086
		MWR PROGRAMS					-
1106N	145	MAINTENANCE OF REAL PROPERTY	24,402	24,402	24,402		24,402

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		RECRUITING AND OTHER TRAINING EDUCATION	95,300	104,500	100,000	9,200	104,500
1106N	150	RECRUITING AND ADVERTISING	65,382	70,082	70,082	4,700	70,082
1106N	160	OFF-DUTY AND VOLUNTARY EDUCATION	10,593	15,093	10,593	4,500	15,093
1106N	170	JUNIOR ROTC	8,562	8,562	8,562		8,562
1106N	180	BASE SUPPORT	8,427	8,427	8,427		8,427
1106N	185	MAINTENANCE OF REAL PROPERTY	2,336	2,336	2,336		2,336
		TOTAL, BUDGET ACTIVITY 3:	351,400	361,080	356,100	9,200	360,600
		BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES					
		SERVICEWIDE SUPPORT	271,047	274,067	271,047	2,900	273,947
1106N	190	LOGISTICS SUPPORT	-	-	-		-
1106N	200	SPECIAL SUPPORT	196,367	196,367	196,367		196,367
1106N	210	SERVICEWIDE TRANSPORTATION	38,479	38,479	38,479		38,479
1106N	220	ADMINISTRATION	25,459	25,459	25,459		25,459
1106N	230	BASE SUPPORT	9,283	12,303	9,283		12,183
		NEW PARENT PROGRAM				2,900	
		MWR PROGRAMS					
1106N	235	MAINTENANCE OF REAL PROPERTY	1,459	1,459	1,459		1,459
		TOTAL, BUDGET ACTIVITY 4:	271,047	274,067	271,047	2,900	273,947
		UNDISTRIBUTED		177,800	28,000	91,630	91,630
		AMMUNITION REWORK PROGRAM					
		REAL PROPERTY MAINTENANCE				90,000	
		NON-LETHAL				3,000	
		ACQUISITION WORKFORCE REDUCTIONS				(1,320)	
		USTRANSCOM EFFICIENCIES				(4,750)	
		FOREIGN CURRENCY FLUCTUATION				(1,000)	
		CLASSIFIED PROGRAMS				5,700	
		TOTAL, OPERATION AND MAINTENANCE, MARINE CORPS	2,203,777	2,524,677	2,271,477	217,230	2,421,007

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APPROP	ID	ACCOUNT/BA/AG/SAG	FY 1997	House Authorized	Senate Authorized	Conference Change	Conference Agreement
		OPERATION AND MAINTENANCE, AIR FORCE					
		BUDGET ACTIVITY 1: OPERATING FORCES					
		AIR OPERATIONS	6,773,763	6,777,923	6,816,663	(47,100)	6,726,663
3400F	10	PRIMARY COMBAT FORCES	2,314,739	2,314,739	2,357,639		2,267,639
		B-52 OPERATIONS				42,900	
		SPARES INVENTORY REDUCTION				(40,000)	
		AIRCRAFT COMPONENT RECLAMATION				(80,000)	
		SR-71				30,000	
3400F	20	PRIMARY COMBAT WEAPONS	394,408	394,408	394,408		394,408
3400F	30	COMBAT ENHANCEMENT FORCES	250,614	250,614	250,614		250,614
3400F	40	AIR OPERATIONS TRAINING	570,948	570,948	570,948		570,948
3400F	50	COMBAT COMMUNICATIONS	867,912	867,912	867,912		867,912
3400F	60	BASE SUPPORT	1,680,275	1,684,435	1,680,275		1,680,275
		MWR PROGRAMS					-
3400F	65	MAINTENANCE OF REAL PROPERTY	694,867	694,867	694,867		694,867
		CAPITOL ASSETS REDUCTION					-
		COMBAT RELATED OPERATIONS	1,409,766	1,409,766	1,409,766	-	1,409,766
3400F	70	GLOBAL C3I AND EARLY WARNING	736,038	736,038	736,038		736,038
3400F	80	NAVIGATION/WEATHER SUPPORT	114,842	114,842	114,842		114,842
3400F	90	OTHER COMBAT OPS SUPPORT PROGRAMS	197,861	197,861	197,861		197,861
3400F	100	JCS EXERCISES	37,973	37,973	37,973		37,973
3400F	110	MANAGEMENT/OPERATIONAL HEADQUARTERS	106,309	106,309	106,309		106,309
3400F	120	TACTICAL INTEL AND OTHER SPECIAL ACTIVITIES	216,743	216,743	216,743		216,743
		SPACE OPERATIONS	1,202,080	1,202,080	1,202,080	-	1,202,080
3400F	130	LAUNCH FACILITIES	237,508	237,508	237,508		237,508
3400F	140	LAUNCH VEHICLES	106,266	106,266	106,266		106,266

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3400F	150	SPACE CONTROL SYSTEMS	311,304	311,304	311,304		311,304
3400F	160	SATELLITE SYSTEMS	44,301	44,301	44,301		44,301
3400F	170	OTHER SPACE OPERATIONS	101,723	101,723	101,723		101,723
3400F	180	BASE SUPPORT	291,242	291,242	291,242	-	291,242
3400F	185	MAINT OF REAL PROPERTY	109,736	109,736	109,736		109,736
		TOTAL, BUDGET ACTIVITY 1:	9,385,609	9,389,769	9,428,509	(47,100)	9,338,509
		BUDGET ACTIVITY 2: MOBILIZATION					
		MOBILITY OPERATIONS	2,689,257	2,689,977	2,689,257	-	2,689,257
3400F	190	AIRLIFT OPERATIONS	1,584,175	1,584,175	1,584,175		1,584,175
3400F	200	AIRLIFT OPERATIONS C3I	13,784	13,784	13,784		13,784
3400F	210	MOBILIZATION PREPAREDNESS	138,167	138,167	138,167		138,167
3400F	220	PAYMENTS TO TRANSPORTATION BUSINESS AREA	422,700	422,700	422,700		422,700
3400F	230	BASE SUPPORT	408,945	409,665	408,945		408,945
		MWR PROGRAMS					-
3400F	235	MAINTENANCE OF REAL PROPERTY	121,486	121,486	121,486		121,486
		TOTAL, BUDGET ACTIVITY 2:	2,689,257	2,689,977	2,689,257	-	2,689,257
		BUDGET ACTIVITY 3: TRAINING AND RECRUITING					
		ACCESSION TRAINING	192,430	192,430	192,430	-	192,430
3400F	240	OFFICER ACQUISITION	48,213	48,213	48,213		48,213
3400F	250	RECRUIT TRAINING	4,586	4,586	4,586		4,586
3400F	260	RESERVE OFFICER TRAINING CORPS (ROTC)	42,738	42,738	42,738		42,738
3400F	270	BASE SUPPORT (ACADEMIES ONLY)	56,843	56,843	56,843		56,843
3400F	275	MAINTENANCE OF REAL PROPERTY (ACADEMIES ONLY)	40,050	40,050	40,050		40,050
		BASIC SKILLS AND ADVANCED TRAINING	1,166,728	1,167,608	1,166,728	-	1,166,728
3400F	280	SPECIALIZED SKILL TRAINING	195,098	195,098	195,098		195,098
3400F	290	FLIGHT TRAINING	331,663	331,663	331,663		331,663
3400F	300	PROFESSIONAL DEVELOPMENT EDUCATION	74,060	74,060	74,060		74,060

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3400F	310	TRAINING SUPPORT	59,607	59,607	59,607		59,607
3400F	320	BASE SUPPORT (OTHER TRAINING)	388,965	389,845	388,965		388,965
		MWR PROGRAMS					-
3400F	325	MAINTENANCE OF REAL PROPERTY (OTHER TRAINING)	117,335	117,335	117,335		117,335
		RECRUITING, AND OTHER TRAINING AND EDUCATION	217,406	226,906	217,406	9,500	226,906
3400F	330	RECRUITING AND ADVERTISING	52,218	52,218	52,218		52,218
3400F	340	EXAMINING	1,954	1,954	1,954		1,954
3400F	350	OFF DUTY AND VOLUNTARY EDUCATION	71,210	80,710	71,210		80,710
		TUITION ASSISTANCE				9,500	
3400F	360	CIVILIAN EDUCATION AND TRAINING	66,791	66,791	66,791		66,791
3400F	370	JUNIOR ROTC	25,233	25,233	25,233		25,233
		TOTAL, BUDGET ACTIVITY 3:	1,576,564	1,586,944	1,576,564	9,500	1,586,064
		BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES					
		LOGISTICS OPERATIONS	2,454,193	2,404,393	2,454,193	(178,660)	2,275,533
3400F	380	LOGISTICS OPERATIONS	1,042,759	982,959	1,042,759		858,599
		DEPOT MAINTENANCE				20,000	
		DBOF PASSTHROUGH				(194,500)	
		ACQUISITION WORKFORCE REDUCTIONS				(24,960)	
		PEACE KEEPER SPARES				300	
		RMS PROGRAM				15,000	
3400F	390	TECHNICAL SUPPORT ACTIVITIES	371,521	371,521	371,521		371,521
3400F	400	SERVICEWIDE TRANSPORTATION	240,740	240,740	240,740		240,740
3400F	410	BASE SUPPORT	581,182	591,182	581,182		586,682
		TICARRS				5,500	
3400F	415	MAINTENANCE OF REAL PROPERTY	217,991	217,991	217,991		217,991
		SERVICEWIDE ACTIVITIES	1,245,218	1,251,258	1,245,218	2,800	1,248,018
3400F	420	ADMINISTRATION	121,337	121,337	121,337		121,337

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3400F	430	SERVICEWIDE COMMUNICATIONS	268,687	268,687	268,687		268,687
3400F	440	PERSONNEL PROGRAMS	89,196	89,196	89,196		89,196
3400F	450	RESCUE AND RECOVERY SERVICES	44,413	44,413	44,413		44,413
3400F	460	SUBSISTENCE-IN-KIND	-	-	-		-
3400F	470	ARMS CONTROL	28,814	28,814	28,814	(1,000)	27,814
3400F	480	OTHER SERVICEWIDE ACTIVITIES	482,192	482,192	482,192		482,192
3400F	490	OTHER PERSONNEL SUPPORT	30,873	34,673	30,873		34,673
		NEW PARENT SUPPORT				3,800	
3400F	500	CIVIL AIR PATROL CORPORATION	14,526	14,526	14,526		14,526
3400F	510	BASE SUPPORT	145,053	147,293	145,053		145,053
		MWR PROGRAMS					-
3400F	515	MAINTENANCE OF REAL PROPERTY	20,127	20,127	20,127		20,127
		SECURITY PROGRAMS	550,240	528,040	544,640	(1,200)	549,040
3400F	520	SECURITY PROGRAMS	550,240	528,040	544,640		549,040
		CLASSIFIED PROGRAMS				(1,200)	
		SUPPORT TO OTHER NATIONS	12,374	12,374	12,374	-	12,374
3400F	530	INTERNATIONAL SUPPORT	12,374	12,374	12,374		12,374
		TOTAL, BUDGET ACTIVITY 4:	4,262,025	4,196,065	4,256,425	(177,060)	4,084,965
		UNDISTRIBUTED		120,200	(1,416)	(63,460)	(63,460)
		REAL PROPERTY MAINTENANCE				110,000	
		CIVILIAN PERSONNEL UNDEREXECUTION				(70,000)	
		AWACS EXTEND SENTRY				7,100	
		FUEL TAX CREDIT				(8,500)	
		JSAS					
		RMS PROGRAM					
		GENERAL REDUCTION					
		DEPOT MAINTENANCE					

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		CHEMICAL PROTECTIVE EQUIPMENT				3,000	
		ACQUISITION WORKFORCE REDUCTIONS				(5,160)	
		PRINTING EFFICIENCIES				(3,000)	
		UNOBLIGATED BALANCES					
		FOREIGN CURRENCY FLUCTUATION				(30,000)	
		UNOBLIGATED BALANCES				(46,000)	
		USTRANSCOM EFFICIENCIES				(20,900)	
		TOTAL, OPERATION AND MAINTENANCE, AIR FORCE	17,913,455	17,982,955	17,949,339	(278,120)	17,635,335
		OPERATION AND MAINTENANCE, DEFENSE-WIDE					
		BUDGET ACTIVITY 1: OPERATING FORCES					
0100D	10	JOINT CHIEFS OF STAFF	464,199	564,199	464,199		524,199
		MOBILITY ENHANCEMENTS				60,000	
0100D	20	SPECIAL OPERATIONS COMMAND	962,319	984,619	984,619	15,300	984,619
		SOCOM MLA MISSION				7,000	
		OPERATIONS					-
		TOTAL, BUDGET ACTIVITY 1:	1,426,518	1,548,818	1,448,818	82,300	1,508,818
		BUDGET ACTIVITY 2: MOBILIZATION					
0100D	30	DEFENSE LOGISTICS AGENCY	21,942	21,942	21,942		21,942
		TOTAL, BUDGET ACTIVITY 2:	21,942	21,942	21,942	-	21,942
		BUDGET ACTIVITY 3: TRAINING AND RECRUITING					
0100D	50	DEFENSE ACQUISITION UNIVERSITY	100,417	100,417	100,417		100,417
0100D	55	OSD (DBMU)	-	-	-		-
0100D	60	DEFENSE BUSINESS MANAGEMENT UNIVERSITY	-	-	-		-
0100D	65	SPECIAL OPERATIONS COMMAND	35,500	35,500	35,500		35,500
		TOTAL, BUDGET ACTIVITY 3:	135,917	135,917	135,917	-	135,917

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		BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES					
0100D	70	AMERICAN FORCES INFORMATION SERVICE	100,558	100,558	100,558		100,558
0100D	80	CORPORATE INFORMATION MANAGEMENT	46,367	46,367	46,367		46,367
0100D	90	CLASSIFIED AND INTELLIGENCE	3,384,576	3,384,576	3,333,876	(5,400)	3,379,176
0100D	100	DEFENSE CIVILIAN PERSONNEL MANAGEMENT SERVICE	49,302	49,302	49,302		49,302
0100D	110	DEFENSE CONTRACT AUDIT AGENCY	335,486	327,486	335,486		330,686
		ACQUISITION WORKFORCE REDUCTIONS				(4,800)	
0100D	120	DEFENSE INVESTIGATIVE SERVICE	193,232	193,232	193,232		193,232
0100D	130	DEFENSE LOGISTICS AGENCY	1,181,738	1,090,738	1,074,438		1,090,838
0100D		RM&S-DBOF				(90,000)	
0100D		CIVILIAN PERSONNEL UNDEREXECUTION					
0100D		HOMELESS INITIATIVE				(3,500)	
		PROCUREMENT TECHNICAL ASSISTANCE PROGRAM				12,000	
		GENERAL PURPOSE TENT REPAIR				5,000	
		ACQUISITION WORKFORCE REDUCTIONS				(14,400)	
0100D	140	DEFENSE LEGAL SERVICES AGENCY	7,297	7,297	7,297		7,297
0100D	150	DEFENSE MAPPING AGENCY	741,157	741,157	741,157		741,157
0100D	160	DEFENSE NUCLEAR AGENCY	85,083	85,083	88,083	3,000	88,083
0100D	170	DEFENSE POW/MIA OFFICE	12,694	12,694	12,694		12,694
0100D	180	FEDERAL ENERGY MANAGEMENT PROGRAM	116,853	116,853	20,000	(96,853)	20,000
0100D	190	DEPARTMENT OF DEFENSE DEPENDENTS EDUCATION	1,322,254	1,322,254	1,322,254		1,322,254
0100D	200	DEFENSE SUPPORT ACTIVITIES	125,269	125,269	125,269		125,269
0100D	210	DEFENSE TECHNOLOGY SECURITY ADMINISTRATION	10,504	10,504	10,504		10,504
0100D	220	JOINT CHIEFS OF STAFF	121,295	121,295	121,295		121,295
0100D	230	OFFICE OF ECONOMIC ADJUSTMENT	39,330	39,330	39,330		39,330
0100D	240	OFFICE OF THE SECRETARY OF DEFENSE	339,558	339,558	319,185	(20,373)	319,185
0100D	245	OFFICE OF THE SECRETARY OF DEFENSE (NO YEAR)	-	-	-		-
0100D	250	ON SITE INSPECTION AGENCY	109,030	109,030	109,030	(14,000)	95,030
0100D	255	SPECIAL OPERATIONS COMMAND	55,200	55,200	55,200		55,200

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0100D	260	WASHINGTON HEADQUARTERS SERVICES	195,308	245,308	195,308		195,308
		DEFENSE INFORMATION SYSTEMS AGENCY					-
		TOTAL, BUDGET ACTIVITY 4:	8,572,091	8,523,091	8,299,865	(229,326)	8,342,765
		UNDISTRIBUTED		145,600	(125,600)	(96,480)	(96,480)
		DFAS				9,000	
		CIVILIAN PERSONNEL UNDEREXECUTION				(33,000)	
		EDUCATIONAL IMPACT AID				35,000	
		COMPUTOR EMENRGENCY RESPONSE TEAM				2,000	
		FOREIGN CURRENCY FLUCTUATION				(8,000)	
		ACQUISTION WORKFORCE REDUCTIONS				(2,580)	
		USTRANSCOM EFFICIENCIES				(13,000)	
		TRAVEL REDUCTION			(85,000)	(85,000)	
		TOTAL, OPERATION AND MAINTENANCE, DEFENSE-WIDE	10,156,468	10,375,368	9,780,942	(243,506)	9,912,962
		OPERATION AND MAINTENANCE, ARMY RESERVE					
		BUDGET ACTIVITY 1: OPERATING FORCES					
		MISSION OPERATIONS	970,519	1,041,519	980,519	52,000	1,022,519
2080A	10	BASE SUPPORT	258,273	258,273	258,273		258,273
2080A	15	MAINTENANCE OF REAL PROPERTY	50,913	70,913	60,913	20,000	70,913
2080A	20	DEPOT MAINTENANCE	45,853	45,853	45,853		45,853
2080A	30	RECRUITING AND RETENTION	36,998	47,998	36,998	5,000	41,998
2080A	40	TRAINING OPERATIONS	578,482	618,482	578,482		605,482
		GROUND FORCES OPTEMPO				20,000	
		NEW EQUIPMENT TRAINING				7,000	
		TOTAL, BUDGET ACTIVITY 1:	970,519	1,041,519	980,519	52,000	1,022,519
		BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES					

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APPROP	ID	ACCOUNT/BA/AG/SAG	FY 1997	House Authorized	Senate Authorized	Conference Change	Conference Agreement
		ADMINISTRATION AND SERVICEWIDE ACTIVITIES	113,017	113,017	113,017	-	113,017
2080A	50	INFORMATION MANAGEMENT	20,772	20,772	20,772		20,772
2080A	60	PUBLIC AFFAIRS	467	467	467		467
2080A	70	PERSONNEL ADMINISTRATION	63,521	63,521	63,521		63,521
2080A	80	STAFF MANAGEMENT	29,157	29,157	29,157		29,157
		TOTAL, BUDGET ACTIVITY 4:	113,917	113,917	113,917	-	113,917
		QOL ENHANCMENT					
		CIVILIAN MANPOWER SHORTFALL					
		REAL PROPERTY MAINTENANCE BACKLOG					
		TOTAL, OPERATION AND MAINTENANCE, ARMY RESERVE	1,084,436	1,155,436	1,094,436	52,000	1,136,436
		OPERATION AND MAINTENANCE, NAVY RESERVE					
		BUDGET ACTIVITY 1: OPERATING FORCES					
		RESERVE AIR OPERATIONS	509,858	514,858	516,958	5,000	514,858
1806N	10	MISSION AND OTHER FLIGHT OPERATIONS	275,838	275,838	282,938		275,838
		P-3 SQUADRONS					-
1806N	20	FLEET AIR TRAINING	1,299	1,299	1,299		1,299
1806N	30	INTERMEDIATE MAINTENANCE	17,499	17,499	17,499		17,499
1806N	40	AIR OPERATION AND SAFETY SUPPORT	2,048	2,048	2,048		2,048
1806N	50	AIRCRAFT DEPOT MAINTENANCE	70,560	70,560	70,560		70,560
1806N	60	AIRCRAFT DEPOT OPS SUPPORT	341	341	341		341
1806N	70	BASE SUPPORT	117,353	117,353	117,353		117,353
1806N	75	MAINTENANCE OF REAL PROPERTY	24,920	29,920	24,920	5,000	29,920
		RESERVE SHIP OPERATIONS	158,167	158,167	158,167	-	158,167
1806N	80	MISSION AND OTHER SHIP OPERATIONS	61,784	61,784	61,784		61,784
1806N	90	SHIP OPERATIONAL SUPPORT AND TRAINING	642	642	642		642

Title III - Operations and Maintenance (Dollars in Thousands)

APPROP	ID	ACCOUNT/BA/AG/SAG	FY 1997	House Authorized	Senate Authorized	Conference Change	Conference Agreement
1806N	100	INTERMEDIATE MAINTENANCE	9,961	9,961	9,961		9,961
1806N	110	SHIP DEPOT MAINTENANCE	83,969	83,969	83,969		83,969
1806N	120	SHIP DEPOT OPERATIONS SUPPORT	1,811	1,811	1,811		1,811
		RESERVE COMBAT OPERATIONS SUPPORT	78,634	83,634	78,634	5,000	83,634
1806N	130	COMBAT COMMUNICATIONS	-	-	-		-
1806N	140	COMBAT SUPPORT FORCES	27,905	27,905	27,905		27,905
1806N	150	BASE SUPPORT	41,709	41,709	41,709		41,709
1806N	155	MAINTENANCE OF REAL PROPERTY	8,000	13,000	8,000	5,000	13,000
		RESERVE WEAPONS SUPPORT					
1806N	160	WEAPONS MAINTENANCE	6,121	6,121	6,121		6,121
		TOTAL, BUDGET ACTIVITY 1:	752,780	762,780	759,880	10,000	762,780
		BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES					
		ADMINISTRATION AND SERVICEWIDE ACTIVITIES	91,147	96,147	91,147	5,000	96,147
1806N	170	ADMINISTRATION	6,153	6,153	6,153		6,153
1806N	180	CIVILIAN MANPOWER AND PERSONNEL MANAGEMENT	2,764	2,764	2,764		2,764
1806N	190	MILITARY MANPOWER AND PERSONNEL MANAGEMENT	28,349	28,349	28,349		28,349
1806N	200	OTHER PERSONNEL SUPPORT	-	-	-		-
1806N	210	SERVICEWIDE COMMUNICATIONS	19,427	19,427	19,427		19,427
1806N	220	BASE SUPPORT	26,488	26,488	26,488		26,488
1806N	225	MAINTENANCE OF REAL PROPERTY	4,906	9,906	4,906	5,000	9,906
1806N	230	COMBAT/WEAPONS SYSTEMS	2,555	2,555	2,555		2,555
1806N	240	GENERAL DEFENSE INTELLIGENCE PROGRAM	505	505	505		505
		BASE OPERATING SUPPORT					-
		TOTAL, BUDGET ACTIVITY 4:	91,147	96,147	91,147	5,000	96,147
		TOTAL, OPERATION AND MAINTENANCE, NAVY RESERVE	843,927	858,927	851,027	15,000	858,927

Title III - Operations and Maintenance (Dollars in Thousands)

APPROP	ID	ACCOUNT/BA/AG/SAG	FY 1997	House Authorized	Senate Authorized	Conference Change	Conference Agreement
		OPERATION AND MAINTENANCE, MARINE CORPS RESERVE					
		BUDGET ACTIVITY 1: OPERATING FORCES					
		MISSION FORCES	63,728	69,528	74,428	12,200	75,928
1107N	10	TRAINING	13,611	13,611	13,611		13,611
1107N	20	OPERATING FORCES	27,569	32,369	38,269		38,269
		PERSONNEL SUPPORT EQUIPMENT/INITIAL ISSUE				10,700	
1107N	30	BASE SUPPORT	14,028	14,028	14,028		14,028
1107N	35	MAINTENANCE OF REAL PROPERTY	4,907	5,907	4,907	1,500	6,407
1107N	40	DEPOT MAINTENANCE	2,953	2,953	2,953		2,953
		TOTAL, BUDGET ACTIVITY 1:	63,728	69,528	74,428	12,200	75,928
		BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES					
		ADMINISTRATION AND SERVICEWIDE ACTIVITIES	35,939	36,939	35,939	1,500	37,439
1107N	50	RECRUITING AND ADVERTISING	7,538	7,538	7,538		7,538
1107N	60	SPECIAL SUPPORT	10,477	10,477	10,477		10,477
1107N	70	SERVICEWIDE TRANSPORTATION	4,507	4,507	4,507		4,507
1107N	80	ADMINISTRATION	6,151	6,151	6,151		6,151
1107N	90	BASE SUPPORT	7,266	7,266	7,266		7,266
1107N	100	MAINTENANCE OF REAL PROPERTY		1,000		1,500	1,500
		TOTAL, BUDGET ACTIVITY 4:	35,939	36,939	35,939	1,500	37,439
		QOL ENHANCEMENT					
		TOTAL, O&M, MARINE CORPS RESERVE	99,667	106,467	110,367	13,700	113,367
		OPERATION AND MAINTENANCE, AIR FORCE RESERVE					
		BUDGET ACTIVITY 1: OPERATING FORCES					
		AIR OPERATIONS	1,412,272	1,428,272	1,417,272	11,000	1,423,272

Title III - Operations and Maintenance (Dollars in Thousands)

APPROP	ID	ACCOUNT/BA/AG/SAG	FY 1997	House Authorized	Senate Authorized	Conference Change	Conference Agreement
3740F	10	AIRCRAFT OPERATIONS	1,102,739	1,102,739	1,102,739		1,102,739
3740F	20	MISSION SUPPORT OPERATIONS	38,645	38,645	38,645		38,645
3740F	30	BASE SUPPORT	222,851	222,851	222,851		222,851
3740F	35	MAINTENANCE OF REAL PROPERTY	48,037	64,037	53,037	11,000	59,037
3740F	37	DEPOT MAINTENANCE	-	-	-		-
		TOTAL, BUDGET ACTIVITY 1:	1,412,272	1,428,272	1,417,272	11,000	1,423,272
		BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES					
		ADMINISTRATION AND SERVICEWIDE ACTIVITIES	76,281	76,281	76,281	-	76,281
3740F	40	ADMINISTRATION	42,799	42,799	42,799		42,799
3740F	50	MILITARY MANPOWER AND PERSONNEL MANAGEMENT	19,386	19,386	19,386		19,386
3740F	60	RECRUITING AND ADVERTISING	7,714	7,714	7,714		7,714
3740F	70	OTHER PERSONNEL SUPPORT	6,047	6,047	6,047		6,047
3740F	80	AUDIOVISUAL	335	335	335		335
		TOTAL, BUDGET ACTIVITY 4:	76,281	76,281	76,281	-	76,281
		TOTAL, OPERATION AND MAINTENANCE, AIR FORCE RESERVE	1,488,553	1,504,553	1,493,553	11,000	1,499,553
		OPERATION AND MAINTENANCE, ARMY NATIONAL GUARD					
		BUDGET ACTIVITY 1: OPERATING FORCES					
		MISSION OPERATIONS	2,055,571	2,144,571	2,065,571	69,000	2,124,571
2065A	10	TRAINING OPERATIONS	1,736,633	1,786,633	1,736,633		1,776,633
		OPTEMPO				40,000	
2065A	20	RECRUITING AND RETENTION	20,214	20,214	20,214		20,214
2065A	30	MEDICAL SUPPORT	18,514	18,514	18,514		18,514
2065A	40	DEPOT MAINTENANCE	36,099	46,099	36,099		36,099
2065A	50	BASE SUPPORT	196,070	196,070	196,070		196,070
2065A	55	MAINTENANCE OF REAL PROPERTY	48,041	77,041	58,041	29,000	77,041
		TOTAL, BUDGET ACTIVITY 1:	2,055,571	2,144,571	2,065,571	69,000	2,124,571

Title III - Operations and Maintenance (Dollars in Thousands)

APPROP	ID	ACCOUNT/BA/AG/SAG	FY 1997	House Authorized	Senate Authorized	Conference Change	Conference Agreement
		BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES					
		ADMINISTRATION AND SERVICEWIDE ACTIVITIES	152,906	152,906	152,906	-	152,906
2065A	60	INFORMATION MANAGEMENT	42,461	42,461	42,461		42,461
2065A	70	PUBLIC AFFAIRS	1,463	1,463	1,463		1,463
2065A	80	PERSONNEL ADMINISTRATION	60,730	60,730	60,730		60,730
2065A	90	STAFF MANAGEMENT	48,252	48,252	48,252		48,252
		TOTAL, BUDGET ACTIVITY 4:	152,906	152,906	152,906	-	152,906
		TOTAL, OPERATION AND MAINTENANCE, ARMY NAT. GUARD	2,208,477	2,297,477	2,218,477	69,000	2,277,477
		OPERATION AND MAINTENANCE, AIR NATIONAL GUARD					
		BUDGET ACTIVITY 1: OPERATING FORCES					
		AIR OPERATIONS	2,646,533	2,679,933	2,684,533	50,000	2,696,533
3840F	10	AIRCRAFT OPERATIONS	1,935,403	1,950,803	1,973,403		1,973,403
		ANG PAA STRUCTURE				38,000	
3840F	20	MISSION SUPPORT OPERATIONS	325,996	325,996	325,996		325,996
3840F	30	BASE SUPPORT	285,396	285,396	285,396		285,396
3840F	35	MAINTENANCE OF REAL PROPERTY	80,255	98,255	80,255	12,000	92,255
3840F	40	DEPOT MAINTENANCE	19,483	19,483	19,483		19,483
		TOTAL, BUDGET ACTIVITY 1:	2,646,533	2,679,933	2,684,533	50,000	2,696,533
		BUDGET ACTIVITY 4: ADMIN & SERVICEWIDE ACTIVITIES					
		SERVICEWIDE ACTIVITIES	7,940	7,940	7,940	-	7,940
3840F	50	ADMINISTRATION	3,076	3,076	3,076		3,076
3840F	60	RECRUITING AND ADVERTISING	4,864	4,864	4,864		4,864
		TOTAL, BUDGET ACTIVITY 4:	7,940	7,940	7,940	-	7,940
		UNDISTRIBUTED	-	600	6,700	6,700	6700

Title III - Operations and Maintenance (Dollars in Thousands)

APPROP	ID	ACCOUNT/BA/AG/SAG	FY 1997	House Authorized	Senate Authorized	Conference Change	Conference Agreement
		QOL ENHANCEMENTS					
		CLASSIFIED PROGRAM	-	600			
		C-130 OPERATIONS	-			6,700	
		TOTAL, OPERATION AND MAINTENANCE, AIR NAT. GUARD	2,054,473	2,068,473	2,660,173	50,700	2,711,173
		MISCELLANEOUS	11,895,770	12,363,770	12,193,026	756,800	12,652,570
0107D	10	INSPECTOR GENERAL	136,501	136,501	136,501		136,501
1705A	10	RIFLE PRACTICE, ARMY	-	-	-		-
0104D	10	COURT OF MILITARY APPEALS	6,797	6,797	6,797		6,797
0116D	10	SUMMER OLYMPICS	-	-	-		-
0832D	10	SPECIAL OLYMPICS	-	-	-		-
		ENVIRONMENTAL RESTORATION, DEFENSE		1,333,016			-
0810A	10	ENVIRONMENTAL RESTORATION, ARMY	356,916	-	356,916		356,916
0810N	10	ENVIRONMENTAL RESTORATION, NAVY	302,900	-	302,900		302,900
0810F	10	ENVIRONMENTAL RESTORATION, AIR FORCE	414,700	-	414,700		414,700
0810D	10	ENVIRONMENTAL RESTORATION, DEFENSE-WIDE	258,500	-	258,500		258,500
		ENVIRONMENTAL RESTORATION, FORMER USED SITES					-
0819D	10	OVERSEAS HUMANITARIAN, DISASTER, AND CIVIC AFFAIRS	80,544	60,544	49,000	(26,000)	54,544
0105D	10	DRUG INTERDICTION	642,724	682,724	793,824	153,800	796,524
1236N	10	PAYMENT TO KAHO'OLAWE ISLAND	10,000	10,000	-		10,000
0829D	10	WORLD CUP	-	-	-		-
0130D	10	DEFENSE HEALTH PROGRAM	9,358,288	9,831,288	9,375,988	475,000	9,833,288
		GULF WAR SYNDROME					-
0134D	10	FORMER SOVIET UNION THREAT REDUCTION	327,900	302,900	327,900	37,000	364,900
		DOMESTIC EMERGENCY ASSISTANCE PROGRAMS	-	-	150,000	97,000	97,000
		VIETNAMESE COMMANDOS (OPLAN 34A-35 POW PAYMENTS)			20,000	20,000	20,000

Military Personnel Operation and Maintenance Funding

INCREASED FUNDING FOR OFF-DUTY EDUCATION

The conferees agreed to increases of $4.5 million in off-duty education funds for the U.S. Marine Corps and $9.5 million in tuition assistance for the U.S. Air Force.

INCREASED FUNDING FOR RECRUITING

The conferees agreed to increase funding for recruiting and advertising above the amount requested in the President's budget by $4.7 million for the U.S. Marine Corps and by $5.0 million for the U.S. Army Reserve.

NEW PARENT SUPPORT PROGRAM

The conferees agreed to fund the New Parent Support Program at $20 million, and direct that it be allocated as follows: Army, $7.8 million; Navy, $5.5 million; Marine Corps, $2.9 million; Air Force, $3.8 million.

Active and reserve component P–3 squadrons

The budget request included funding to sustain a maritime patrol aircraft (MPA) force structure of 12 active and 8 reserve P–3 squadrons (12/8), a reduction of one active and one reserve squadron from the fiscal year 1996 force structure.

The Senate amendment would authorize an increase of $45.3 million to sustain the MPA force structure at 13 active and 9 reserve squadrons (13/9) in fiscal year 1997. The Senate report (S. Rept. 104–267) noted that the operational demands placed on MPA by the unified commanders have been very heavy in recent years because the P–3 has a multi-mission capability that is well-suited to littoral warfare operations. Despite an intense operating tempo, budget pressures have forced the Navy to cut P–3 force structure in its current budget request.

The House bill would authorize the requested amount.

The conferees agree to an increase of $23.6 million above the budget request to avoid the reductions in P–3 force structure that would be dictated by the budget request. Of this total, $10.6 million would be for squadron operations and $13.0 million would be for personnel.

Defense Health Program

The conferees agreed to increase the Defense Health Program account within the Operation and Maintenance account by $475.0 million to resolve a shortfall in the budget request.

National defense features

The budget request contained no funding in the National Defense Sealift Fund (NDSF) for a national defense features (NDF) program.

The Senate amendment would authorize $50.0 million for the NDF program, using funds made available from repeal of section 132 of the National Defense Authorization Act for Fiscal Year 1996.

The House bill would authorize the requested amount for NDF.

The Senate recedes.

The conferees direct the Secretary of Defense to establish a separate line item in the NDSF budget request for the NDF program. The conferees view the NDF program as a matter of special interest and direct that the Secretary not transfer any funds out of the NDF line item without approval of the congressional defense committees.

Maritime training ship

The budget request for the National Defense Sealift Fund (NDSF) contained no funding for the repair and refurbishment of the United States Naval Ship (U.S.N.S.) *Tanner* prior to its redesignation as a maritime training ship.

The Senate amendment would authorize an increase of $5.0 million in the NDSF to complete necessary repair and refurbishment of U.S.N.S. Tanner prior to its redesignation as a maritime training ship.

The House bill would authorize the requested amount.

The House recedes.

ITEMS OF SPECIAL INTEREST

Air Force automated maintenance data systems

The conferees are aware that the Air Force is moving toward a new standard maintenance data-system—the Integrated Maintenance Data System (IMDS). The conferees also understand that one of the first information systems to be integrated into IMDS, scheduled during the second quarter of fiscal year 1997, will be TICARRS. While the House bill provided $10.0 million for TICARRS, the Air Force indicates that only $5.5 million is required to operate TICARRS through the second quarter of fiscal year 1997. Therefore, the conferees agree to provide $5.5 million for this purpose. Should schedule or technical uncertainties delay the implementation of IMDS, the conferees expect the Air Force to provide sufficient funding to operate the legacy data maintenance systems, CAMS/REMIS and TICARRS, through fiscal year 1997.

Center for Military History

The conferees are aware that the Army is reducing the number of civilian personnel in its employ. The Congress has been informed that any reduction of civilians at the Center for Military History (CMH) would be commensurate with other reductions within the Department of the Army. The conferees are encouraged by this plan and direct the Secretary to ensure that any reduction at CMH be proportional to reductions made at other Army activities.

Consolidation of integration of the military exchange systems

The conferees are aware that the Department of Defense has established a task force to examine how to achieve an integrated military exchange system. The conferees recognize the imperative to generate efficiencies and improve the delivery of the exchange benefit. While a consolidated or integrated exchange system may be an option for achieving these goals, the conferees direct that no action be taken to consolidate or integrate the military exchange

systems without approval of the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives.

Second destination transportation

The congressional defense committees have authorized expenditures of appropriated funds for second destination transportation charges for the military exchanges since the end of World War II. These funds are utilized to assist the military exchanges in shipping items manufactured in the United States to service members and their families stationed in overseas locations, thereby assuring retail prices for those stationed overseas as close as possible to stateside prices.

The conferees remind the Department that second destination transportation expenditures are not discretionary. The conferees direct the Department of Defense and the Department of the Army, acting as executive agent of second destination transportation, to fully fund the actual expenditures necessary to fully fund second destination transportation charges.

The conferees note that the Department of Defense has not implemented section 334 of the National Defense Authorization Act for Fiscal Year 1996 which directed the Secretary to authorize the exchange systems and the Defense Commissary Agency to negotiate directly with private carriers to achieve the most cost effective rates for the transportation of goods overseas. The current policies, procedures and methods of planning and budgeting for second destination transportation costs are ineffective and lead to under funding within the account. The conferees direct the Secretary of Defense to immediately implement the provisions of section 334 of the National Defense Authorization Act for Fiscal Year 1996.

Defense Commissary Agency designation as a performance based organization

The committee report to accompany S. 1745 (S. Rept. 104–267) and the committee report to accompany H. 3230 (H. Rept. 104–563) included comments concerning the nomination by the Department of Defense to convert the Defense Commissary Agency (DeCA) to a Performance Based Organization. These reports note that the committees strongly support the commissary benefit and supports actions necessary to ensure the benefit is maintained.

The conferees concur in maintaining the commissary benefit for our service members and their families. The conferees are aware that the Department is studying whether the leadership of DeCA should be uniformed or civilian in a Performance Based Organization. The conferees believe that the military services should maintain the same level of key leadership within DeCA as that in effect on January 1, 1996. It is imperative that the commissionary benefit not be degraded and any transition plan must include safeguards to ensure that trade-offs and management initiatives of a performance-based organization serve the beneficiary population not the organization or industry.

LEGISLATIVE PROVISIONS

Subtitle A—Authorization of Appropriations

LEGISLATIVE PROVISIONS ADOPTED

Armed Forces Retirement Home (sec. 303)

The House bill contained a provision (sec. 303) that would authorize $57.3 million from the Armed Forces Retirement Home Trust Fund for the operation of the Armed Forces Retirement Home.

The Senate amendment contained a similar provision (sec. 586) that would authorize $57.345 million from the Armed Forces Retirement Home Trust Fund for the operation of the Armed Forces Retirement Home.

The Senate recedes.

Transfer from National Defense Stockpile Transaction Fund (sec. 304)

The House bill contained a provision (sec. 304) that would authorize the Secretary of Defense to transfer $250 million from the National Defense Stockpile Transaction Fund to the operation and maintenance accounts of the military services.

The Senate bill contained a similar provision (sec. 304) that would authorize the transfer of $150 million.

The House recedes.

Civil Air Patrol Corporation (sec. 305)

The Senate amendment contained a provision (sec. 305) that would permit the Department of Defense to provide the Civil Air Patrol Corporation with $14.5 million. The provision required that 25 percent of these funds be used for the Civil Air Patrol's principal mission of search and rescue.

The House bill contained no similar provision.

The House recedes with an amendment that would require that $14.5 million in operation and maintenance funds be made available to the Civil Air Patrol Corporation and that 25 percent of these funds be used to support search and rescue and disaster relief operations.

Availability of additional funds for Antiterrorism activities (sec. 306)

The conferees agree to a provision authorizing an additional $14.0 million for use by the Secretary of Defense to fund emergency anti-terrorist activities of the Department of Defense. These funds are in addition to funds otherwise authorize to be appropriated in this Act for anti-terrorism, and are to be available for the Secretary of Defense to respond quickly to emergency anti-terrorism requirements that are identified by commanders of the unified combatant commands or commanders of joint task forces in response to a change in terrorist threat level.

The conferees urge the Secretary of Defense to propose an emergency anti-terrorism program as part of the fiscal year 1998 budget submission.

SR–71 (sec. 308)

The House bill contained a provision (sec. 1040) that would prohibit the Secretary of Defense from carrying out any aerial reconnaissance program using the SR–71 aircraft.

The Senate amendment contained a provision (sec. 306) that would provide $30.0 million in operations and maintenance funding for the SR–71 contingency reconnaissance force.

The House recedes.

Subtitle B—Depot-Level Activities

LEGISLATIVE PROVISIONS ADOPTED

Extension of authority for aviation depots and naval shipyards to engage in defense-related production and services (sec. 311)

The House bill contained a provision (sec. 311) that would extend the authority for aviation depots and shipyards of the Department of Defense to engage in defense related production and services.

The Senate amendment contained a similar provision (sec. 328).

The Senate recedes.

Test programs for modernization through spares (sec. 312)

The Senate amendment contained a provision (sec. 812) that would require the Secretary of the Army to report to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives the steps that have been taken to ensure that the Army's modernization-through-spares program is conducted in accordance with applicable federal laws.

The House bill contained no similar provision.

The House recedes.

Subtitle C—Environmental Provisions

LEGISLATIVE PROVISIONS ADOPTED

Defense contractors covered by requirement for reports on contractor reimbursement costs for response actions (sec. 321)

The House bill contained a provision (sec. 321) that would repeal subsection (c) of section 2706 of title 10, United States Code, which requires the Department of Defense to submit an annual report to Congress that describes the reimbursement of environmental response action costs and the amount and status of pending requests for reimbursement for the top 100 defense contractors.

The Senate amendment contained a provision (sec. 342) that would establish a reporting requirement that would limit data collection to the top 20 defense contractors.

The House recedes.

Establishment of separate environmental restoration accounts for each military department (sec. 322)

The Senate amendment contained a provision (sec. 341) that would devolve the Defense Environmental Restoration Account

(DERA), from a single transfer account administered by the Department of Defense, to four separate accounts administered by the individual military departments.

The House bill contained no similar provision.

The House recedes.

Payments of stipulated penalties assessed under the Comprehensive Environmental Response, Compensation, and Liability Act (sec. 323)

The House bill contained a provision (sec. 322) that would authorize the payment from the Defense Environmental Restoration Account (DERA) of stipulated civil penalties assessed under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA) (Public Law 96–510) at five military installations—Fort Riley, Kansas ($34,000), the Massachusetts Military Reservation ($55,000), F.E. Warren Air Force Base, Wyoming ($10,000), the Naval Education and Training Center, Newport, Rhode Island ($30,000), and the Lake City Army Ammunition Plant, Missouri ($37,500). The provision would also allow the Department of Defense (DOD) to complete a supplemental environmental project (SEP) ($500,000) in lieu of stipulated penalties at the Massachusetts Military Reservation.

The Senate amendment contained a similar provision (sec. 344).

The Senate recedes with a technical amendment.

Shipboard solid waste control (sec. 324)

The House bill contained a provision (sec. 324) that would adopt the administration's legislative proposal to amend section 1902(c) of the Act to Prevent Pollution from Ships (APPS) (33 U.S.C. 1901, et seq.) to allow for the use of pulpers and shredders for the disposal of non-plastic and non-floating solid waste within "special areas" (the Baltic Sea, the North Sea, the Mediterranean Sea, the Red Sea, the Persian Gulf, and the Antarctic Ocean), consistent with Annex V of the International Convention for the Prevention of Pollution on Ships (MARPOL).

The Senate amendment contained a similar provision (sec. 348).

The House recedes.

Authority to develop and implement land use plans for Defense Environmental Restoration Program (sec. 325)

The House bill contained a provision (sec. 325) that would permit the Secretary of Defense to conduct a limited pilot program to develop and implement, as a part of the Defense Environmental Restoration Program, a land use plan for up to ten defense sites where the Secretary is planning or implementing environmental restoration activities. In developing these plans, the Secretary would be required to consult with technical review committees, restoration advisory boards, local land use redevelopment authorities or other appropriate agencies knowledgeable about the site and land use planning. The House provision would require the submission of a report to Congress by December 31, 1998.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would require an annual report consistent with section 2706(a) of title 10, United States Code. The conferees expect that cleanup activities conducted at contaminated sites will be consistent with the anticipated future land use.

Pilot program to test alternative technology for limiting air emissions during shipyard blasting and coating operations (sec. 326)

The House bill contained a provision (sec. 326) that would direct the Secretary of the Navy to establish a pilot program to test alternative technology designed to capture, destroy or remove particulate emissions and volatile air pollutants that occur during abrasive blasting and coating operations at naval shipyards. The Secretary would be required to test the validity of the technology, assess its cost effectiveness, and determine the extent to which it would facilitate compliance with environmental strictures. The Secretary would then report to Congress and provide a recommendation regarding large scale implementation of the technology at naval shipyards.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would require the Secretary of the Navy to determine the potential benefit of the technology prior to initiation of the pilot program.

Agreements for services of other agencies in support of environmental technology certifications (sec. 327)

The House bill contained a provision (sec. 328) that would provide the Department of Defense with the authority to enter into cooperative agreements with agencies of a State or local government to obtain assistance in the demonstration, validation, and regulatory certification of environmental technology.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would limit the authority to enter into cooperative agreements for technology certification. As a prerequisite to entering into such cooperative agreements, the amendment would require the Secretary of Defense to determine that the technology in question has the potential to benefit the Department significantly and that there is no private market reasonably available to facilitate regulatory certification. The amendment also would expand the annual reporting requirement under section 2706(a) of title 10, United States Code, to ensure accountability for the use of these cooperative agreements.

The conferees agree that the purpose of this provision is to expand the current practice of site specific environmental technology certification and to facilitate broader regulatory acceptance. The conferees expect that the use of cooperative agreements will promote flexibility, cost effectiveness, and efficiency in achieving regulatory acceptance and application of new technologies that will help the Department meet environmental requirements.

The continuation of this new authority will be contingent upon the degree to which regulatory acceptance is effectively expanded. The conferees will carefully review the Department's annual report

to determine the effectiveness of the cooperative agreement authority.

Repeal of redundant notification and consultation requirements regarding remedial investigations and feasibility studies at certain installations to be closed under the base closure laws (sec. 328)

The Senate amendment contained a provision (sec. 343) that would repeal section 334 of the National Defense Authorization Act for Fiscal Years 1992 and 1993. Section 334 triggers redundant notification and consultation requirements regarding remedial investigations and feasibility studies at certain installations to be closed under the base closure laws.

The House bill contained no similar provision.

The House recedes.

Authority for agreements with Indian tribes for services under the environmental restoration program (sec. 329)

The Senate amendment contained a provision (sec. 352) that would modify section 2701 of title 10, United States Code, specifically to authorize the Secretary of Defense to enter into agreements to obtain the reimbursable services of any Indian tribe that assists the Secretary in carrying out Department of Defense environmental restoration activities. Section 2701 currently authorizes the Secretary to enter into such agreements with any other Federal, State or local government agency. The provision would make it clear that an Indian tribe may be a party to such an agreement.

The House bill contained no similar provision.

The House recedes.

Authority to withhold listing of Federal facilities on the National Priorities List (sec. 330)

The Senate amendment contained a provision (sec. 345) that would amend section 120(d) of the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) of 1980 (42 U.S.C. 9620(d)) by providing the Environmental Protection Agency with the discretion to withhold National Priorities List designation of a Federal facility cleanup action if the site is already subject to an approved Federal or State cleanup plan.

The House bill contained no similar provision.

The House recedes.

Clarification of meaning of uncontaminated property for purposes of transfer by the United States (sec. 331)

The Senate amendment contained a provision (sec. 347) that would amend section 120(h)(4)(A) of the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) of 1980 (42 U.S.C. 9620(h)) to expand the scope of clean parcel determinations.

The House bill contained no similar provision.

The House recedes.

The conferees have concluded that the Senate amendment would facilitate the expeditious transfer of clean parcels on closing

installations, facilitating economic reuse. The provision is consistent with the administration's legislative proposal.

Conservation and cultural activities (sec. 332)

The House bill contained a provision (sec. 323) that would authorize the Secretary of Defense to establish and execute a "Conservation and Readiness Program." The provision would allow for the use of cooperative agreements and grants to facilitate the participation of public and private agencies, organizations, institutions, individuals, or other entities. The purpose of the program would be to conduct and manage coordinated conservation and cultural activities that have regional or Department of Defense-side significance.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would permit the Secretary of Defense to establish and carry out a program to address cultural and natural resource issues that have regional or Department of Defense-wide significance and that involve more than one military department. The amendment would eliminate the Secretary's authority to award grants and would establish criteria for determining which conservation and cultural activities would be eligible for the program.

The conferees recognize that there are many conservation and cultural activities that are necessary to support joint military requirements. For example, assessing bird migratory patterns so that operational flights may avoid high bird volume transit areas at certain times of the year enhances the safety of flight operations for all the services, and it would not make sense for each service to perform its own separate study of such migratory patterns. The military departments have an ongoing obligation to ensure that there is adequate funding to respond to the conservation and cultural issues that arise at military installations. Accordingly, the Department of Defense has developed a definitive annual planning, programming, and budgeting strategy for the preservation of cultural and natural resources. The instant program recognizes that development.

The conferees believe that it is also necessary to have a Defense-wide program for cultural and natural resource management. However, there should be specific criteria for determining program eligibility in order to avoid some of the abuses that have existed under the Legacy Program. Such a program will allow the Department of Defense to conduct regionally significant, multi-component, operationally or legally compelled natural and cultural activities in a coordinated, uniform, and efficient manner. Any funds appropriated for the Legacy Program shall be subject to the criteria set forth in this provision.

Navy program to monitor ecological effects of organotin (sec. 333)

The House bill contained a provision (sec. 327) that would require the Secretary of the Navy, in consultation with the Environmental Protection Agency (EPA), to develop and implement a program to monitor the concentrations of organotin in the water column, sediments, and aquatic organisms of representative estuaries and near-coastal waters of the United States, as described in

Organotin Antifouling Paint Control Act of 1988 (OAPCA) (Public Law 100–333). The program would be designed to produce high quality data to enable the EPA to develop water quality criteria concerning organotin compounds. In addition, the Secretary of the Navy would be required to submit to Congress, no later than June 1, 1997, a report explaining the monitoring program and describing the results of the analysis performed pursuant to that program.

The Organotin Antifouling Paint Control Act of 1988 (OAPCA) (Public Law 100–333) was enacted by Congress to protect marine life by reducing the quantities of organotin, a highly toxic ingredient in antifouling paints used on vessels that navigate the waters of the United States. Despite the fact that the Act imposed a March 30, 1989 deadline on the Environmental Protection Agency (EPA) for the certification of organotin release rates and water quality criteria, such criteria have yet to be established. As a result, there are no uniform national water quality standards for organotin. The OAPCA also directed the EPA to implement a 10 year organotin monitoring program and to submit annual reports to Congress. Only one report has been submitted.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would limit the application of the provision. The EPA would be obligated to agree to provide the Navy with advance funding. The requirement for Navy monitoring would terminate after five years. The Navy would also submit to Congress a report describing the results of its monitoring activities.

Although the conferees agree that the Navy should not be required to perform the entire organotin monitoring function it does, however, appear evident that the EPA is incapable of meeting its statutory mandate. The conferees agree that this is a unique situation and does not set a precedent for assigning environmental monitoring activities to the Navy in the future. Finally, the conferees expect that, with the implementation of the Navy monitoring activities, the EPA will make progress toward completion of its remaining responsibilities and develop water quality standards for organotin.

Authority to transfer contaminated Federal property before completion of required response actions (sec. 334)

The Senate amendment contained a provision (sec. 346) that would amend section 120(h)(3)(B) of the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) of 1980 (42 U.S.C. 9620) to authorize the United States to transfer contaminated federal property before an approved remedial design is in place. The Senate provision would require a federal agency to provide remedial action assurances in the deed or other agreement that is proposed to govern the transfer. That approach is similar to the purchase agreements used in the private sector, with the additional element of regulatory participation. The Senate provision was based on a legislative proposal submitted by the administration to facilitate reuse of contaminated property and to eliminate the disparate treatment between public and private sector transfers of contaminated property.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

Prior to the transfer of property under this provision, it must be determined that the property is suitable for transfer, that the intended use is consistent with protection of human health and the environment, and that the deed or other agreement proposed to govern the transfer contains response action assurances. The conferees note that the provision would allow transfers to accommodate the laws of different states. Moreover, the conferees agree that the provision does not change existing federal responsibility with respect to response action at transferred property. Although the provision amended section 120(a)(4) of CERCLA (42 U.S.C. 9601 et seq.), with respect to such property, it should not be construed to otherwise limit or expand the sovereign immunity waiver under this section.

Subtitle D—Commissaries and Nonappropriated Fund Instrumentalities

LEGISLATIVE PROVISIONS ADOPTED

Contracts with other agencies to provide or obtain goods and services to promote efficient operation and management of exchanges and morale, welfare, and recreation activities (sec. 341)

The House bill contained a provision (sec. 341) that would provide authority for exchanges and morale, welfare and recreation systems (MWR) to enter into contracts or other agreements with another element of the Department of Defense or another Federal department, agency or instrumentality to provide goods and services beneficial to the efficient management and operation of exchange and MWR systems.

The Senate amendment contained no similar provision.

The Senate recedes with a clarifying amendment.

Noncompetitive procurement of brand-name commercial items for resale in commissary stores (sec. 342)

The House bill contained a provision (sec. 342) that would clarify that, in order to receive the exception from competition in contracting requirements, a commercial item has to be regularly sold outside the commissary store under the same brandname as it would be sold in the commissary store.

The Senate amendment contained a similar provision (sec. 363).

The Senate recedes with a clarifying amendment.

The conferees intend that commissary stores only acquire items for resale under the brand-name exemption to the Competition in Contracting Act that are ordinarily available to the general public. The military commissary system is not an appropriate vehicle to sell items for which the distribution is limited to the military market unless they have been acquired for resale through competitive procedures. Because the dynamics of the marketplace often offer significant opportunities for consumer savings during the introductory sales period for new products, it is not the conferees intent that these provisions limit the introduction of the new items into the commissary system when their release to the commissary

system is simultaneous with their introduction in the commercial sector.

Prohibition of sales or rental of sexually explicit material (sec. 343)

The House bill contained a provision (sec. 343) that would prohibit the sale or rental of sexually explicit written or videotaped material on property under the jurisdiction of the Department of Defense.

The Senate amendment contained no similar provision.

The Senate recedes with a technical amendment.

Subtitle E—Performance of Functions by Private-Sector Sources

LEGISLATIVE PROVISIONS ADOPTED

Extension of requirement for competitive procurement of printing and duplication services (sec. 351)

The House bill contained a provision (sec. 351) that would extend section 351 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106) which directed the Defense Printing Service (DPS) to competitively procure from private sector sources at least 70 percent of its printing and duplication work. The provision also requires a report on the DPS compliance with this requirement.

The Senate amendment contained no similar provision.

The Senate recedes.

Reporting Requirements under Demonstration project for purchase of fire, security, police, public works, and utility services from local government agencies (sec. 352)

The House bill contained a provision (sec. 832) that would extend the authority of the Department of Defense (DOD) to conduct a demonstration project for fire, safety, and other services for an additional 2 years. The provision would also require the DOD to submit a report on this project to the Congress during each of these two years.

The Senate had a similar provision.

The Senate recedes with a technical amendment.

Subtitle F—Other Matters

LEGISLATIVE PROVISIONS ADOPTED

Authority for use of appropriated funds for recruiting functions (sec. 361)

The House bill contained a provision (sec. 1034) that would authorize the secretaries of the military departments to expend appropriated funds for small meals and snacks during recruiting functions.

The Senate amendment contained a similar provision (sec. 362) that would authorize this expenditure for a five year period, and specify that the refreshments be provided for members of the Delayed Entry Program, other prospects, and community leaders.

The House recedes with a clarifying amendment.

Training of members of the uniformed services at non-government facilities (sec. 362)

The Senate amendment contained a provision (sec. 1065) that would authorize military personnel to use the same procedures for acquiring commercial training courses as civilian personnel.

The House bill contained no similar provision.

The House recedes with an amendment that would include this authority in title 10, United States Code.

Requirement for preparation of plan for improved operation of working-capital funds and effect of failure to produce an approved plan (sec. 363)

The House bill contained a provision (sec. 360) that would terminate the Defense Business Operations Fund (DBOF) effective October 1, 1998. It also would require the Secretary of Defense to submit to the Congress a plan to improve the management and performance of the industrial, commercial, and support activities currently managed through the DBOF not later than September 30, 1997.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would delay the termination of DBOF until October 1, 1999. The conferees believe strong action is in order to focus the attention of the Department of Defense (DOD) upon serious financial and management shortfalls in DBOF. While the conferees fully support the concept of providing full visibility of the total costs of industrial and support activities, the conferees believe that an update to the DBOF management plan is long overdue. The conferees urge DOD to develop a plan that provides stability to DBOF activities, while protecting unique capabilities critical during war or mobilization. It is the intent of the conferees to use the report required in this provision as a basis to review the decision on the termination of DBOF.

Increase in capital asset threshold under Defense Business Operations Fund (sec. 364)

The House bill contained a provision (sec. 361) that would raise the capital asset threshold in a Defense Business Operations Fund (DBOF) activity from $50,000 to $100,000.

The Senate amendment contained no similar provision.

The Senate recedes.

Expansion of authority to donate unusable food (sec. 365)

The House bill contained a provision (sec. 369) that would expand the list of eligible recipients for donations of unusable food items from the Department of Defense to state and local governments, many of whom operate their own shelters and food kitchens to feed homeless citizens. The provision would also allow the Defense Logistics Agency (DLA) to participate in this program. Currently, section 2485 of title 10, United States Code; does not include state and local governments among the entities eligible to receive donations of unusable and surplus food items such as Meals Ready To Eat (MREs), and allows only the individual military departments to donate unusable food. This provision would allow DLA to donate MREs and other excess food items from various de-

fense agencies to cities and states who, in turn, could distribute them to homeless individuals and families.

The Senate amendment contained no similar provision.

The Senate recedes.

Assistance to committees involved in inauguration of the President (sec. 366)

The Senate amendment contained a provision (sec. 365) that would amend section 2543 of title 10, United States Code, to allow the Secretary of Defense to provide safety, security, and ceremonial assistance to the Presidential inaugural committee. The Secretary would also be authorized to provide other assistance deemed appropriate, but only if done on a reimbursable basis.

The House bill contained no similar provision.

The House recedes.

Department of Defense support for sporting events (sec. 367)

The Senate amendment contained a provision (sec. 366) that would allow the Secretary of Defense to provide assistance to civilian law enforcement agencies for security and safety at civilian sporting events if the Attorney General of the United States certifies that such assistance is required to meet essential security and safety needs. The provision would also allow the Secretary of Defense to provide other assistance for these events but only to the extent that the assistance could not be reasonably provided by a source other than the Department of Defense, does not adversely impact on military preparedness, and the organization requesting such assistance reimburses the Department of Defense.

The House bill contained no similar provision.

The House recedes with a technical amendment.

Storage of motor vehicle in lieu of transportation (sec. 368)

The House bill contained a provision (sec. 363) that would provide storage, at government expense, of privately-owned vehicles for service members when there are restrictions on the normal shipment of these vehicles, and would also provide storage of vehicles for service members who are deployed between 30 and 180 consecutive days.

The Senate amendment contained a similar provision (sec. 622).

The Senate recedes with an amendment that would limit storage of vehicles to those service members who are deployed on contingency operations.

Security protections at Department of Defense facilities in the national capital region (sec. 369)

The House bill contained a provision (sec. 365) that would permit the Defense Protection Service (DPS) to provide emergency protection and security services to sensitive defense activities in the National Capital Region (NCR).

The Senate amendment contained no similar provision.

The Senate recedes.

Administration of midshipmen's store and other Naval Academy support activities as nonappropriated fund instrumentality (sec. 370)

The Senate amendment contained a provision (sec. 364) that would authorize the conversion of all midshipmen trust fund operations that support the Naval Academy and the Brigade of Midshipmen to nonappropriated fund status.

The House bill contained no similar provision.

The House recedes with an amendment that would specify that the employment status of current employees is protected during and after this conversion.

Reimbursement under agreement for instruction of civilian students at Foreign Language Institute of the Defense Language Institute (sec. 371)

The Senate amendment contained a provision (sec. 369) that would authorize the Secretary of the Army to determine the amount of reimbursement an educational institution would be required to pay in order to permit non-government students to receive instruction at the Defense Language Institute.

The House bill contained no similar provision.

The House recedes with an amendment that would ensure that the reimbursement rate would not be less than the rate paid by other governmental agencies, and would permit the Secretary of the Army to accept reimbursement in-kind as part of the reimbursement on a case-by-case basis.

Assistance to local educational agencies that benefit dependents of members of the Armed Forces and Department of Defense civilian employees (sec. 372)

The House bill contained a provision (sec. 367) that would authorize $58.0 million for payment to local educational agencies that provide educational services to Department of Defense personnel and their dependents. The provision would also require DOD to notify these agencies that they are eligible for such assistance.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would provide $35.0 million.

Renovation of building for Defense Finance and Accounting Service center, Fort Benjamin Harrison, Indian (sec. 373)

The Senate amendment contained a provision (sec. 367) that would authorize the Department of Defense to transfer operating funds to the General Services Administration (GSA) for purposes of renovating Building 1 at Fort Benjamin Harrison, Indiana, which is occupied by the Defense Finance and Accounting Service.

The House bill contained no similar provision.

The House recedes with an amendment that would ensure that the DOD is fully reimbursed by the GSA for the funds which the DOD expends on the renovation project.

Food donation pilot program at service academies (sec. 374)

The Senate amendment contained a provision (sec. 1073) that would authorize the service academies to conduct food donation

programs to serve the poor and homeless people consistent with those programs authorized to be conducted by other military activities.

The House bill contained no similar provision.

The House recedes.

Authority of Air National Guard to provide certain services at Lincoln Municipal Airport, Lincoln, Nebraska (sec. 375)

The Senate amendment contained a provision (sec. 370) that would provide the authority for the Nebraska Air National Guard to provide fire and rescue services at the Lincoln Municipal Airport in Lincoln, Nebraska.

The House bill contained no similar provision.

The House recedes with an amendment that would require such services to be provided only if the Nebraska Air National Guard and the Lincoln Municipal Airport Authority enter into an agreement providing reimbursement to the Air National Guard for the cost of providing such services. The agreement must also provide an indemnification from any claim for damages or injury to any person or property arising out of the provision of such services or the failure to provide such services.

Technical amendment regarding impact aid program (sec. 376)

The Senate amendment contained a provision (sec. 1086) that would amend the special rule for impact aid payments for eligible federally connected children and would prohibit the Secretary of Education from making payments to school districts when the eligibility is associated with property used for Department of Defense activities, unless such funds are transferred from the Department of Defense.

The House bill contained no similar provision.

The House recedes with an amendment that would strike the portion of the provision that required funds to be transferred from the Department of Defense.

LEGISLATIVE PROVISIONS NOT ADOPTED

Depot-level activities

The House bill contained a provision (sec. 312) that would exclude large maintenance projects from the calculations for determining the amount of depot maintenance that is performed by private contractors.

The Senate amendment contained a number of provisions (secs. 321–330) that would make numerous changes to the current legislation regarding the performance of depot maintenance within the Department of Defense (DOD). Section 321 would reinforce the idea that core logistics functions of the DOD should be performed at government owned depots, using government owned equipment operated by government employees. Section 322 would change the current 60/40 ratio, as outlined in section 2466 of title 10, United States Code. Section 323 would require the Secretary of Defense to annually report on the amount of depot maintenance performed by the public sector during the previous year and the amount of main-

tenance performed by the private sector. Section 324 would codify the definition of depot maintenance.

In addition, section 325 would require the Department of Defense to provide the congressional defense committees with a report outlining its plan for the performance of depot maintenance at public depots and by private industry. This report would require the DOD to answer some of the questions that they did not answer last year. Section 326 would require the Department of Defense to provide the congressional defense committees with a report outlining the competitive procedures used by the Department of Defense in determining whether the depot maintenance workload should be performed by a public depot or a private entity.

Furthermore, section 327 would require the Joint Chiefs of Staff to perform a risk assessment regarding what depot maintenance workloads could be performed by the private sector and what workloads need to be maintained in depots owned and operated by the Department of Defense. Section 329 would require a competition between all DOD aviation depots to determine which depot can perform the depot maintenance on F–18 aircraft most efficiently. Finally, section 330 would require the Department of Defense to perform a competition for the workload currently performed at Kelly and McClellan AFB to determine if the work should be moved to another public depot or be privatized in place.

The House and Senate recede. The conference agreement does not contain any of these provisions. The conferees agree not to take any action regarding these issues this year.

Master Ship Repair Agreement

The House bill contained a provision (sec. 352) that would require the Secretary of the Navy to award complex ship repairs and overhauls only to qualified shipyard contractors. The current Navy requirements for Master Ship Repair Agreement (MSRA) qualification includes a requirement for a contractor owned dry-dock facility. This section would not apply to repairs and overhauls performed on the Pacific Coast of the United States.

The Senate amendment contained no similar provision.

The House recedes.

The conferees are aware that the Navy would like to revise its requirements for MSRA certification by increasing capability requirements which will demand a more robust and extensive repair capability, and will delete the requirement for a contractor owned dry-dock facility. Under these new requirements the Navy would establish dry-dock requirements on an individual repair contract solicitation basis. The conferees believe that such a revision in the MSRA requirements would allow more private shipyards to compete for repair contracts that do not require contractor owned dry-dock facilities. The conferees understand that this new Navy policy for ship repair contracts is designed to insure an adequate and comprehensive ship repair industrial base to meet current and future Navy requirements. The conferees further believe that this policy change will provide stability to the Navy ship repair and overhaul program. Therefore, the conferees direct the Secretary of the Navy to implement this new policy as soon as possible.

National Defense Reserve Fleet

The budget request contained $90.0 million in the National Defense Sealift Fund for the acquisition and modification of roll-on/roll-off (RO/RO) ships for introduction into the Ready Reserve Force (RRF) component of the National Defense Reserve Fleet (NDRF).

The Senate amendment contained a provision (sec. 312) that would:

(1) waive the current congressionally imposed restriction on the acquisition of RO/ROs from the world market to permit the acquisition and modification of up to five such RO/ROs for introduction into the RRF; and

(2) authorize an increase of $60.0 million above the budget request for the acquisition and modification of two additional RO/ROs for the RRF.

The House bill contained no similar provision. The House bill would reduce the budget request by the $90.0 million included in it for the acquisition and modification of foreign-built RO/ROs and apply these funds to the purchase of a maritime prepositioning ship for the Marine Corps.

The Senate recedes.

Restriction on Coast Guard funding

The Senate amendment contained a provision (sec. 314) that would reject any authorization for the Department of Defense to fund the Coast Guard through budget subfunction 054.

The House bill contained no similar provision.

The Senate recedes.

Oceanography

The Senate amendment contained a provision (sec. 315) that would authorize an additional $6.2 million for oceanographic ship operations and data analysis for the U.S. Navy.

The House bill contained no similar provision.

The Senate recedes.

The conferees recognize the importance of the oceanographic activities of the Navy and authorize an additional $6.2 million for this purpose in the operations and maintenance account.

Firefighting and security-guard functions at facilities leased by the Government

The Senate amendment contained a provision (sec. 361) that would modify the current prohibition on contracting for firefighting and security-guard services. This provision would amend current legislation by clarifying the authority of the Department of Defense to contract with non-federal employees for these services if they are to be carried out at a private facility at which a Federal Government activity is located pursuant to a lease of the facility.

The House bill contained no similar provision.

The Senate recedes.

Computer emergency response team

The Senate amendment contained a provision (sec. 368) that would authorize $2.0 million to be used by the Software Engineering Institute for use by the Computer Emergency Response Team.

The House bill contained no similar provision.

The Senate recedes.

The conferees support the important work of the Computer Emergency Response Team and have agreed to authorize an additional $2.0 million for this purpose in the operations and maintenance tables.

TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS

ITEMS OF SPECIAL INTEREST

Military Personnel Funding

The conferees agreed to authorize that $70.1 billion, which is $273.3 million above the President's request, be appropriated for military personnel. The conference agreement includes the following:

AIR NATIONAL GUARD FIGHTER AIRCRAFT

The conferees authorize the Air National Guard personnel end strength 576 part-time personnel, 249 active guard/reserves and 343 military technicians above the budget request and recommend an increase of $8.5 million to the personnel authorization to provide Air National Guard fighter squadrons with 15 primary authorized aircraft (PAA) per squadron vice the requested 12.

AIR NATIONAL GUARD C–130 AIRCRAFT

The conferees authorize the Air National Guard personnel end strength 310 part-time personnel, 25 active guard/reserves and 50 military technicians above the budget request and recommend an increase of $2.0 million to the personnel authorization to provide Air National Guard tactical airlift squadrons with 12 primary authorized aircraft (PAA) per squadron vice the requested 10.

ARMY MILITARY PERSONNEL ACCOUNT SHORTFALL FOR FISCAL YEAR 1997

The conferees authorized a $50.0 million addition to the Army military personnel account.

RESERVE FULL TIME MANNING INCREASE

In recognition of the expanded role of both the Army and Air Force Reserve in the early-deploying contingency forces and day-to-day operational tempo, the conferees authorize the Secretary of the Army to increase the number of Active Guard and Reserve (AGR) by 254 personnel and authorize the Secretary of the Air Force to increase the number of AGR by 30 personnel. The conferees authorize an increase of $8.0 million above the President's request for reserves on active duty to support the reserves in the Army and $2.6 million for reserves on active duty to support the reserves in the Air Force.

NAVY MARITIME PATROL AIRCRAFT

The conferees authorize the Navy to increase the number of Navy P–3C maritime patrol aircraft squadrons by two (1 active, 1 reserve) above the 12 active and 8 reserve squadrons requested in the President's budget. As a consequence, the conferees authorize the following increases: Navy active personnel accounts (End Strength: 418 personnel, and $9.0 million); Naval Reserve personnel accounts (End Strength: 97 Training and Administration of the Reserves (TAR) personnel, 266 part-time personnel, and $4.0 million).

RESERVE COMPONENT INDIVIDUAL TRAINING FUNDS

The conferees authorize $7.5 million above the President's budget request for National Guard personnel account to fund schools and special training for military occupational skill training. In addition, the conferees authorize funding within the Army Reserve personnel account to provide troop program unit professional development training, as well as individual skills training, by $7.5 million.

Subtitle A—Active Forces

LEGISLATIVE PROVISIONS ADOPTED

End strengths for active forces (sec. 401)

The House bill contained a provision (sec. 401) that would authorize end strengths for active forces.

The Senate amendment contained a similar provision (sec. 401).

The Senate recedes with an amendment that includes the authorized strengths for officers.

	Fiscal year		
	1996 authorization	1997 request	1997 recommendation
Army:			
Total	495,000	495,000	495,000
Officer	81,300	80,300	80,300
Navy:			
Total	428,340	406,900	407,318
Officer	58,870	56,100	56,165
Marine Corps:			
Total	174,000	174,000	174,000
Officer	17,978	17,978	17,978
Air Force:			
Total	388,200	381,100	381,100
Officer	75,928	74,445	74,445

Permanent end strength levels to support two major regional contingencies (sec. 402)

The House bill contained a provision (sec. 402) that would require that annual defense budget requests submitted to Congress must provide at least enough funding to maintain the minimum active end strengths prescribed in the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106).

The Senate amendment contained a provision (sec. 402) that would increase the flexibility afforded military services to manage their active duty end strengths from 0.5 percent to 5.0 percent.

The Senate recedes with an amendment that combines the two provisions and provides the military services 1.0 percent flexibility in order to manage their end strengths effectively.

Authorized strengths for commissioned officers on active duty in grades of major, lieutenant colonel, and colonel and Navy grades of lieutenant commander, commander, and captain (sec. 403)

The House bill contained a provision (sec. 403) that would permanently raise the grade ceilings of active duty Army, Air Force, and Marine Corps majors and lieutenant colonels and active duty Navy lieutenant commanders, commanders, and captains relative to the total number of commissioned officers on active duty.

The Senate amendment contained a similar provision (sec. 403).

The House recedes.

Extension of requirement for recommendations regarding appointments to joint 4-star officer positions (sec. 404)

The Senate amendment contained a provision (sec. 404) that would extend, for three years, the process for exemption of combatant commanders (CINCs), the Deputy Commander-in-Chief of the U.S. European Command (DCINCEUR), and the Commander-in-Chief, U.S. Forces, Korea, from the ceiling for grades above major general or rear admiral under certain conditions.

The House bill contained no similar provision.

The House recedes with an amendment that would extend the expiration date contained in section 525(b)(5)(c) from September 30, 1997 to September 30, 2000.

Increase in authorized number of general officers on active duty in the Marine Corps (sec. 405)

The Senate amendment contained a provision (sec. 405) that would increase the number of active duty general officers in the Marine Corps by 12, from 68 to 80.

The House bill contained no similar provision.

The House recedes.

The conferees do not intend that this action prejudice the outcome of the comprehensive study of general and flag officers required by section 1213 of this conference report which would include these authorizations.

Subtitle B—Reserve Forces

LEGISLATIVE PROVISIONS ADOPTED

End strengths for selected reserve (sec. 411)

The House bill contained a provision (sec. 411) that would authorize the end strength levels for the selected reserve for fiscal year 1997.

The Senate amendment contained a similar provision (sec. 411).

The Senate recedes with an amendment that would authorize selected reserve end strengths at the higher end strength level for each component.

The following table summarizes the authorized end strength levels for the selected reserve for fiscal year 1997.

	Fiscal year		
	1996 authorization	1997 request	1997 recommendation
The Army National Guard of the United States	373,000	366,758	366,758
The Army Reserve	230,000	214,925	215,179
The Naval Reserve	98,894	95,941	96,304
The Marine Corps Reserve	42,274	42,000	42,000
The Air National Guard of the United States	112,707	108,018	109,178
The Air Force Reserve	73,969	73,281	73,311
The Coast Guard Reserve	8,000	8,000	8,000

End strengths for Reserves on active duty in support of the Reserves (sec. 412)

The House bill contained a provision (sec. 412) that would authorize reserve full-time support end strength levels for fiscal year 1997.

The Senate amendment contained a similar provision (sec. 412).

The Senate recedes with an amendment that would authorize end strengths for reserves on active duty in support of the reserves at the higher end strength level for each component.

The following table summarizes the reserve full-time support end strength levels for fiscal year 1997.

	Fiscal year		
	1996 authorization	1997 request	1997 recommendation
The Army National Guard of the United States	23,390	22,798	22,798
The Army Reserve	11,575	11,475	11,729
The Naval Reserve	17,587	16,506	16,603
The Marine Corps Reserve	2,559	2,559	2,559
The Air National Guard of the United States	10,066	10,129	10,403
The Air Force Reserve	628	625	655

End strengths for military technicians (sec. 413)

The House bill contained a provision (sec. 413) that would authorize military technician end strength levels for fiscal year 1997.

The Senate amendment contained a provision (sec. 518) that would modify the authorization for military technicians in the Air National Guard for fiscal year 1997.

The Senate recedes with an amendment that adds the technician levels in the Senate amendment to those in the House bill.

The following table summarizes the authorized end strength levels for military technicians for fiscal year 1997.

	Fiscal year		
	1996 program	1997 request	1997 recommendation
The Army National Guard of the United States	25,500	25,500	25,500
The Army Reserve	6,630	6,799	6,799
The Air National Guard of the United States	22,906	22,281	23,299
The Air Force Reserve	9,802	9,704	9,802

Assurance of continued assignment of military personnel to serve in Selective Service System (sec. 414)

The Senate amendment contained a provision (sec. 413) that would exempt from end strength ceilings military personnel assigned to duties in support of the Selective Service System.

The House bill contained no similar provision.

The House recedes with an amendment that would require the services to support the Selective Service System at the requirement level set by the Director, Selective Service. The requirement level would not exceed 745 military personnel.

TITLE V—MILITARY PERSONNEL POLICY

ITEMS OF SPECIAL INTEREST

General and flag officer career patterns

The conferees are concerned about the career patterns of officers once they are selected for promotion to general and flag officer grades. The current general and flag officer selection, assignment and development process may not effectively contribute to the preparation of those officers for increasing levels of responsibility and maximum performance efficiency at each level of assignment. Specific concerns include: 1) the length of time officers spend on promotion lists to grades 0–7 and 0–8 before they are actually promoted; 2) the tempo with which general and flag officers are rotated through important positions; 3) the effect of this tempo both on the effectiveness of individual officers in each position to which they are assigned and on the overall value these officers add in each position to which they are assigned; and 4) the consequences of requiring general and flag officers to retire upon completion of 35 years of service.

The conferees direct the Secretary of Defense to review the career patterns of general and flag officers and report to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives not later than April 1, 1997. The report should address, at a minimum:

(1) *Average time-in-grade at the time of selection* for promotion to each general and flag officer grade. Average time-in-grade should be reported by fiscal year, by service, by competitive category and by grade. For the purposes of this report, the time of selection should reflect the date the respective promotion board report is approved by the official authorized to approve such report;

(2) *Average time-in-grade at the time of promotion* to each general and flag officer grade. Average time-in-grade should be

reported by fiscal year, by service, by competitive category and by grade;

(3) *Average tour lengths for general and flag officers* who changed positions or assignments during fiscal years 1991 through 1995. Tour lengths should be reported by fiscal year, by service, and by grade. Joint tours should be addressed separately from non-joint tours; and

(4) *Assessment of the continued appropriateness* of the mandatory retirement of officers after 35 years of commissioned service as required by section 636 of title 10, United States Code.

The conferees do not expect the Secretary of Defense to delegate the conduct of this review or the preparation of the required report to the individual military departments, the uniformed services or to the Joint Staff.

LEGISLATIVE PROVISIONS

Subtitle A—Officer Personnel Policy

LEGISLATIVE PROVISIONS ADOPTED

Grade of Chief of Naval Research (sec. 501)

The Senate amendment contained a provision (sec. 506) that would establish that an officer, while serving in the Office of Naval Research as Chief of Naval Research, have at least the grade of rear admiral (upper half).

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

The conferees do not intend that this action prejudice the outcome of the comprehensive study of general and flag officers required by section 1213 of this conference report which would include this position.

Chief and Assistant Chief of Army Nurse Corps and Air Force Nurse Corps (sec. 502)

The Senate amendment contained two provisions (sec. 540 and 541) that would establish the grade of the Chief of the Army Nurse Corps and Chief of the Air Force Nurse Corps as a Brigadier General, and the Assistant Chief of the Army Nurse Corps and Assistant Chief of the Air Force Nurse Corps as a Colonel.

The House bill contained no similar provision.

The House recedes with an amendment to combine the two provisions.

The conferees do not intend that this action prejudice the outcome of the comprehensive study of general and flag officers required by section 1213 of this conference report which will include these positions.

Navy spot promotion authority for certain lieutenants with critical skills (sec. 503)

The House bill contained a provision (sec. 503) that would make permanent the authority for the Navy to temporarily promote certain lieutenants in skills for which there is a shortage of qualified officers.

The Senate amendment contained a provision (sec. 501) that would extend the authority for the Navy to promote temporarily, without Senate confirmation, lieutenants in certain positions from September 30, 1996 until September 30, 1997.

The Senate recedes with an amendment that would make permanent the authority for the Navy to promote temporarily certain lieutenants having certain skills and serving in certain positions, limit the number who may be promoted under this authority to 325, and make such temporary promotions subject to the advice and consent of the Senate.

Time for award of degrees by unaccredited educational institutions for graduates to be considered educationally qualified for appointment as reserve officers in grade 0–3 (sec. 504)

The Senate amendment contained a provision (sec. 503) that would increase the number of years that the Department of Defense could recognize a baccalaureate degree awarded by qualifying educational institution from three years to eight years.

The House bill contained no similar provision.

The House recedes.

Exception to baccalaureate degree requirement for appointment in the Naval Reserve in grades above 0–2 (sec. 505)

The House bill contained a provision (sec. 514) that would provide members of the Naval Reserve participating in the Seaman to Admiral program an exception to the requirement for reserve officers to hold a baccalaureate degree in order to be promoted above the grade of lieutenant (junior grade).

The Senate amendment contained a similar provision (sec. 502).

The conference agreement includes this provision.

Chief Warrant Officer promotions (sec. 506)

The Senate amendment contained a provision (sec. 504) that would permit below the zone selection for promotion to Chief Warrant Officer, W–3, and would reduce the time-in-grade requirement for warrant officer promotions from three years to two years.

The House bill contained no similar provision.

The House recedes.

Service credit for senior ROTC cadets and midshipmen in simultaneous membership program (sec. 507)

The Senate amendment contained a provision (sec. 507) that would provide service credit for longevity and pay to individuals who are simultaneously Senior ROTC Cadets or Midshipmen and enlisted members in the Selected Reserve under the Simultaneous Membership Program (SMP).

The House bill contained no similar provision.

The House recedes.

Continuation on active status for certain reserve officers of the Air Force (sec. 508)

The House bill contained a provision (sec. 507) that would authorize the Secretary of the Air Force to retain up to 50 reserve of-

ficers who are designated judge advocates beyond dates of mandatory retirement for years of service.

The Senate amendment contained no similar provision.

The Senate recedes.

Reports on response to recommendations concerning improvements to Department of Defense joint manpower process (sec. 509)

The House bill contained a provision (sec. 504) that would require the Secretary of Defense to provide a semi-annual report to Congress on the status of actions taken to implement the Inspector General recommendations resulting from inspection of the joint manpower process. The provision would also require that the General Accounting Office assess the adequacy and completeness of the Department's corrective actions.

The Senate amendment contained no similar provision.

The Senate recedes with a clarifying amendment.

Frequency of reports to Congress on joint officer management policies (sec. 510)

The House bill contained a provision (sec. 505) that would change the requirement that the Secretary of Defense report to Congress every six months on the promotion rates of officers currently or formerly serving in joint duty assignments.

The Senate amendment contained a similar provision (sec. 505).

The conference agreement includes this provision.

Subtitle B—Enlisted Personnel Policy

LEGISLATIVE PROVISIONS ADOPTED

Career service reenlistments for members with at least 10 years of service (sec. 511)

The House bill contained a provision (sec. 501) that would permit the secretaries of the military departments to reenlist noncommissioned officers with 10 or more years of service for indefinite periods of time.

The Senate amendment contained a similar provision (sec. 536).

The House recedes.

The conferees recognize that some services may want to retain the current fixed-term enlistment system. Specifically, the conferees urge the Secretary of the Navy to permit the Navy and the Marine Corps to pursue either policy independent of the other service's choice.

Authority to extend period for entry on active duty under the Delayed Entry Program (sec. 512)

The House bill contained a provision (sec. 502) that would permit the secretaries of the military departments, on a case-by-case basis, to extend to 18 months the maximum period that a person can remain in the Delayed Entry Program.

The Senate amendment contained a similar provision (sec. 535).

The conference agreement includes this provision.

Subtitle C—Activation and Recall

LEGISLATIVE PROVISIONS ADOPTED

Limitations on recall of retired members to active duty (sec. 521)

The Senate amendment contained a provision (sec. 532) that would limit the number of retired officers who may be recalled to active duty to 25 per service at any one time; prohibit the recall of officers who retired as a result of an early retirement board or who retired after being notified that he or she was to be considered by an early retirement board; and limit the tenure of a recall to 12 months.

The House bill contained no similar provision.

The House recedes with an amendment that would make the provision effective on September 30, 1997.

Clarification of definition of active status (sec. 522)

The House bill contained a provision (sec. 513) that would expand the definition of the term "active status" in section 101(d)(4) of title 10, United States Code, to include both officers and enlisted members of the reserve components and make the definition consistent with other references in title 10, United States Code.

The Senate amendment contained a similar provision (sec. 511).

The conference agreement includes this provision.

Limitation of requirement for physical examinations of members of National Guard called into federal service (sec. 523)

The Senate amendment contained a provision (sec. 513) that would repeal the requirement that each member of the National Guard receive a physical examination when called into and again when mustered out of federal service.

The House bill contained no similar provision.

The House recedes with an amendment that would repeal the requirement that each member of the National Guard receive a physical examination when called into and again when mustered out of federal service, except when they are mobilized for a contingency operation or a national emergency.

Subtitle D—Reserve Component Retirement

LEGISLATIVE PROVISIONS ADOPTED

Increase in annual limit on days of inactive duty training creditable towards reserve retirement (sec. 531)

The House bill contained a provision (sec. 631) that would increase the limits on the annual amount of retirement points that a reservist can earn as a result of inactive training from 60 to 75.

The Senate amendment contained no similar provision.

The Senate recedes.

Retirement of reserve enlisted members who qualify for active duty retirement after administrative reductions in enlisted grade (sec. 532)

The House bill contained a provision (sec. 634) that would permit a reserve enlisted member who qualifies for an active duty retirement and who is reduced in grade for reasons other than misconduct to retire in the highest enlisted grade held.

The Senate amendment contained no similar provision.

The Senate recedes.

Authority for a reserve on active duty to waive retirement sanctuary (sec. 533)

The Senate amendment contained a provision (sec. 514) that would permit a reservist serving on active duty for less than 180 days to waive the applicability of the retirement sanctuary.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

Eligibility of reserves for disability retirement (sec. 534)

The House bill contained a provision (sec. 633) that would authorize disability retirement benefits defined in Section 702 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106), to certain reservists.

The Senate amendment contained a similar provision (sec. 515).

The House recedes with an amendment that would clarify the effective date for transition of eligibility criteria for reserve disability retirement and other benefits from proximate result of performing duty to a determination of in line of duty.

Subtitle E—Other Reserve Component Matters

LEGISLATIVE PROVISIONS ADOPTED

Training for reserves on active duty in support of the reserves (sec. 541)

The House bill contained a provision (sec. 512) that would clarify that a reservist on active duty in support of the reserves may receive training and professional development in the same manner as any other member on active duty.

The Senate amendment contained no similar provision.

The Senate recedes with a clarifying amendment.

Eligibility for enrollment in Ready Reserve mobilization income insurance program (sec. 542)

The House bill contained a provision (sec. 517) that would amend the Ready Reserve mobilization income insurance program to permit members of the Individual Ready Reserve who transfer to the selected reserve to be eligible to participate in the mobilization insurance program.

The Senate amendment contained no similar provision.

The Senate recedes.

Reserve credit for participation in Health Professions Scholarship and Financial Assistance Program (sec. 543)

The House bill contained a provision (sec. 555) that would amend title 10, United States Code, to provide discretionary authority to the secretaries of the military departments to award service credit toward a non-regular retirement for certain members of the armed forces health professions scholarship and financial assistance programs.

The Senate amendment contained a similar provision (sec. 516).

The conference agreement includes this provision.

Amendments to Reserve Officer Personnel Management Act provisions (sec. 544)

The Senate amendment contained a provision (sec. 512) that would make several amendments to the Reserve Officer Personnel Management Act.

The House bill contained no similar provision.

The House recedes.

The conferees direct that the Secretary of Defense provide a report on the number and category of waivers granted under the authority of this provision to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives not later than March 31, 1998.

Report on number of advisers in active component support of reserves pilot program (sec. 545)

The House bill contained a provision (sec. 515) that would require the Secretary of Defense to determine the appropriate number of active component advisors and recommend such number to Congress.

The Senate amendment contained no similar provision.

The Senate recedes.

Sense of Congress and report regarding reemployment rights for mobilized reservists employed in foreign countries (sec. 546)

The House bill contained a provision (sec. 516) that would express the sense of Congress that there is a lack of reemployment rights afforded reservists who now live in foreign countries and work for U.S. or foreign companies. The provision would also direct the Secretary of Defense, together with the Secretaries of State and Labor, to provide the Congress with recommendations to alleviate the reemployment problems of this group of reservists.

The Senate amendment contained no similar provision.

The Senate recedes with a clarifying amendment.

Subtitle F—Officer Education Programs

LEGISLATIVE PROVISIONS ADOPTED

Payment of premiums under mobilization income insurance program (sec. 547)

The conferees recommend a provision that would clarify how premiums are to be paid under the reserve mobilization income insurance program.

Oversight and management of Senior Reserve Officers' Training Corps program (sec. 551)

The House bill contained a provision (sec. 552) that would give priority for enrollment in ROTC to students who were qualified for advanced training, and would prohibit anyone who was ineligible for advanced training from participating in practical military training, field training, or practice cruises, unless the ineligibility was waived by the service secretary. The section would also permit civilians attending ROTC or other courses of military instruction to wear military uniforms only when the individual service regulations specifically authorize such wear.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would ensure uniform application of any criteria that would limit acceptance in ROTC.

Prohibition on reorganization of Army ROTC Cadet Command or termination of senior ROTC units pending report on ROTC (sec. 552)

The Senate contained a provision (sec. 523) that would prohibit the reorganization, restructuring, or termination of any Reserve Officers' Training Corps Cadet Command or Senior Reserve Officers Training Corps until 180 days after the issuance of a report on various aspects of the selection for termination process.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

Pilot program to test expansion of ROTC program to include graduate students (sec. 553)

The House bill contained a provision (sec. 554) that would permit the initial award of Reserve Officers' Training Corps (ROTC) scholarships to people who already have received a baccalaureate degree, provided the recipient executes the required contractual commitments, including enrollment in the ROTC advanced course.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would limit the number of scholarships which could be awarded to graduate students, place a 3-year limit on duration of the program, and require a report from the Secretary of Defense.

Demonstration project for instruction and support of Army ROTC units by members of the Army Reserve and National Guard (sec. 554)

The Senate contained a provision (sec. 522) that would require the Secretary of the Army to conduct a demonstration program in order to assess the feasibility and advisability of providing instruction and support to units of the Reserve Officers' Training Corps (ROTC) that use members of the Army Reserve, including the Individual Ready Reserve and the Army National Guard.

The House bill contained no similar provision.

The House recedes with an amendment that would limit the demonstration program to three years.

Extension of maximum age for appointment as a cadet or midshipman in the Senior Reserve Officers' Training Corps and the service academies (sec. 555)

The House bill contained a provision (sec. 551) that would increase the maximum age for appointment in the Senior Reserve Officers' Training Corps (ROTC), permitting the appointment of persons under 27 years of age. The section would also permit former enlisted members who had served on active duty to be appointed in the Senior ROTC program even though they were older than 27, so long as on the date of their commissioning they would be under 30 years of age. This section would also increase the maximum allowable age of entry into the service academies to 23.

The Senate amendment contained a similar provision (sec. 521).

The Senate recedes.

Expansion of eligibility for education benefits to include certain Reserve Officers' Training Corps (ROTC) participants (sec. 556)

The House bill contained a provision (sec. 556) that would expand the eligibility for the Montgomery GI Bill education benefits to include ROTC scholarship students who received scholarships with values of less than $2,000 annually.

The Senate amendment contained no similar provision.

The Senate recedes.

Comptroller General report on cost and policy implications of permitting up to five percent of service academy graduates to be assigned directly to reserve duty upon graduation (sec. 557)

The House bill contained a provision (sec. 557) that would require the Comptroller General to analyze and report to Congress the cost and policy implications of requiring up to five percent of the graduating class of each of the service academies to serve in the reserve components, and that there be a corresponding increase in the number of Reserve Officers' Training Corps (ROTC) graduates each year placed on active duty.

The Senate amendment contained no similar provision.

The Senate recedes.

Subtitle G—Decorations and Awards

LEGISLATIVE PROVISIONS ADOPTED

Authority for award of medal of honor to certain African American soldiers who served during World War II (sec. 561)

The House bill contained a provision (sec. 1035) that would authorize the Secretary of the Army to award the Medal of Honor to African American former service members who served in the United States Army during World War II and for whom the Army recommended the award of the Medal of Honor after a congressionally mandated review of their records.

The Senate amendment contained a similar provision (sec. 539).

The Senate recedes.

Waiver of time limitations for award of certain decorations to specified persons (sec. 562)

The Senate amendment contained a provision (sec. 542) that would waive the statutory time limitations for the award of military decorations to provide for the award of the Distinguished Flying Cross to certain individuals who have been recommended by the Secretary of the Navy for receipt of this award.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

Replacement of certain American Theater Campaign Ribbons (sec. 565)

The House bill contained a provision (sec. 563) that would authorize the Secretary of the Army to replace, upon request, the American Theater Campaign Ribbon awarded to certain veterans of World War II.

The Senate amendment contained no similar provision.

The Senate recedes.

Subtitle H—Other Matters

LEGISLATIVE PROVISIONS ADOPTED

Hate crimes in the military (sec. 571)

The House bill contained a provision (sec. 561) that would direct the Secretary of Defense to require each of the military services to conduct human relations training designed to promote a thorough awareness of equal opportunity issues, as well as a sensitivity to "hate group" activity. It also would require the Secretary to ensure that prospective recruits, both officer and enlisted, understand the full implications of the oath of office or oath of enlistment in terms of the equal protection and civil liberties protection of the Constitution. Finally, this section would require the Secretary to conduct an annual survey on race relations, gender discrimination and hate group activity.

The Senate amendment contained no similar provision.

The Senate recedes.

Disability coverage for members granted excess leave for educational or emergency purposes (sec. 572)

The Senate amendment contained a provision (sec. 533) that would provide disability coverage for officers who are on excess leave while participating in an educational program.

The House bill contained no similar provision.

The House recedes with an amendment that would extend disability coverage to enlisted members on excess leave for emergency purposes.

Clarification of authority of a reserve judge advocate to act as a military notary public when not in a duty status (sec. 573)

The House bill contained a provision (sec. 562) that would authorize all judge advocates of the armed forces, adjutants, assistant adjutants, personnel adjutants, and other members of the armed forces designated by regulations of the armed forces to have the same notary public authority without regard to whether they are on active duty or performing inactive duty for training.

The Senate amendment contained a similar provision (sec. 1064).

The Senate recedes with an amendment that would not permit the authority to apply prior to the date of enactment.

Panel on jurisdiction of courts-martial for the National Guard when not in Federal service (sec. 574)

The House bill contained provisions (sec. 531–539) that would make several changes to the law governing the jurisdiction and powers of courts-martial conducted by the National Guard when not in federal service.

The Senate amendment contained no similar provisions.

The House recedes with an amendment that would direct the Secretary of Defense to establish a panel to study the jurisdiction of such courts-martial. Matters reviewed by the panel would include the extent of use of courts-martial and nonjudicial punishment in the National Guard when not in federal service and the extent to which such courts-martial and nonjudicial punishments were conducted under authority provided by title 32, United States Code or state law. The conference agreement would require a report to Congress no later than March 1, 1997.

Authority to expand law enforcement placement program to include firefighters (sec. 575)

The Senate amendment contained a provision (sec. 571) that would include federal firefighters in the program established by the Secretary of Defense to assist eligible members and former members of the armed forces and eligible civilian employees of the Department of Defense to obtain employment in public safety jobs.

The House bill contained no similar provision.

The House recedes.

Improvements to program to assist separated military and civilian personnel to obtain employment as teachers or teachers' aides (sec. 576)

The Senate amendment contained two provisions (sec. 572 and sec. 1122) pertaining to the Troops-to-Teachers program. These provisions would permit service members retiring under the temporary early retirement authority to participate in the program and would reduce the teaching obligation, incentive grant, and local education authority reimbursement periods from five years to two years.

The House bill contained no similar provision.

The House recedes with an amendment that would combine the two Senate provisions into a single provision.

Retirement at grade to which selected for promotion when a physical disability is found at any physical examination (sec. 577)

The House bill contained a provision (sec. 632) that would permit disability retirements for service members at the grade to which they would have been promoted had it not been for an intervening physical disability.

The Senate contained a similar provision (sec. 531).

The conference agreement includes this provision.

Revisions to missing persons authorities (sec. 578)

The Senate amendment contained a provision (sec. 537) that would repeal certain provisions in the Missing Persons Act in the National Defense Authorization Act for Fiscal Year 1996.

The House bill contained no similar provision.

The House recedes with an amendment that would strike the repeal of the requirement that a counsel be appointed for the missing person; strike the repeal of the right to judicial review; and modify the mandatory review of preenactment and special interests cases to include missing persons from the Korean War era.

Subtitle I—Commissioned Corps of the Public Health Service

LEGISLATIVE PROVISIONS ADOPTED

Applicability to Public Health Service of prohibition on crediting cadet or midshipmen service at the service academies (sec. 581)

The Senate amendment contained a provision (sec. 561) that would clarify that commissioned officers of the Public Health Service, like members of the Armed Forces, do not receive length-of-service credit for service as a student at a service military academy.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

Exception to strength limitations for Public Health Service officers assigned to the Department of Defense (sec. 582)

The House bill contained a provision (sec. 742) that would amend section 207, title 42, United States Code, to exclude commissioned officers of the Public Health Service (PHS) assigned to duty in the Department of Defense from being counted when computing

the maximum number of commissioned PHS officers authorized by law.

The Senate amendment contained a similar provision (sec. 562).

The Senate recedes.

Authority to provide legal assistance to Public Health Service officers (sec. 583)

The House bill contained a provision (sec. 563) that would authorize active duty or retired officers of the Commissioned Corps of the Public Health Service and their dependents to be eligible for legal assistance at military installations.

The Senate amendment contained no similar provision.

The Senate recedes.

LEGISLATIVE PROVISIONS NOT ADOPTED

Repeal of requirement that commissioned officers be initially appointed in a reserve grade

The House bill contained a provision (sec. 506) that would repeal the requirement that all commissioned officers be appointed initially as reserve officers.

The Senate amendment contained no similar provision.

The House recedes.

Individual Ready Reserve activation authority

The House bill contained a provision (sec. 511) that would authorize the President, under Presidential Selection Reserve Call-up, to recall up to 30,000 members of a new category of the Individual Ready Reserve (IRR) that would be created by this section. The new category of the IRR would consist of those personnel in the military skills and occupations, designated by the Secretary of Defense, who had volunteered prior to leaving active duty.

The Senate amendment contained no similar provision.

The House recedes.

ROTC scholarship student participation in simultaneous membership program

The House bill contained a provision (sec. 553) that would direct the Secretary of Defense to establish a program to permit Reserve Officers' Training Corps (ROTC) scholarship cadets to serve simultaneously as a member of a Selected Reserve unit.

The Senate amendment contained no similar provision.

The House recedes.

Restoration of regulations prohibiting service of homosexuals in the armed forces

The House bill contained a provision (sec. 566) that would rescind the current Department of Defense policy and relative directive and regulations concerning homosexuality in the armed forces and related Department of Defense and military department regulations, and would reinstate the regulations that were in effect on January 19, 1993.

The Senate amendment contained no similar provision.

The House recedes.

Reenactment and modification of mandatory separation from service for members diagnosed with HIV–1 virus

The House bill contained a provision (sec. 567) that would restate, with modifications, section 5676 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106) to require the separation of members determined to be HIV-positive.

The Senate amendment contained no similar provision.

The House recedes.

Uniform policy regarding retention of members who are permanently nonworldwide assignable

The Senate amendment contained a provision (sec. 534) that would require the Secretary of Defense to prescribe regulations and directives establishing uniform policies and procedures regarding the retention of members of the armed forces who are permanently nonworldwide assignable for medical reasons.

The House bill contained no similar provision.

The Senate recedes.

Period for filing a claim for correction of military records not be extended by reason of military service

The Senate amendment contained a provision (sec. 538) that would clarify that the three-year statute of limitations for the filing of a request for relief before the Boards for Correction of Military Records is not waived by the Soldiers' and Sailors' Civil Relief Act.

The House bill contained no similar provision.

The Senate recedes.

TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

LEGISLATIVE PROVISIONS

Subtitle A—Pay and Allowances

LEGISLATIVE PROVISIONS ADOPTED

Military pay raise for fiscal year 1997 (sec. 601)

The House bill contained a provision (sec. 601) that would provide a 3.0 percent military pay raise and a 4.6 percent increase in the rate of the basic allowance for quarters.

The Senate amendment contained a similar provision (sec. 601) that would increase the rates of basic pay and the basic allowance for subsistence for members of the uniformed services by 3.0 percent. The provision would increase the rate of the basic allowance for quarters for members of the uniformed services by 4.0 percent.

The Senate recedes.

Adjustment of rate of cadet and midshipman pay (sec. 602)

The Senate amendment contained a provision (sec. 602) that would repeal a provision in title 37, United States Code, that links the rate of cadet and midshipman pay to changes in military pay.

The House bill contained no similar provision.

The House recedes.

Pay of senior noncommissioned officers while hospitalized (sec. 603)

The Senate amendment contained a provision (sec. 603) that would authorize the senior enlisted member of an armed force to continue to receive the basic pay authorized for that position for no more than 180 days while no longer in that position and hospitalized prior to retirement.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

Availability of basic allowance for quarters for certain members without dependents who serve on sea duty (sec. 604)

The House bill contained a provision (sec. 602) that would authorize several changes concerning the payment of basic allowance for quarters and variable housing allowance for service members assigned to sea duty.

The Senate amendment contained a similar provision (sec. 604).

The Senate recedes with an amendment that would clarify payment of basic allowance for quarters to military couples assigned to sea duty, and payment of variable housing allowance to members above the grade of E–4 assigned to sea duty.

Uniform applicability of discretion to deny an election not to occupy government quarters (sec. 605)

The House bill contained a provision (sec. 651) that would clarify the authority for the secretaries of the military departments to deny the election not to occupy inadequate government quarters made by a service member in the grade of E–6.

The Senate amendment contained a similar provision (sec. 605).

The conference agreement includes this provision.

Establishment of minimum monthly amount of variable housing allowance for high housing cost areas (sec. 606)

The House bill contained a provision (sec. 603) that would require the Secretary of Defense to establish a minimum amount of variable housing allowance.

The Senate amendment contained no similar provision.

The Senate recedes.

The conferees direct the Secretary of Defense to perform a comprehensive review of all housing allowances and submit a legislative recommendation that would reform and streamline the housing allowances while dealing with housing costs in a more effective manner. The report and legislative recommendations shall be submitted to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives not later than March 1, 1997.

Family separation allowance for members separated by military orders from spouses who are members (sec. 607)

The Senate amendment contained a provision (sec. 606) that would authorize payment of the family separation allowance to the

senior of two service members who are married to each other and who would normally reside with each other but are separated by military orders.

The House bill contained no similar provision.

The House recedes.

Waiver of time limitations for claim for pay and allowances (sec. 608)

The Senate amendment contained a provision (sec. 607) that would provide the Comptroller General authority, upon the request of a service secretary, to waive the time limits in the case of a claim for pay and allowances up to a maximum of $25,000, subject to the availability of appropriations.

The House bill contained no similar provision.

The House recedes.

Subtitle B—Bonuses and Special and Incentive Pays

LEGISLATIVE PROVISIONS ADOPTED

One-year extension of certain bonuses and special pay authorities for reserve forces (sec. 611)

The House bill contained a provision (sec. 611) that would extend the authority for the selected reserve reenlistment bonus, the selected reserve enlistment bonus, the selected reserve affiliation bonus, the ready reserve enlistment and reenlistment bonus, and the prior service enlistment bonus until September 30, 1998.

The Senate amendment contained a similar provision (sec. 611).

The conference agreement includes this provision.

One-year extension of certain bonuses and special pay authorities for nurse officer candidates, registered nurses, and nurse anesthetists (sec. 612)

The House bill contained a provision (sec. 612) that would extend the authority to pay certain bonuses and special pay for nurse officer candidates, registered nurses, and nurse anesthetists until September 30, 1998.

The Senate amendment contained a similar provision (sec. 612).

The conference agreement includes this provision.

One-year extension of authorities relating to payment of other bonuses and special pays (sec. 613)

The House bill contained a provision (sec. 613) that would extend the authority to pay the aviation officer retention bonus, reenlistment bonus for active members, enlistment bonus for critical skills, special pay for nuclear qualified officers extending period of active service, nuclear career accession bonus, nuclear career annual incentive bonus, and repayment of education loans for certain health professionals who serve in the selected reserve until September 30, 1998.

The Senate amendment contained a similar provision (sec. 613).

The conference agreement includes this provision.

Special pay for certain Public Health Service officers (sec. 614)

The Senate amendment contained two provisions (secs. 615 and 616) that would authorize retention special pay for optometrists in regular and reserve components of the Commissioned Corps of the Public Health Service (PHS) and special pay for nonphysician health care providers in the Commissioned Corps of the PHS.

The House bill contained no similar provisions.

The House recedes with an amendment that would combine the two provisions.

Special incentives to recruit and retain dental officers (sec. 615)

The House bill contained a provision (sec. 614) that would increase the amount of special pay for dental officers, to establish an entitlement to special pay for reserve dental officers consistent with special pay entitlements for physicians, and to establish an accession bonus for dental officers. Additionally, this section would require the Secretary of Defense to report to Congress on the feasibility of increasing dental participation in the Armed Forces Health Professions Scholarship and Financial Assistance Program.

The Senate amendment contained a similar provision (sec. 614) that would increase the special pay, additional special pay, and board certified pay for certain dental officers of the armed forces.

The Senate recedes.

Foreign language proficiency pay for Public Health Service and National Oceanic and Atmospheric Administration officers (sec. 616)

The Senate amendment contained a provision (sec. 617) that would extend foreign language proficiency pay now authorized for members of the armed services to any member of the uniformed services whose duties require such language proficiency.

The House bill contained no similar provision.

The House recedes.

Subtitle C—Travel and Transportation Allowances

LEGISLATIVE PROVISIONS ADOPTED

Allowance in connection with shipping motor vehicle at government expense (sec. 621)

The House bill contained a provision (sec. 622) that would authorize travel allowances for travel to and from a port while transporting motor vehicles at government expense in conjunction with a permanent change of station move between the continental United States and overseas locations.

The Senate amendment contained a similar provision (sec. 621).

The conference agreement includes this provision.

Dislocation allowance at a rate equal to two and one half months basic allowance for quarters (sec. 622)

The House bill contained a provision (sec. 623) that would increase the amount of dislocation allowance paid to service members

from two months of basic allowance for quarters to two and one half months basic allowance for quarters.

The Senate amendment contained no similar provision.

The Senate recedes.

Allowance for travel performed in connection with leave between consecutive overseas tours (sec. 623)

The House bill contained a provision (sec. 624) that would authorize the service secretaries to defer the travel and transportation allowances that accrue in conjunction with service members being ordered to consecutive overseas tours when participation in a contingency mission precludes completion of the travel within one year.

The Senate amendment contained a similar provision (sec. 623).

The conference agreement includes this provision.

Funding for transportation of household effects of Public Health Service officers (sec. 624)

The Senate amendment contained a provision (sec. 624) that would extend the authorization to be reimbursed for "do-it-yourself" moves currently authorized for members of the armed forces to the Public Health Service.

The House bill contained no similar provision.

The House recedes.

Subtitle D—Retired Pay, Survivor Benefits, and Related Matters

LEGISLATIVE PROVISIONS ADOPTED

Effective date for military retiree cost-of-living adjustment for fiscal year 1998 (sec. 631)

The Senate amendment contained a provision (sec. 631) that would establish the date of the military retirement cost-of-living adjustment in fiscal year 1998 as January 1, 1998.

The House bill contained no similar provision.

The House recedes.

Clarification of initial computation of retiree COLAs after retirement (sec. 632)

The House bill contained a provision (sec. 635) that would make a technical correction to the method used to calculate the initial cost-of-living adjustment for certain new retirees.

The Senate amendment contained no similar provision.

The Senate recedes.

Suspension of payment of retired pay of members who are absent from the United States to avoid prosecution (sec. 633)

The House bill contained a provision (sec. 1044) that would require the Secretary of Defense to develop uniform procedures under which a member or former member of the uniformed services would forfeit retired pay if they willingly remain outside the United States to avoid criminal or civil prosecution or civil liability.

The Senate amendment contained no similar provision.

The Senate recedes with a clarifying amendment.

Nonsubstantive restatement of Survivor Benefit Plan statute (sec. 634)

The House bill contained a provision (sec. 639) that would restate the Military Survivor Benefit Plan statute (subchapter II of chapter 73 of title 10, United States Code) in its entirety to include amendments to the statute through the National Defense Authorization Act for Fiscal Year 1996.

The Senate amendment contained no similar provision.

The Senate recedes.

Increases in Survivor Benefit Plan contributions to be effective concurrently with payment of retired pay cost-of-living increases (sec. 635)

The Senate amendment contained a provision (sec. 633) that would require that annual cost-of-living increases to Survivor Benefit Plan premiums be effective on the date on which the retired pay cost-of-living increase is effective.

The House bill contained no similar provision.

The House recedes.

Amendments to the Uniformed Services Former Spouses' Protection Act (sec. 636)

The House bill contained a provision (sec. 637) that would amend the Uniformed Services Former Spouses' Protection Act (Public Law 97–252) to simplify the processing of court orders related to retirement pay. The section would also clarify that the Secretary of Defense could not accept a court order from a state that modifies a previous court order from another state unless the court issuing the modifying court order has jurisdiction over both the military member and the spouse or former spouse.

The Senate amendment contained no similar provision.

The Senate recedes.

Prevention of circumvention of court order by waiver of retired pay to enhance civil service retirement annuity (sec. 637)

The Senate amendment contained a provision (sec. 636) that would provide that a former spouse of a military retiree, whose military retired pay is part of a divorce settlement, would continue to receive the amount of money directed by court order if the military retiree becomes a federal employee and waives military retired pay in favor of having military service count towards civil service retirement benefits.

The House bill contained no similar provision.

The House recedes with an amendment that would make the provision prospective, taking effect after January 1, 1997 and prohibit back pay or lump sum restitution.

Administration of benefits for so-called minimum income widows (sec. 638)

The House bill contained a provision (sec. 638) that would transfer the responsibility for making payments under the minimum income widows program to the Department of Defense with payments from pension programs for widows of veterans paid by the Department of Veterans' Affairs.

The Senate amendment contained a similar provision (sec. 635) that would adjust the maximum level of annual income at which eligibility for minimum income widows payments end.

The Senate recedes with an amendment that would combine the two provisions.

Subtitle E—Other Matters

LEGISLATIVE PROVISIONS ADOPTED

Discretionary allotment of pay including retired or retainer pay (sec. 651)

The Senate amendment contained a provision (sec. 632) that would require the Secretary of Defense to establish procedures to allow military retirees a maximum of six retiree pay allotments.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

Reimbursement for adoption expenses incurred in adoptions through private placements (sec. 652)

The Senate amendment contained a provision (sec. 641) that would extend the authority to reimburse adoption expenses to those service members who adopt through private agencies if the adoption is supervised by the court.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

Waiver of recoupment of amounts withheld for tax purposes from certain separation pay (sec. 653)

The Senate amendment contained a provision (sec. 642) that would for involuntarily separated members, waive the recoupment of the amount of separation pay withheld for tax purposes if the separation pay is later recouped.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

Technical correction clarifying limitation on furnishing clothing or allowances to enlisted National Guard technicians (sec. 654)

The House bill contained a provision (sec. 652) that would clarify the circumstances under which uniforms could be furnished to enlisted National Guard technicians.

The Senate amendment contained a similar provision (sec. 1103).

The conference agreement includes this provision.

Technical correction to prior authority for payment of back pay to certain persons (sec. 655)

The House bill contained a provision (sec. 636) that would make a technical correction to section 634 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106) to clarify the level of compensation to be paid to certain veterans.

The Senate amendment contained no similar provision.

The Senate recedes.

Compensation for persons awarded prisoner of war medal who did not previously receive compensation as a prisoner of war (sec. 656)

The House bill contained a provision (sec. 1036) that would require the secretaries of the military departments to pay subsistence and other allowances authorized to be paid to prisoners of war interned by a government of a nation with which the United States has been at war to former service members who were awarded the Prisoner of War Medal as a result of being interned by a nation with which the United States was not at war.

The Senate amendment contained no similar provision.

The Senate recedes.

Payments to certain persons captured and interned by North Vietnam (sec. 657)

The Senate amendment contained a provision (sec. 643) that would authorize a payment of $40,000 to a person, or the survivor of a person, who demonstrates that he or she served as a Vietnamese operative pursuant to OPLAN 34A, was captured, and remained in captivity after 1973, and has not received any payment for the period spent in captivity.

The House bill contained no similar provision.

The House recedes with an amendment that would: increase the payment to $50,000 for those persons who can demonstrate that they spent more than 20 years in prison; include persons who served in Laos pursuant to OPLAN 35; limit disbursement only to locations in the United States or its territories, or in a manner prescribed by the person eligible for the payment; and make the authorization subject to appropriation.

LEGISLATIVE PROVISIONS NOT ADOPTED

Temporary lodging expenses of member in connection with first permanent change of station

The House bill contained a provision (sec. 621) that would authorize service members traveling to their first permanent duty station to receive a temporary lodging expense allowance.

The Senate amendment contained no similar provision.

The House recedes.

Annuities for certain military surviving spouses

The Senate amendment contained a provision (sec. 634) that would require the Secretary of Defense to pay an annuity to the surviving spouses of retired service members who died before March 21, 1974.

The House bill contained no similar provision.

The Senate recedes.

TITLE VII—HEALTH CARE PROVISIONS

ITEMS OF SPECIAL INTEREST

Programs for hospital and health facilities medical management in the Department of Defense

The conferees are concerned that the medical facilities of the Department of the Army, the Department of the Air Force and the Department of the Navy may not be implementing cost-containment programs similar to those in the private sector. The conferees note that private sector medical facilities have developed and are using such programs for equipment maintenance management, equipment and utilization tracking, quality outcomes benchmarks and protocols and clinical pathways for both managing care and for reporting results.

The conferees urge the Secretary of Defense to establish a program comparable to those in use in the private sector to measure the performance of military facilities. The conferees suggest that such a program be initially established in several large military medical facilities (500 bed facilities) and later expanded to all medical facilities as the program matures. The conferees direct the Secretary to submit a report on the progress of this effort not later April 15, 1997 to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives.

LEGISLATIVE PROVISIONS

Subtitle A—Health Care Services

LEGISLATIVE PROVISIONS ADOPTED

Preventive health care screening for colon and prostate cancer (sec. 701)

The House bill contained a provision (sec. 702) that would establish that male members and former members of the uniformed services are entitled to preventative health care screening for colon and prostate cancer.

The Senate amendment contained a similar provision (sec. 710) which also would add colon cancer screening to the preventative health care services available to female members and former members.

The Senate recedes with a clarifying amendment.

Implementation of requirement for Selected Reserve dental insurance plan (sec. 702)

The Senate amendment contained a provision (sec. 701) that would extend the implementation date of the selected reserve dental insurance program from October 1, 1996 into fiscal year 1997 and stipulate a full and open competition for the award of the contract or contracts.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

Though this section would extend the implementation date for the reserve dental insurance program, the conferees are dis-

appointed that a Request For Proposal has not yet been issued. The conferees urge the Department to proceed expeditiously with procurement of a contract for reserve dental care.

Dental insurance plan for military retirees and unremarried surviving spouses and certain other dependents of military retirees (sec. 703)

The Senate amendment contained a provision (sec. 702) that would establish a dental insurance plan for military retirees and certain dependents. The program, which would be available to eligible beneficiaries not later than October 1, 1997, would be based on voluntary enrollment and would require premiums to be paid by the participants.

The House bill contained no similar provision.

The House recedes with an amendment that would prohibit discretionary premium sharing by the Secretary of Defense.

Plan for health care coverage for children with medical conditions caused by parental exposure to chemical munitions while serving as members of the armed forces (sec. 704)

The Senate amendment contained a provision (sec. 709) that would authorize 10.0 million dollars to be available for research on the possible causal relationship between "Gulf War Syndrome" and exposure to chemical agents and hazardous materials during military service in the Persian Gulf. The provision would also establish medical and dental benefits for children of Gulf War veterans who are born with congenital defects and illnesses. The provision would waive the CHAMPUS fees, deductibles, and copayments for children entitled to care under this section.

The House bill contained no similar provision.

The House recedes with an amendment that would eliminate the entitlement to health care for the children of those who are no longer eligible for health care within the Military Health Care System. Additionally, the amendment would require the Secretary of Defense, in coordination with the Secretary of Veterans Affairs, to develop a plan for ensuring that children who have a congenital defect or catastrophic illness, proven to a reasonable degree of scientific certainty to have resulted from exposure of the service member to a chemical warfare agent or other hazardous material during military service, are provided medical care.

Since the end of the Persian Gulf War, over 17,000 veterans have reported suffering from a wide range of symptoms collectively referred to as "Gulf War Syndrome." Some of these veterans believe their illnesses may be the result of exposure to chemical warfare agents.

The conferees are concerned that exposure to chemical warfare agents may be a causal factor of the Gulf War Syndrome and congenital birth defects or catastrophic illness among children born to service members who served in the Gulf War, particularly in light of the Department of Defense's recent disclosure that some Persian Gulf War veterans may have been exposed to chemical agents during the war.

As a result, the conferees believe the Department of Defense should expeditiously arrange for independent research to determine

whether exposure to low levels of chemical warfare agents could have caused the symptoms associated with Gulf War Syndrome. Furthermore, the conferees believe the Department should study the possible health implications of administering a "cocktail mix" of inoculations and using investigational new drugs, as was done during the Persian Gulf deployment. The Department of Defense has a responsibility to current military members, former members, and their children, to invesigate fully any possible links between exposure to chemical agents or the use of combined inoculations and illnesses suffered by these members or their offspring.

Subtitle B—TRICARE Program

LEGISLATIVE PROVISIONS ADOPTED

CHAMPUS payment limits for TRICARE Prime enrollees (sec. 711)

The House bill contained a provision (sec. 712) that would permit health care providers who are not participating in the TRICARE network to be paid higher amounts than now permitted in certain limited circumstances in which they provide care to TRICARE Prime enrollees.

The Senate amendment contained no similar provision.

The Senate recedes.

Improved information exchange between military treatment facilities and TRICARE Program contractors (sec. 712)

The House bill contained a provision (sec. 713) that would require the Secretary of Defense to field a uniform version of the Composite Health Care System (CHCS) throughout the military health services system.

The Senate amendment contained a similar provision (sec. 703).

The Senate recedes with an amendment that would include a definition of the Department of Defense managed-care program.

Plans for Medicare subvention demonstration programs (sec. 713)

The Senate amendment contained a provision (sec. 708) that would require the Secretary of Defense and the Secretary of Health and Human Services to devise and submit to the Congress a plan for the implementation of a demonstration program under which the Department of Defense would be reimbursed by Medicare for medical care provided to Medicare-eligible beneficiaries in military medical facilities. The provision would also require the Secretary of Defense to conduct a study of the feasibility and advisability of providing fee-for-service reimbursement and would also authorize $75.0 million for a Medicare subvention demonstration program, should one be authorized in the 104th Congress.

The House bill contained no similar provision.

The House recedes with an amendment that would eliminate the authorization for funding.

Subtitle C—Uniformed Services Treatment Facilities

LEGISLATIVE PROVISIONS ADOPTED

Definitions (sec. 721)

The House bill contained a prevision (sec. 721) that would define various terms pertaining to the Uniformed Services Treatment Facilities.

The Senate amendment contained an identical provision (sec. 721).

The conference agreement includes this provision.

Inclusion of designated providers in uniformed services health care delivery system (sec. 722)

The House bill contained a provision (sec. 722) that would provide for the inclusion of the Uniformed Services Treatment Facilities (USTFs) in the health care delivery system of the uniformed services and would establish the terms under which the USTFs would become designated providers of managed health care services to military beneficiaries.

The Senate amendment contained a similar provision (sec. 722).

The conference agreement includes this provision.

Provision of uniform benefit by designated providers (sec. 723)

The House bill contained a provision (sec. 723) that would require the designated providers to implement the TRICARE uniform benefit, including the uniform cost-sharing requirements, upon implementation of TRICARE in the designated provider's region or October 1, 1997, whichever date is later.

The Senate amendment contained a similar provision (sec. 723) which would require the implementation of the uniform benefit either on the date of implementation of the TRICARE program in the designated provider's region or October 1, 1996, whichever is later.

The Senate recedes.

Enrollment of covered beneficiaries (sec. 724)

The House bill contained a provision (sec. 724) that would establish several controls on the number of beneficiaries enrolled in managed care programs of designated providers. The provision also would prohibit the disenrollment of current participants, except in certain cases, and would establish additional enrollment criteria for designated providers.

The Senate amendment contained an identical provision (sec. 724).

The conference agreement includes this provision.

Application of CHAMPUS payment rules (sec. 725)

The House bill contained a provision (sec. 725) that would clarify that the Civilian Health and Medical Care Program of the Uniformed Services (CHAMPUS) rules may apply in situations when the health care provided to military beneficiaries is not provided outside the Uniformed Services Treatment Facility's catchment area.

The Senate amendment contained an identical provision (sec. 725).

The conference agreement includes this provision.

Payments for services (sec. 726)

The House bill contained a provision (sec. 726) that would require the payments made to designated providers to be full-risk capitation based on the utilization experience of enrollees and competitive market rates for equivalent health care services. It also would limit payments to a designated provider to no more than the government would pay if enrollees received their care through the TRICARE program or through Medicare.

The Senate amendment contained an identical provision (sec. 726).

The conference agreement includes this provision.

Repeal of superseded authorities (sec. 727)

The House bill contained a provision (sec. 727) that would repeal previous Uniformed Services Treatment Facility's (USTFs) legislative provisions, effective October 1, 1997, the date on which the USTFs would become "designated providers" under the TRICARE program.

The Senate amendment contained a similar provision (sec. 727).

The Senate recedes with a clarifying amendment.

Subtitle D—Other Changes to Existing Laws Regarding Health Care Management

LEGISLATIVE PROVISIONS ADOPTED

Authority to waive CHAMPUS exclusion regarding nonmedically necessary treatment in connection with certain clinical trials (sec. 731)

The House bill contained a provision (sec. 731) that would permit the Secretary of Defense, pursuant to an agreement with the Secretary of Health and Human Services, to waive the exclusion of non-medically necessary treatment with respect to clinical trials sponsored or approved by the National Institutes of Health.

The Senate amendment contained no similar provision.

The Senate recedes.

Exception to maximum allowable payments to individual health-care providers under CHAMPUS (sec. 732)

The House bill contained a provision (sec. 733) that would provide the Secretary of Defense the authority to authorize the commander of a military treatment facility, a TRICARE lead agent, or a civilian, at-risk health care contractor to modify the CHAMPUS payment limitations to ensure the availability of care for military beneficiaries.

The Senate amendment contained no similar provision.

The Senate recedes with a clarifying amendment.

Codification of annual authority to credit CHAMPUS refunds to current year appropriation (sec. 733)

The House bill contained a provision (sec. 734) that would make permanent the authority that allows the Civilian Health and Medical Program of the Uniformed Services (CHAMPUS) to credit refunds and similar collections to the current-year appropriations and thus be available to pay current-year obligations.

The Senate amendment contained a similar provision (sec. 705).

The conference agreement includes this provision.

Exceptions to requirements regarding obtaining nonavailability-of-health-care statements (sec. 734)

The House bill contained a provision (sec. 735) that would prohibit the requirement for non-availability statements for outpatient services for military beneficiaries who chose the TRICARE Standard (fee-for-service) option.

The Senate amendment contained no similar provision.

The Senate recedes.

Enhancement of third-party collection and secondary payer authorities under CHAMPUS (sec. 735)

The House bill contained a provision (sec. 736) that would refine the Third Party Collection Program under which military medical facilities collect from third party payers for health care services provided to beneficiaries who have additional coverage by a third-party plan or the CHAMPUS Double Coverage Program.

The Senate amendment contained a similar provision (sec. 704).

The conference agreement includes this provision.

Subtitle E—Other Matters

LEGISLATIVE PROVISIONS ADOPTED

Alternatives to active duty service obligation under Armed Forces Health Professions Scholarship and Financial Assistance Program and Uniformed Services University of the Health Sciences (sec. 741)

The House bill contained a provision (sec. 741) that would establish four alternative obligations for members of the Health Professions Scholarship and Financial Assistance Program who do not, or cannot, complete their active-duty service obligations.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would establish that the alternatives be: (1) service in another armed force for a period of time not less than the remaining obligation; (2) service in a reserve component assignment of a duration twice as long as the remaining active-duty obligation; or (3) repayment of a percentage of the total cost incurred by the Department under the program equal to the percentage of the member's total active-duty service obligation being relieved, plus interest. The provision would also establish that members relieved of an active duty service obligation due to a physical disability may fulfill the obligation as a health

professional civil service employee in a facility of the uniformed services.

External peer review for Defense Health Program extramural medical research involving human subjects (sec. 742)

The conferees recommend a provision that would establish that research projects that involve human subjects, that are conducted solely by a non-Federal entity, and are funded through the Defense Health Program (DHP), would be required to undergo a peer review process, established by the Secretary of Defense, to ensure the precept of basic scientific merit and the protection of subjects before DHP funds be obligated or expended.

Comptroller General review of health care activities of the Department of Defense relating to Gulf War illnesses (sec. 744)

The Senate amendment contained a provision (sec. 706) that would require the Comptroller General to conduct several reviews related to Persian Gulf Illnesses.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

Report regarding specialized treatment facility program (sec. 745)

The House bill contained a provision (sec. 745) that would require the Secretary of Defense to provide Congress with a report on the impact of reducing the catchment areas for specialized treatment facilities from 200 miles to 100 miles.

The Senate amendment contained no similar provision.

The Senate recedes.

Study of means of ensuring uniformity in provision of medical and dental care for members of reserve components (sec. 746)

The House bill contained a provision (sec. 701) that would define the entitlement to medical and dental care for reserve component members in a specific military duty status.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would require the Secretary of Defense to conduct a review of the provision of medical and dental care to members of the reserve components on active duty, including active duty for training and annual duty training, members on inactive duty training, and members on full-time National Guard duty. The report should include recommendations for a comprehensive plan for ensuring that the medical treatment, active-duty entitlements, and consideration for disability evaluation available to reserve component members is sufficient and in parity with that provided to members of the active component.

Sense of Congress regarding tax treatment of Armed Forces Health Professions Scholarship and Financial Assistance Program (sec. 747)

The House bill contained a provision (sec. 744) that would express the sense of Congress that the Secretary of Defense should continue to work with the Secretary of the Treasury to seek relief from the taxable status of tuition and related expenses as taxable income subject to withholdings.

The Senate amendment contained no similar provision.

The Senate recedes.

The conferees, recognizing the extraordinary benefit to the Armed Services, believe that tuition and related expenses provided under the Armed Forces Health Professions Scholarship Program or the Financial Assistance Program should not be considered taxable income. The current situation is the result of an Internal Revenue Service ruling which reversed longstanding practice that payments under these programs were not considered taxable income. The conferees believe that the President can and should direct the Internal Revenue Service to reverse the current ruling and return to the previous policy. Further, the conferees believe that any action to collect taxes from those personnel who participated in the Armed Forces Health Professions Scholarship Program or the Financial Assistance Program while the previous policy was in effect should be terminated.

LEGISLATIVE PROVISIONS NOT ADOPTED

Definition of TRICARE Program

The House bill contained a provision (sec. 711) that would define the managed-care program of the Department of Defense known as TRICARE.

The Senate amendment contained no similar provision.

The House recedes.

Authority to waive or reduce CHAMPUS deductible amounts for reservist called to active duty in support of contingency operations

The House bill contained a provision (sec. 732) that would provide the Secretary of Defense the authority to waive or reduce CHAMPUS deductible amounts in the case of the dependents of a member of a reserve component of the uniformed services who is on active duty under a call or order to active duty of less than one year.

The Senate amendment contained no similar provision.

The House recedes.

Restoration of previous policy regarding restrictions on use of Department of Defense Medical Facilities

The Senate amendment contained a provision (sec. 707) that would repeal the restriction on the use of Department of Defense funds to perform abortions in overseas medical facilities.

The House bill contained no similar provision.

The Senate recedes.

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

LEGISLATIVE PROVISIONS

Subtitle A—Acquisition Management

LEGISLATIVE PROVISIONS ADOPTED

Procurement technical assistance programs (sec. 801)

The Senate amendment contained a provision (sec. 801) that would provide an increase of $12.0 million to continue the procurement technical assistance center program in fiscal year 1997.

The House bill contained an increase of $8.0 million for the continuation of this program with no legislative language.

The House recedes. The conferees believe that the Department of Defense should continue to administer this program and urge the Secretary of Defense to continue to utilize the infrastructure of the procurement technical assistance centers to support the implementation of acquisition streamlining initiatives in the Federal Acquisition Streamlining Act of 1994 such as electric commerce.

Extension of pilot Mentor-Protege program (sec. 802)

The Senate amendment contained a provision (sec. 802) that would extend the period in which mentor firms under the Mentor-Protege program may incur costs for furnishing developmental assistance under the program until September 30, 1999. The provision would also extend the period during which new agreements can be entered into until September 30, 1998.

The House bill contained a provision (sec. 808) that would extend the pilot Mentor-Protege program through fiscal year 1997.

The House recedes.

Authority to waive certain requirements for defense acquisition pilot programs (sec. 803)

The House bill contained a provision (sec. 801) that would expand existing authorities provided to the Secretary of Defense to waive or modify certain acquisition laws in executing programs designated as defense acquisition pilot programs.

The Senate amendment contained no similar provision.

The Senate recedes.

Modification of authority to carry out certain prototype projects (sec. 804)

The House bill contained a provision (sec. 804) that would reauthorize the authority provided by section 845 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160) to allow additional flexibility in the acquisition of prototype technologies and systems. The provision would also expand this authority to the military services.

The Senate amendment contained a similar provision (sec. 803).

The Senate recedes.

Increase in threshold amounts for major systems (sec. 805)

The House bill contained a provision (sec. 804) that would update the existing statutory dollar amount threshold for the definition of "major systems" to fiscal year 1990 constant dollars from fiscal year 1980 dollars. It would also allow the Secretary of Defense to further adjust this threshold for inflation after notification to the congressional defense committees. These changes would conform the definition for "major systems" to that used for "major defense acquisition program" in title 10, United States Code.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment clarifying that any subsequent adjustment in the threshold should be rounded to the nearest $5.0 million.

Revision in information required to be included in Selected Acquisition Reports (sec. 806)

The House bill contained a provision (sec. 805) that would adjust and improve the terminology and references used in the acquisition reporting process of major defense acquisition programs. The provision would add "procurement unit cost" as an additional reporting element of the Selected Acquisition Report to provide a more meaningful measure of recurring unit cost. The provision would also eliminate the reporting element for completion status for a program because, as currently defined, it provides statistical measures of only marginal utility for program oversight.

The Senate amendment contained no similar provision.

The Senate recedes.

Increase in simplified acquisition threshold for humanitarian or peacekeeping operations (sec. 807)

The House bill contained a provision (sec. 806) that would expand the current authority that doubles the simplified acquisition threshold, for purchases made outside of the United States in support of a contingency operation, to cover humanitarian and peacekeeping operations.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would expand the authority to all Federal agencies.

Expansion of audit reciprocity among Federal agencies to include post-award audits (sec. 808)

The House bill contained a provision (sec. 807) that would expand current statutory authorities in two ways in order to reduce administrative burdens and duplication of efforts by different governmental entities. First, it would extend audit reciprocity considerations to post-award audit to expedite the contract closeout process and the issuance of final contract payments. Second, it would require the Office of Management and Budget to issue guidance to ensure that State and local entities accept cognizant Federal agency audits in order to minimize duplication of effort and reduce cost for contractors engaged in contracting at various levels of government.

The Senate amendment contained no similar provision.

The Senate recedes. The conferees expect that guidance implementing this provision will provide that a contracting officer consult, as necessary, with the available resident audit authority in making a determination that the objectives of indirect cost audit can be met by accepting the results of a prior audit.

Compensation of certain contractor personnel prohibited (sec. 809)

The Senate amendment contained a provision (sec. 1076) that would modify the statutory cost principles to limit annual reimbursement of individual compensation to $200,000.

The House bill contained no similar provision.

The House recedes with an amendment raising the individual compensation limit to $250,000 and modifying such limitation to apply only in fiscal year 1997. The conferees have also limited the restriction to officers of the firm to be defined in regulation. The conferees intend this term to include individuals in senior management positions with responsibility for the management of a firm or a major segment thereof.

The conferees also agree to language clarifying the definition of compensation for the purposes of this limitation. In this definition, compensation is defined as wages and elective deferred compensation. Further, the conferees intend for this provision to be applied in a manner that results in the $250,000 compensation limit being the aggregate total limit that any one individual may submit for reimbursement. The conferees acknowledge the difficulty of determining a general policy for the treatment of deferred compensation under a cost reimbursement limitation of this nature.

The conferees intend this provision to be an interim approach pending the development and consideration of a permanent change to the statutory cost principles. The conferees have included a provision requiring the Administrator of the Office of Federal Procurement Policy, in consultation with the Secretary of the Treasury and the Secretary of Defense, to provide to Congress no later than March 1, 1997, a legislative proposal to address, in an equitable and clear fashion, the limitation of reimbursement of individual compensation under government contracts. The proposal shall include a definition of compensation, including the treatment of deferred compensation, to be covered by such limitation as may be proposed. In developing such legislative proposal, the Administrator shall make every effort to develop an approach that allows contractors to avoid using internal tracking procedures other than those currently used for the purposes of complying with accepted accounting practices and current tax law.

Exception to prohibition on procurement of foreign goods (sec. 810)

The House bill contained a provision (sec. 831) that would delay the expiration of the current statutory domestic source restriction for valves and machine tools from October 1, 1996 to October 1, 2001.

The Senate amendment contained a provision (sec. 806) that would amend section 2534 of title 10, United States Code, by providing additional authority for the Secretary of Defense to waive limitations on the procurement of goods other than United States goods. The amendment would authorize the Secretary to waive a

limitation in a case where he determines that the application of the limitation would impede the reciprocal procurement of defense items under a memorandum of understanding entered into under section 2531 of title 10, United States Code.

The House recedes.

The conferees note that the Defense Federal Acquisition Regulation Supplement interprets the domestic source limitation in section 2534(a)(5) of title 10, United States Code, for ball bearings and roller bearings "in accordance with subpart 225.71 of part 225 of the Defense Federal Acquisition Regulation Supplement, as in effect on October 23, 1992" as allowing only those waivers that were included in the cited DFARS subpart, rather than the general waivers in section 2534(d) of title 10, United States Code, to be applied to the domestic source restrictions for ball and roller bearings. The conferees do not intend the new provision to have any effect on the Department's interpretation.

Subtitle B—Other Matters

LEGISLATIVE PROVISIONS ADOPTED

Prohibition on release of contractor proposals under Freedom of Information Act (sec. 821)

The House bill contained a provision (sec. 822) that would exempt contractor proposals provided to the Federal government from release under the Freedom of Information Act (Public Law 89–554). This provision is intended to allow Federal agencies to dispense with the lengthy line-by-line reviews that are currently required to arrive at the non-disclosure determination for this material. This provision is not intended to affect information available to be placed under a General Accounting Office protective order pursuant to section 3553(f) of title 31, United States Code.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment clarifying the status of those portions of contractor proposals included in a government contract.

Amendments relating to reports on procurement regulatory activity (sec. 822)

The House bill contained a provision (sec. 824) that would repeal the requirement for the Administrator for Federal Procurement Policy to publish a semiannual regulatory activity report on procurement regulations.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would make the semiannual reporting requirement an annual requirement and modify the required content of the report.

Amendment of multi-year limitation on contracts for inspection, maintenance, and repair (sec. 823)

The House bill contained a provision (sec. 825) that would repeal the current statutory limitation on multi-year contracts for inspection, maintenance, and repair functions thereby enabling the multi-year policy provisions of the Federal Acquisition Streamlining Act of 1994 (Public Law 103–355) to govern such contracts.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment extending the limitation period to not more than five years, vice three years.

Streamlined notice requirements to contractors and employees regarding termination or substantial reductions in contracts under major defense programs (sec. 824)

The House bill contained a provision (sec. 826) that would streamline and simplify the notification process resulting from termination or substantial reduction in defense contract funding required by the Defense Conversion, Reinvestment, and Transition Assistance Act of 1992 (Division D of Public Law 102–484). This provision would modify the notification process to occur upon actual contract termination or substantial reduction rather than prematurely during the budget process as currently required.

The Senate amendment contained no similar provision.

The Senate recedes.

Repeal of notice requirements for substantially or seriously affected parties in downsizing efforts (sec. 825)

The House bill contained a provision (sec. 827) that would repeal the requirement for the Secretary of Defense to notify Federal, state, county, local and labor officials if the President's annual budget submission, or long-term guidance documents, or public announcements of base or facility closures or realignments, or cancellation or curtailment of a major contract will affect them seriously and substantially.

The Senate amendment contained no similar provision.

The Senate recedes.

Study of effectiveness of defense mergers (sec. 826)

The House bill contained a provision (sec. 833) that would require a study conducted by the Secretary of Defense on the effect of defense mergers and acquisitions in the defense sector. The study would address the effectiveness of defense mergers and acquisitions in eliminating excess capacity within the defense industry, the degree of change in the dependence of defense contractors on defense-related Federal contracts after mergers, and the effect on defense industry employment resulting from defense mergers and acquisitions.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment adding the effect on competition for defense contracts as a matter to be addressed.

Annual report relating to Buy American Act (sec. 827)

The House bill contained a provision (sec. 1053) that would require the Secretary of Defense to submit an annual report on the amount of purchases by the Department of Defense from foreign entities in that fiscal year. The report would also include the dollar value of items for which the Buy American Act of 1933 (41 U.S.C. 10) was waived.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment extending the date the report is required to be submitted to 120 days after the end of the fiscal year.

Foreign environmental technology (sec. 828)

The Senate amendment contained a provision (sec. 3165) that would allow the Secretary of Energy to waive the prohibition under section 2536(b) of title 10, United States Code, on award of certain Department of Defense and Department of Energy contracts to companies owned by an entity controlled by a foreign government. The provision would authorize the waiver if the Secretary of Energy determines that it is essential to the national security or advances the environmental restoration objectives of the Department, without harm to the national security interests of the United States. Moreover, the waiver only applies if the entity is controlled by a foreign government with which the Secretary is authorized to exchange restricted data under section 144(c) of the Atomic Energy Act of 1954 (42 U.S.C. 2164(c)).

The House bill contained no similar provision.

The House recedes with an amendment that would extend the waiver authority to the Secretary of Defense.

The conferees direct the Secretary of Defense to provide a report to the congressional defense committees on whether the standards identified in this new waiver authority should be modified or expanded.

Assessment of national defense technology and industrial base and dependency of base on supplies available only from foreign countries (sec. 829)

The Senate amendment contained a provision (sec. 804) that would substantially amend the requirements in chapter 148 of title 10, United States Code, for analysis, assessment and planning concerning the national technology and industrial base. The amendments would clarify that the Secretary of Defense has responsibility for preparing periodic and selected assessments of the capability of the national technology and industrial base to attain the national security objectives outlined in section 2501(a) of title 10, United States Code. The provision would also establish a requirement that the Secretary prepare and submit to Congress an annual report describing the assessment and analyses used to identify and address concerns about national technology and industrial base capabilities as well as each program in the annual budget request designed to sustain such capabilities.

The House bill contained a provision (sec. 829) that would direct the Department of Defense to conduct an assessment of the degree of dependency on foreign sources for key components of defense systems.

The House recedes with an amendment that would require foreign dependency risk assessments be included as part of the periodic selected industrial base assessments conducted by the Secretary of Defense. In assessing whether a case of foreign dependency constitutes an unacceptable risk, the Secretary should take into consideration the overall degree of dependence by the national technology and industrial base on the item or supply in question,

the production or development risks that could result from the disruption of access to such item or supply, and the programs and initiatives in place to reduce dependence on such item or supply.

Expansion of report on implementation of automated information systems to include additional matters regarding information resources management (sec. 830)

The Senate amendment contained a provision (sec. 809) that would require the Secretary of Defense to report to Congress on the establishment of the integrated management framework for the implementation of the Information Technology Management Reform Act of 1996 (division E of Public Law 104–106) and to provide the Department's overall strategic information resources management plan.

The House bill contained no similar provision.

The House recedes with an amendment that would make technical and clarifying changes and that would break out the section of the provision concerning the "year 2000 issue" into a separate provision discussed elsewhere in this report.

Year 2000 software conversion (sec. 831)

The Senate amendment contained a provision (sec. 809(b)) that addressed the potential problem of converting date fields in software code an embedded systems in the year 2000 and directed the Department of Defense (DOD) to assess the risk to DOD information systems, and report to Congress on the resources necessary to complete conversion by the year 2000. The Senate amendment also directed the Secretary of Defense to ensure that after September 30, 1996 all information technology purchased by the Department will operate in the year 2000 without technical modifications.

The House had no similar provision.

The House recedes with a clarifying amendment. The conferees agree it is critical for the Department to address immediately the matter of "year 2000 compliance", and to ensure to the greatest extent practicable that prospective acquisitions do not include products that are non-compliant. While DOD contracting personnel are authorized to consider and accept offers for non-compliant products, this authority should be conditioned on the offerors providing and committing to a timetable whereby products sold to the government after September 30, 1996 will be "year 2000 compliant", or will be modified to achieve "year 2000 compliance" with minimal cost to the government.

Procurement from firms in industrial base for production of small arms (sec. 832)

The Senate amendment contained a provision (sec. 805) that would authorize the Secretary of Defense to require that any procurement of property or services associated with repair parts for small arms, or modifications of parts to improve small arms used by the armed forces, be made only from a firm in the small arms industrial base. The small arms industrial base would include those firms described in the plan entitled "Preservation of Critical Elements of the Small Arms Industrial Base," dated January 8, 1994, that was prepared by the Army Science Board.

The House bill contained no similar provision.

The House recedes with an amendment.

The conferees support the findings in Army Science Board study referred to in the Senate report (S. Rept. 104–267) and include a legislative provision (sec. 832) that authorizes the Secretary of Defense to limit procurement of small arms repair parts and modification of parts to those firms identified in the study which comprise the small arms production industrial base.

Cable television franchise agreements (sec. 833)

The House bill contained a provision (sec. 833) that would express the sense of Congress that the United States Court of Federal Claims should transmit a report to Congress as specified in section 823 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106) by the date specified in that section.

The Senate amendment contained a provision (sec. 807) that would require that cable television franchise agreements with the Department of Defense be considered as a contract for telecommunications services for purposes of part 49 of the Federal Acquisition Regulation (FAR) if the court sustained that position in its report to Congress.

The House recedes with an amendment. Section 823 of the National Defense Authorization for Fiscal Year 1996 (Public Law 104–106) required the United States Court of Federal Claims to render and transmit to Congress an advisory opinion on whether the executive branch is empowered to treat cable television franchise agreements as contracts under the FAR without violating title VI of the Cable Act (47 U.S.C. 521 et seq.) and, if so, whether the executive branch is required by law to treat such agreements as contracts. The court transmitted its advisory opinion to Congress on July 15, 1996. The court found that, as a matter of law, cable television franchise agreements are contracts subject to part 49 of the FAR. The conferees agree to a provision which reflects the opinion of the court.

The conferees do not intend that this section should in any way interfere with arrangements between cable television operators on military bases that have closed and the public or private parties that have taken possession of these base properties after closure.

LEGISLATIVE PROVISIONS NOT ADOPTED

Exclusion from certain post-education duty assignments for members of the acquisition corps

The House bill contained a provision (sec. 802) that would authorize the Secretary of Defense to exclude from the mandatory joint duty requirement military members of the acquisition corps who have graduated from the senior acquisition course at the Industrial College of the Armed Forces (ICAF).

The Senate amendment contained no similar provision.

The House recedes.

Implementation of information technology management reform

The House bill contained a provision (sec. 821) that would expand the definition of national security systems items exempt from the application of the centralized management provisions of the Information Technology Management Reform Act of 1996 (Division E of Public Law 104–106) to include all classified systems.

The Senate amendment contained a provision (sec. 1081) that would limit the definition of national security systems items exempt from the application of the centralized management provisions of the Information Technology Management Reform Act of 1996.

The House and Senate recede from their respective provisions.

Repeal of annual report by advocate for competition

The House bill contained a provision (sec. 823) that would repeal the requirement for agency competition advocates to submit an annual report to agency senior procurement executives.

The Senate amendment contained no similar provision.

The House recedes.

Testing of defense acquisition programs

The House bill contained a provision (sec. 828) that would modify existing statutes governing live fire testing of major defense systems.

The Senate amendment contained no similar provision.

The House recedes.

Remedies for reprisal against contractor whistleblowers

The Senate amendment contained a provision (sec. 808) that would modify the remedies in current law available to a contractor employee who is wrongfully terminated because he reported wrongdoing. The amendment would also allow for the payment of back pay and other compensation in the event the employee is not reinstated.

The House bill contained no similar provision.

The Senate recedes.

TITLE IX—DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT

LEGISLATIVE PROVISIONS

Subtitle A—General Matters

LEGISLATIVE PROVISIONS ADOPTED

Repeal of reorganization of Office of Secretary of Defense (secs. 901 and 903)

The House bill contained a provision (sec. 902) that would clarify that the 25 percent, five year reduction in personnel assigned to the Office of the Secretary of Defense required by section 901 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106) must be implemented on an annual basis.

The Senate amendment contained a provision (sec. 901) that would repeal sections 901 and 903 of the National Defense Author-

ization Act for Fiscal Year 1996 which directed the reorganization of the Office of the Secretary of Defense.

The House recedes with an amendment that would retain section 901 of the National Defense Authorization Act for Fiscal Year 1996 and include the annual reductions required by section 901 of the House bill.

The conferees note that section 901 required the Secretary of Defense to conduct a review of the organization and functions of the Office of the Secretary of Defense and to submit a report not later than March 1, 1996. The Secretary has failed to comply with this statutory requirement. The conferees direct the Secretary to complete the review and to submit the required report immediately.

The conferees agreed to strike the repeal of the statutory basis for certain Presidential appointment positions. The conferees expect that the Secretary will include in the review of the organization and functions a zero-based review of the structure of the Office of the Secretary of Defense, and propose legislative changes, as necessary, if there is a recommendation to eliminate any of the current statutorily-required positions.

Additional required reduction in defense acquisition workforce (sec. 902)

The House bill contained a provision (sec. 901) that would require a reduction in the number of personnel assigned to defense acquisition organizations of 25,000 during fiscal year 1997.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment limiting the number of required reductions to 15,000 in fiscal year 1997 and clarifying that the reductions are required to be made in numbers of acquisition personnel rather than in acquisition positions. The conferees agree that the impact of the reductions required to date in this specific category should be properly and fully assessed prior to the consideration of further cuts of such magnitude.

Report on military department headquarters staffs (sec. 904)

The House bill contained a provision (sec. 903) that would require the Secretary of Defense to conduct a comprehensive assessment on the management and functional responsibilities of the offices of the military department secretaries and chiefs of staff.

The Senate amendment contained no similar provision.

The Senate recedes.

Matters to be considered in next assessment of current missions, responsibilities, and force structure of the unified combatant commands (sec. 905)

The Senate amendment contained a provision (sec. 907) that would direct the Chairman of the Joint Chiefs of Staff to consider various matters (including geographic size, population, and threats) as part of the next review by the Chairman of the missions, responsibilities, and force structure of the unified combatant commands.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

Transfer of authority to control transportation systems in time of war (sec. 906)

The House bill contained a provision (sec. 364) that would shift the responsibility for all systems of transportation during time of war from the Secretaries of the Army and the Air Force to the Secretary of Defense.

The Senate amendment contained a similar provision (sec. 904).

The House recedes.

Codification of requirements relating to continued operation of the Uniformed Services University of the Health Sciences (sec. 907)

The House bill contained a provision (sec. 743) that would restate the directive to the Secretary of Defense to budget for ongoing operations at the Uniformed Services University of the Health Sciences (USUHS).

The Senate amendment contained a provision (sec. 902) that would codify in title 10, United States Code, those portions of the National Defense Authorization Acts for Fiscal Years 1995 and 1996 that prohibit the closure of the Uniformed Services University of the Health Sciences (USUHS).

The House recedes.

Joint Requirements Oversight Council (sec. 908)

The House bill contained a provision (sec. 904) that would delay the effective date of the statutory charter for the Joint Requirements Oversight Council (JROC) from January 1, 1997 to January 1, 1998.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would amend the JROC charter to specify that the Secretary of Defense is required to provide Congress with analysis and rationale for programmatic recommendations that were accepted by the Secretary. The amendment would retain the January 1, 1997 effective date.

Membership of the Ammunition Storage Board (sec. 909)

The House bill contained a provision (sec. 906) that would permit qualified federal civilian employees to serve as board members on the Department of Defense ammunition storage board.

The Senate amendment contained no similar provision.

The Senate recedes.

Removal of Secretary of the Army from membership on the Foreign Trade Zone Board (sec. 910)

The House bill contained a provision (sec. 905) that would repeal the requirement for membership of the Secretary of the Army on the Foreign Trade Zone Board.

The Senate amendment contained no similar provision.

The Senate recedes.

The conferees encourage the Department of Defense to advise the Board on infrastructure improvements and environmental evaluations, as appropriate.

Composition of aircraft accident investigation boards (sec. 911)

The House bill contained a provision (sec. 1033) that would require the Secretaries of the military departments to appoint a minimum of one representative of the service's safety center as a voting member on all aircraft accident investigation boards and to appoint a majority of the membership of accident investigation boards from units outside the chain of command of the unit involved in the mishap.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would eliminate the requirement that a representative of the service's safety center be a member of an investigation board and would authorize the Secretary to select other individuals possessing knowledge or expertise that might prove useful to those conducting the investigation. The amended provision also allows the Secretary to waive the requirement to appoint a member or members from outside the command if the crash site is remote; the need to conduct the investigation is urgent; or the aircraft is very unique and limited in number to the extent that it is not feasible to locate, within the military department, another unit whose personnel have sufficient knowledge.

Mission of the White House Communications Agency (sec. 912)

The House bill contained a provision (sec. 1051) that would require the Secretary of Defense to ensure that the activities of the White House Communications Agency of the Department of Defense are limited to the provision of telecommunications support to the President and Vice President and related elements such as the National Security Council.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would: (1) permit the White House Communications Agency to provide services other than telecommunications so long as the Department of Defense is reimbursed for the cost of providing those services, (2) delay the effective date until October 1, 1997, and (3) require a series of reports during fiscal year 1997 on support provided by the White House Communications Agency.

Subtitle B—Force Structure Review

LEGISLATIVE PROVISIONS ADOPTED

Force Structure Review (secs. 921–926)

The Senate amendment contained a number of provisions (secs. 1091–1096) in subtitle G of title 10, referred to as the "Armed Forces Force Structure Review Act of 1996." This Act would require the Secretary of Defense, in consultation with the Chairman of the Joint Chiefs of Staff, to conduct a Quadrennial Defense Review (QDR) as recommended by the Commission on Roles and Missions of the Armed Forces. This review would be a complete re-examination of the defense strategy, force structure, force modernization plans, budget plans, infrastructure, and other elements of the defense program and policies with a view toward determining and expressing the defense strategy of the United

States, and establishing a national defense program, as we enter the 21st Century.

In carrying out this review, the Department would examine the potential near- and long-term threats to U.S. national security including:

(a) the proliferation of weapons of mass destruction and the means to deliver them;

(b) conventional threats across a spectrum of conflicts;

(c) the vulnerability of our information systems and other advanced technologies to non-traditional threats;

(d) domestic and international terrorism; and

(e) the potential emergence of a major adversary.

The Act would also create an independent, non-partisan panel of defense experts (to be known as the National Defense Panel) that would provide the Secretary of Defense and the Congress alternative recommendations regarding the optimal force structure required to meet the national security needs of the United States. This panel would be appointed by the Secretary of Defense after consultation with the Chairmen and Ranking Members of the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives.

The creation of the National Defense Panel is intended to help ensure the validity of the process by playing a very active role in reviewing and commenting on the QDR from the early stages of its development. The Panel is designed to provide the Congress, and the Secretary of Defense, with an independent review of the national security requirements of the United States, including the force structure necessary to meet those requirements. This will, hopefully, allow the Congress and the Secretary to consider alternative options when making decisions affecting the security of the United States.

Upon completion of the QDR, the Act would require that the Chairman of the Joint Chiefs of Staff and the Chairman of the National Defense Panel prepare and submit to the Secretary of Defense, for inclusion in the Secretary's report to the Congress, their assessment of the QDR. The Secretary's report would also include a comprehensive discussion of the defense strategy of the United States, and the assumptions regarding the threats to our national security, mission sharing, levels of acceptable risk, warning times, and intensity and duration of the conflict. In addition, the report would address the effect on the force structure of preparations for, and participation in, peace operations and military operations other than war. It also would require a discussion of the effects which emerging technologies will have on the U.S. force structure and a number of other matters.

The House bill contained no similar provision.

The House recedes.

The conferees believe this is an appropriate time to review the strategy and force structure necessary to protect the interests of the United States in any future conflict. The pace of global change requires that the United States reexamine its military capabilities with a view toward preparing the military services for the 21st century.

TITLE X—GENERAL PROVISIONS

LEGISLATIVE PROVISIONS

Subtitle A—Financial Matters

LEGISLATIVE PROVISIONS ADOPTED

Transfer authority (sec. 1001)

The House bill contained a provision (sec. 1001) that would provide the authority for reprogramming involving the transfer of authorization between amounts authorized as set out in bill language.

The Senate amendment contained an identical provision.

The conference agreement includes this provision.

Incorporation of classified annex (sec. 1002)

The House bill contained a provision (sec. 1002) that would incorporate the classified annex prepared by the Committee on National Security into this Act.

The Senate amendment contained no similar provision.

The Senate recedes with a technical amendment providing that the classified annex prepared by the committee of conference is incorporated into this Act.

Authority for obligation of certain unauthorized fiscal year 1996 defense appropriations (sec. 1003)

The House bill contained a provision (sec. 1003) that would authorize fiscal year 1996 programs that received appropriations but no authorization.

The Senate amendment contained an identical provision.

The conference agreement includes this provision.

Authorization of prior emergency supplemental appropriations for fiscal year 1996 (sec. 1004)

The House bill contained a provision (sec. 1004) that would extend authorization to those items appropriated by the fiscal year 1996 emergency supplemental appropriations legislation.

The Senate amendment contained an identical provision.

The conference agreement includes this provision.

Format for budget requests for Navy/Marine Corps and Air Force ammunition accounts (sec. 1005)

The House bill contained a provision (sec. 1005) that would require the President to request funding for ammunition for the Navy and the Marine Corps, and ammunition for the Air Force in separate appropriation accounts.

The Senate amendment contained no similar provision.

The Senate recedes.

Defense airborne reconnaissance program (DARP) (sec. 1006)

The House bill contained a provision (sec. 1006) that would require the Secretary of Defense to identify all DARP research and development (R&D) programs, projects, or activities, with a unique program element number and procurement line item number, re-

spectively, for all future budget requests beginning with fiscal year 1998.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment.

The conferees agree that the consolidated Defense Airborne Reconnaissance Office (DARO) budget request does not provide sufficient funding detail for the numerous DARO programs to enable the congressional defense committees to conduct necessary oversight. The major DARO programs currently consolidated in one R&D program element identification number and spread across three procurement line item identification numbers include: tactical unmanned aerial vehicles; endurance unmanned aerial vehicles; airborne reconnaissance systems; manned reconnaissance systems; and distributed common ground systems. The conferees therefore include a legislative provision that would require the Secretary of Defense to identify at least these major DARP R&D and procurement programs by unique program element identification number and procurement line item identification number, respectively, for all future budget requests beginning with the fiscal year 1998.

Limitation on use of Department of Defense funds transferred to the Coast Guard (sec. 1007)

The Senate amendment contained a provision (sec. 1004) that would require the Secretary of Defense and the Secretary of Transportation to jointly certify to the Congress that the funds transferred from the Department of Defense to the Coast Guard will be used for the national security functions of the Coast Guard.

The House bill contained no similar provision.

The House recedes with a technical amendment.

Fisher House Trust Fund for the Department of the Navy (sec. 1008)

The Senate amendment contained a provision (sec. 1008) that would establish a trust fund in the U.S. Treasury for the Navy Fisher Houses.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

Designation and liability of disbursing and certifying officials for the Coast Guard (sec. 1009)

The Senate amendment contained a provision (sec. 1009) that would extend the authorization for the designation and appointment of disbursing and certifying officials within the Department of Defense to the Secretary of Transportation for the Coast Guard. The Department of Defense was authorized to designate and appoint disbursing and certifying officials in the National Defense Authorization Act for Fiscal Year 1996. The recommended provision would extend these financial management authorities to the Coast Guard.

The House bill contained no similar provision.

The House recedes.

Authority to suspend or terminate collection actions against deceased members of the Coast Guard (sec. 1010)

The Senate amendment contained a provision (sec. 1010) that would rescind the requirement to initiate and pursue collection actions against the estates of members of the Coast Guard who die while on active duty and are indebted to the government.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

Department of Defense disbursing official check cashing and exchange transactions (sec. 1011)

The House bill contained a provision (sec. 907) that would permit Department of Defense disbursing officials to provide check cashing services and exchange services to U.S. chartered federal credit unions serving U.S. military personnel and their dependents in foreign countries where military banking facilities are not available.

The Senate amendment contained a similar provision (sec. 1011).

The Senate recedes with a clarifying amendment.

Subtitle B—Naval Vessels and Shipyards

LEGISLATIVE PROVISIONS ADOPTED

Repeal of requirement for continuous applicability of contracts for phased maintenance of AE class ships (sec. 1021)

The Senate amendment contained a provision (sec. 1023) that would repeal section 1016 of the National Defense Authorization Act of Fiscal Year 1996.

The House bill contained no similar provision.

The House recedes.

Funding for second and third maritime pre-positioning ships out of National Defense Sealift Fund (sec. 1022)

The budget request included $963.0 million in the National Defense Sealift Fund (NDSF) for strategic sealift, including $603.8 million for the procurement of two large medium speed roll-on/roll-off (LMSR) ships, $260.8 million for operations and maintenance of the ready reserve force (RRF), $90.0 million for acquisition of additional ships for the RRF, and $8.4 million for sealift research and development

The Senate amendment contained a provision (sec. 311) that would authorize an increase of $240.0 million in the NDSF for the purchase and conversion, or construction if it is competitive based on price and timeliness, of two additional ships for the Marine Corps maritime prepositioning force enhancement (MPF(E)) program. Acquisition of these two ships would satisfy the Marine Corps MPF(E) threshold operational requirement. The Senate report (S. Rept. 104–267), which was published on May 13, 1996, provided the rationale for this provision. A subsequent MPF(E) life cycle cost comparison was undertaken by the Congressional Research Service (CRS) at the request of the Committee on Armed Services of the Senate and completed on June 21, 1996. CRS evalu-

ated a number of possible options, including purchase and conversion of an existing hull, a new construction variant of the Army's LMSR, and a lengthened version of a national defense features roll-on/roll-off design that was developed as a maritime technology initiative. The study concluded that, with a threshold operational requirement and any time horizon from fiscal year 2009 out to thirty years of service life as the benchmarks, the purchase and conversion of an existing ship to satisfy the Marine Corps threshold requirement for an MPF(E) ship would be the most cost effective option.

The House bill contained no similar provision. However, the House bill would authorize an increase of $160.0 million for the purpose of procuring a second MPF(E) ship. The House bill also included a separate provision, discussed elsewhere in this statement of managers, that would ensure that the second and third ships acquired to satisfy the MPF(E) requirement are new vessels constructed in U.S. shipyards.

The House recedes.

Transfer of certain obsolete tugboats of the Navy (sec. 1023)

The Senate amendment contained a provision (sec. 1022) that would authorize the Secretary of the Navy to transfer six obsolete tugboats from the Navy to an instrumentality of the State of Wisconsin, the Northeast Wisconsin Railroad Transportation Commission, if the Secretary determines that the tugboats are not needed for transfer, donation, or other disposal under title II of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 481 et seq.). The transfer would be at no expense to the Navy. The provision would also direct the Secretary to require, as a condition of transfer, that use of the vessels by the Commission not commence until the terms of any necessary environmental compliance letter have been met.

The House bill contained no similar provision.

The House recedes with an amendment that will clarify the terms under which the transfer could be made.

Transfer of the U.S.S. Drum to city of Vallejo, California (sec. 1024)

The House bill contained a provision (sec. 1049) that would authorize the Secretary of the Navy to transfer the U.S.S. *Drum* (SSN–677) to the City of Vallejo, California, upon satisfactory completion of a ship donation application. This transfer would be at no cost to the government.

The Senate amendment contained no similar provision.

The Senate recedes.

Sense of Congress concerning LCS 102 (LSSL 102) (sec. 1025)

The Senate amendment contained a provision (sec. 1025) that would express the sense of the Senate that the Secretary of Defense should use existing authorities in law to seek return, upon completion of service, of the former U.S.S. LCS 102 (LSSL 102) from the Government of Thailand in order for the ship to be transferred to the United States Shipbuilding Museum.

The House bill contained no similar provision.

The House recedes.

The conferees agree to adopt the Senate provision as a sense of Congress.

Subtitle C—Counter-Drug Activities

LEGISLATIVE PROVISIONS ADOPTED

Overview

The budget request for drug interdiction and other counterdrug activities of the Department of Defense totals $782.2 million. This includes the $642.7 million drug interdiction account, and $139.5 million in the military services' operating budgets for counterdrug operations. This compares with a total of $810.9 million for these activities during fiscal year 1996, including $679.4 million for the drug interdiction account and $131.5 million in the services's operating budgets.

The conferees recommend an additional $153.8 million for the counterdrug initiatives of the Department of Defense. These increases, along with the budget request for counter-narcotics activities, are shown in the table below.

Drug Interdiction & Counterdrug Activities—Operations and Maintenance

[In thousands of dollars; may not add due to rounding]

Fiscal Year 1997 Drug and Counterdrug Request	782,200
Source Nation Support	154,000
Detection and Monitoring	232,100
Disruption of Drug Mafia Organizations	57,100
Law Enforcement Agency	255,000
Demand Reduction	84,000
Increases:	
Support for Military Counterdrug Units of Mexico	8,000
Laser Strike	8,000
Riverine Operations in South America	4,000
Signal Intelligence Equipment for Southwest Border	2,500
Southwest Border Fence	5,000
Refurbish and Install TPS–70 Radar	15,000
P–3B AEW Retrofit (2 a/c)	98,000
Non-Intrusive Inspection Systems	6,000
Gulf States Counterdrug Initiative	2,800
Multi-Jurisdictional Task Force	1,000
C–26 Upgrades	3,500
Recommendation	936,000

The increase in funding will enable the Department of Defense and the Federal Government to more rigorously pursue its counter-narcotics efforts including priority programs identified by the Office of National Drug Control Policy.

Mexico-Southwest Border Initiative

The conferees recognize that a substantial quantity of the narcotics entering the United States from South America continues to come across the southwest border. Some reports put this quantity as high as 70 percent. The conferees urge the Department to increase its effort in working with the Government of Mexico to stem the flow of narcotics across this border and recommend an increase of $8.0 million in fiscal year 1997 to be used for this purpose.

The conferees are encouraged by the Department's intelligence gathering activities related to the prevention of drug-smuggling across the southwest border. The conferees recommend an increase of $2.5 million for the purchase of signal intelligence equipment to

be used for communications intercept activities along the southwest border.

The conferees continue to have an interest in facilitating support for the border fence project along the San Diego-Tijuana border area in Southern California. The conferees are aware of the efforts of JTF–6 and the California National Guard in sustaining an adequate level of support to enhance this barrier. The conferees endorse the decision to fund the effort to enhance the fence from within the immigration control budget. However, to ensure that the existing program to extend the length of fence coverage is not unnecessarily interrupted, the conferees recommend an additional $5.0 million for continued support of this national project.

In addition, the conferees recommend an additional $6.0 million for the purchase of non-intrusive inspection devices to be deployed at major ports of entry along the southwest border. This will help to ensure that the U.S. war on drugs in this region is provided with the most up to date detection equipment.

Caribbean and South American Initiative

The conferees are aware that the Department's request is insufficient to provide full funding of Operation Laser Strike in fiscal year 1997. Laser Strike will build on the success of Operation Green Clover and involves a sustained level of U.S. detection, monitoring and tracking resources, as well as assessments and training, to support expanded interdiction and law enforcement efforts by nations of the source region. The conferees support this important operation and recommend an increase of $8.0 million in order to provide full funding.

The conferees are also aware that drug traffickers are making greater use of the vast river network in the Andean region to transport processed cocaine and pre-cursor materials. Currently, the governments in the source nations are ill-prepared to interdict drug trafficking on their rivers and waterways. Therefore, the conferees recommend an increase of $4.0 million for assistance to the governments of the source nations in their efforts to stem the flow of narcotics moving on these rivers.

The conferees are encouraged by the level of success achieved by the Department in reducing the movement of narcotics by air. The conferees recommend an additional $15.0 million for the installation of a TPS–70 radar which will assist the Department, and those cooperative governments of the source nations, in efforts to further reduce the amount of drugs that smugglers are moving with the use of aircraft. In addition, the conferees recommend an additional $98.0 million for the retrofitting of two P–3B aircraft with airborne radars which will provide the U.S. Customs Service with additional detection and monitoring capability.

Domestic Counter-Narcotics Initiative

The conferees have learned that the number of OH–58D helicopters in the Army National Guard will be reduced dramatically under the Army's Aviation Restructure Initiative. These helicopters, with their forward looking infrared radar (FLIR), are particularly useful in the National Guard's detection of illicit marijuana fields. The conferees have been advised that the Department

of Defense's Office of Drug Enforcement Policy and Support is reviewing this situation with a view towards the retention of additional OH–58D helicopters, as appropriate, within existing funding resources. The conferees support this initiative and direct that Office, in coordination with the Department of the Army and the National Guard Bureau, to ensure the allocation of additional helicopters to those states that have historically used these assets for the detection and destruction of illicit marijuana fields.

The conferees are aware of a shortfall in funding for the National Guard C–26 aircraft photo reconnaissance and infrared surveillance upgrade program. Therefore, the conferees recommend an increase of $3.5 million to restore the number of aircraft involved in the C–26 photo reconnaissance upgrade program to its previous level.

The conferees continue to support the Gulf States Counterdrug Initiative (GSCI) and are pleased to note that the budget request contains $3.2 million for this initiative. However, the conferees are concerned that this funding level does not adequately cover the required costs for the Regional Counterdrug Training Academy, integrating the state of Georgia into the program and other priority initiatives. Therefore, the committee recommends an increase of $2.8 million over the requested amount. The committee strongly believes that funds provided for this program should remain focused on training and improving command, control, communications, and computer capabilities.

The conferees continue to support the efforts of the Multi-Jurisdiction Task Force to provide valuable counter-narcotics training to our nation's state and local law enforcement agencies. The conferees recommend an additional $1.0 help in these efforts.

Legislative Provisions (secs. 1031–1032)

In order to facilitate the Department's ability to carry out these initiatives, the conferees recommend two provisions. The first provision would authorize the transfer of both the non-intrusive inspection devices and 2 P–3B aircraft to the U.S. Customs Service. Prior to the obligation of funds for the P–3B aircraft, the Secretary would have to certify to Congress that the transfer of these aircraft to the U.S. Customs Service will significantly reduce the level of support that would otherwise be requested of the Department's E–3 AWACS aircraft.

The conferees also include a provision from the Senate amendment (sec. 1031) that would grant the Secretary of Defense the authority to provide additional support for the counter-drug activities of the Government of Mexico. This provision would authorize the Secretary to transfer non-lethal protective and utility personnel equipment, spare parts, and non-lethal specialized equipment, such as navigation equipment, communications equipment, and photo equipment, to Mexico. The conferees wish to make clear that the Secretary would only be authorized to transfer equipment specified by this provision and in no way could use this authority to transfer helicopters or other aircraft.

Transfer of excess personal property to support law enforcement activities (sec. 1033)

The House bill contained a provision (sec. 362) that would provide permanent authority for the Department of Defense (DOD) to provide excess personal property to state and local law enforcement agencies. This property includes vehicles, helicopters, weapons, ammunition and other property that is needed by law enforcement agencies. Section 1208 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101–189) estabished a one year program to provide excess personal property to law enforcement agencies for use in drug enforcement activities. This provision was extended until September 30, 1997 by section 1005 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510). This provision would make the section 1208 program permanent and expand it to all law enforcement activities with a priority to counter-narcotics activities.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment which would give priority to counter-narcotics and counter-terrorist law enforcement activities. The amendment would also ensure that DOD would incur no cost of transferring this excess equipment to these law enforcement agencies except the cost associated with the management of the program within DOD.

Sale by Federal departments or agencies of chemicals used to manufacture controlled substances (sec. 1034)

The Senate amendment contained a provision (sec. 1082) that would prevent the sale of chemicals that could be used in the manufacture of controlled substances. These chemicals could be sold, however, if the head of the department or agency certifies that there is no reasonable cause to believe the sale will result in an improper use.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

Subtitle D—Reports and Studies

LEGISLATIVE PROVISIONS ADOPTED

Annual report on Operation Provide Comfort and Operation Enhanced Southern Watch (sec. 1041)

The House bill contained a provision (sec. 1021) that would require a consolidated annual report on the conduct of Operations Provide Comfort and Enhanced Southern Watch over and within Iraq. This annual report would be required to be submitted to the Congress so long as the operations continue.

The Senate amendment contained no similar provision.

The Senate recedes with a technical amendment.

Annual report on emerging operational concepts (sec. 1042)

The Senate amendment contained a provision (sec. 1051) that would require the Chairman of the Joint Chiefs of Staff to provide an annual report to Congress describing the process of defining emerging operational concepts in each of the services and the man-

ner in which the services' processes are coordinated in matters of doctrine, operational concepts, organization and acquisition strategy.

The House bill contained no similar provision.

The House recedes with an amendment requiring the Secretary of Defense to prepare and submit the report in consultation with the Chairman of the Joint Chiefs of Staff.

Report on Department of Defense military child care programs (sec. 1043)

The Senate amendment contained a provision (sec. 1078) that would express the sense of the Senate that the Department of Defense should share its experiences with providing child care services with other federal, state, and local agencies.

The House bill contained no similar provision.

The House recedes with an amendment that would express the sense of the Congress.

Report on Department of Defense military youth programs (sec. 1044)

The Senate amendment contained a provision (sec. 1077) that would express the sense of the Senate that the Department of Defense should share its experiences in conducting youth programs with other federal, state, and local agencies.

The House bill contained no similar provision.

The House recedes with an amendment that would express the sense of the Congress.

Quarterly reports regarding coproduction agreements (sec. 1045)

The House bill contained a provision (sec. 1046) that would amend the Arms Export Control Act (22 U.S.C. 2776(a)) to require that quarterly reports to the Congress required by this statute include information on specified government-to-government agreements on foreign co-production of defense articles.

The Senate amendment contained no similar provision.

The Senate recedes.

Report on witness interview procedures for Department of Defense criminal investigations (sec. 1046)

The House bill contained a provision (sec. 1023) that would require the Comptroller General to survey and report on the policies and practices of all military criminal investigative agencies with respect to the manner in which interviews of witnesses and suspects are conducted.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would narrow the focus of the survey to the subject of procurement fraud investigations in the Department of the Navy.

Report on military readiness requirements of the Armed Forces (sec. 1047)

The Senate amendment contained a provision (sec. 1053) that would establish a requirement for a one-time report from the Chairman of the Joint Chiefs of Staff on the military readiness re-

quirements of all U.S. armed forces, including active and reserve components as well as support units, using a tiered readiness system. The provision would also direct the service chiefs and the Commander-in-Chief of the U.S. Special Operations Command to prepare the report for the Chairman. The report which they prepare should assign each force unit, described by type rather than unit name, to one of three tiers of combat readiness which are defined in the provision. The provision establishes parameters for the assessment. The provision would also direct the Chairman to provide a listing of all forces that are not assigned to one of the three readiness tiers. After the service chiefs provide the Chairman with this report, the Chairman shall provide the report to the congressional defense committees together with his comments. The report is required to be submitted by January 31, 1997.

The Senate bill also contained a provision (sec. 517) that would require the Secretary of Defense to provide a report on the role of specific Guard and Reserve units in the current force structure.

The House bill contained no similar provisions.

The House recedes with an amendment that would combine the two reports and would require the Secretary of Defense to report to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives. The Chairman of the JCS and the service chiefs would prepare the report. The Chairman of the JCS would consult with the commander of the U.S. Special Operations Command in preparation of the report.

Report on NATO enlargement (sec. 1048)

The Senate amendment contained a provision (sec. 1047) that would require the President to submit a report on enlargement of the membership of the North Atlantic Treaty Organization (NATO) to Congress by December 1, 1996. The provision would also require the appointment of congressional members to serve on a bipartisan review group of nongovernmental experts to conduct an independent assessment of the enlargement of NATO, and to report to Congress by December 1, 1996.

The House bill contained no similar provision.

The House recedes with an amendment that would change the date from December 1, 1996 to February 1, 1997 for the President's report on NATO enlargement. Additionally, the conferees agree to eliminate the legislative requirement for a congressionally-appointed group of nongovernmental experts to conduct an independent assessment of NATO enlargement.

The conferees expect that Congress will conduct its own independent assessment on the issue of NATO enlargement.

Subtitle E—Management of Armed Forces Retirement Home

LEGISLATIVE PROVISIONS ADOPTED

Retirement home boards of directors (sec. 1051)

The House bill contained an amendment (sec. 366) that would amend the Armed Forces Retirement Home Act of 1991 (Public Law 101–510) to update the terms of office for members of the armed forces or federal civilians who are appointed as members of

the Retirement Home Board, authorize the disposal of real property, and establish annual evaluation procedures for the directors of the individual retirement homes.

The Senate amendment contained a provision (sec. 581) to clarify references to the Armed Forces Retirement Home Act of 1991.

The Senate amendment also contained a provision (sec. 584) that would enable members of the Armed Forces Retirement Home (AFRH) Board and local boards to be reappointed under certain conditions. The provision also would permit a change in the method by which certain AFRH employees are compensated.

The Senate recedes on both provisions.

Acceptance of uncompensated services (sec. 1052)

The Senate amendment contained a provision (sec. 582) that would enable the Chairman of the Armed Forces Retirement Home (AFRH) Board, or the directors of the individual homes, to accept uncompensated or gratuitous services from volunteers under procedures similar to those currently in place in the Department of Defense.

The House bill contained no similar provision.

The House recedes.

Disposal of tract of real property in the District of Columbia (sec. 1053)

The House bill contained a provision (sec. 366) that would amend the Armed Forces Retirement Home Act of 1991 (Public Law 101–510) to authorize the disposal of real property, and establish annual evaluation procedures for the directors of the individual retirement homes.

The Senate amendment contained a provision (sec. 583) that would authorize the disposal of a 49 acre parcel of real property at the Armed Forces Retirement Home (AFRH) in accordance with title 24, United States Code.

The Senate recedes with an amendment that would establish a procedure under which the Congress is notified about proceedings on the sale of property.

Subtitle F—Other Matters

LEGISLATIVE PROVISIONS ADOPTED

Policy on protection of national information infrastructure against strategic attack (sec. 1061)

The House bill contained a provision (sec. 1022) that would require the President to submit a report to Congress setting forth national policy on protecting the national information infrastructure. The provision would require a number of specific issues to be addressed in the report which would be required to be submitted no later than 180 days after the date of enactment of this Act.

The Senate amendment contained no similar provision.

The Senate recedes with a technical amendment.

Information systems security program (sec. 1062)

The House bill contained a provision (sec. 1031) that would require the Secretary of Defense to allocate an increasing percentage

of funds appropriated for the defense information infrastructure to security beginning in fiscal year 1998.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would delay implementation of the percentage allocation formula until fiscal year 1999, and require a report in 1997 from the Secretary of Defense on the Department's information security objectives, strategy, and investment preferences. If the Secretary submits an investment plan that adequately addresses current and projected shortfalls and vulnerabilities of the information infrastructure, the conferees will reconsider the necessity of allowing this legislative provision to take effect.

Authority to accept services from foreign governments and international organizations for defense purposes (sec. 1063)

The House bill contained a provision (sec. 1307) that would amend section 2608(a) of title 10, United States Code, to authorize the Department of Defense to accept services, money and property from foreign governments and international organizations. The funds and services from these additional sources would be used to defray the costs of U.S. military forces participating in multi-national operations.

The Senate amendment contained no similar provision.

The Senate recedes.

Prohibition on collection and release of detailed satellite imagery relating to Israel (sec. 1064)

The Senate amendment contained a provision (sec. 1044) that would limit the collection and release of satellite imagery of Israel or other countries or geographical areas designated by the President.

The House bill contained no similar provision.

The House recedes with an amendment.

George C. Marshall European Center for Strategic Security Studies (sec. 1065)

The House bill contained a provision (sec. 1037) that would authorize the Secretary of Defense to accept contributions of money or services from any foreign nation intended to defray the cost of, or enhance the operations of, the George G. Marshall European Center For Strategic Studies. This provision would also authorize the Secretary of Defense to approve the participation of European or Eurasian nations in Marshall Center programs.

The Senate amendment contained a provision (sec. 1068) that would authorize the George C. Marshall Center for Strategic Security to accept contributions from foreign governments, foundations, charitable organizations, and individuals in foreign countries.

The Senate recedes with an amendment that would combine the two provisions.

Authority to award to civilian participants in the defense of Pearl Harbor the congressional medal previously authorized only for military participants in the defense of Pearl Harbor (sec. 1066)

The Senate amendment contained a provision (sec. 1069) that would extend to civilians who participated in the defense of Pearl Harbor eligibility for award of a bronze medal to commemorate the services of those persons.

The House bill contained no similar provision.

The House recedes.

Assimilative crimes authority for traffic offenses on military installations (sec. 1067)

The Senate amendment contained a provision (sec. 1079) that would allow the Secretary of Defense or his designee to promulgate rules or regulations concerning traffic offenses committed on military installations and apply the surrounding community's authorized punishments to those offenses in specified circumstances.

The House bill contained no similar provision.

The House recedes.

Uniform Code of Military Justice amendments (sec. 1068)

The Senate amendment contained a provision (sec. 1061) that would make a series of amendments to the Uniform Code of Military Justice: a technical amendment to existing legislation governing forfeitures adjudged at special courts-martial to conform 10 U.S.C. 858b(a)(1) to the maximum punishment currently prescribed by law; and a provision that would amend Article 143(c) of the Uniform Code of Military Justice (10 U.S.C. 943(c)) to allow judges of the United States Court of Appeals for the Armed Forces to make excepted service appointments to non-attorney positions on the personal staff of a judge;

The House bill contained a similar provision.

The Senate amendment contained a provision that would extend the length of one of the transitional judges on the United States Court of Appeals for the Armed Forces from 13 years to 15 years.

The House bill contained no similar provision.

The House recedes with an amendment that would combine Senate provision 1061 and House provision 564.

Punishment of interstate stalking (sec. 1069)

The Senate amendment contained a provision (sec. 543) that would make it a Federal crime to stalk members of the armed forces or a member of their immediate family.

The House bill contained no similar provision.

The House recedes with an amendment that would broaden the provision to apply to any incident of stalking involving interstate movement or which occurs on Federal property.

Participation of members, dependents, and other persons in crime prevention efforts at installations (sec. 1070)

The House bill contained a provision (sec. 1038) that would require the Secretary of Defense to promulgate regulations to require service members, dependents, civilian employees and defense con-

tractors working on a military installation to report to military law enforcement officials any criminal activity that occurs on a military installation. It also would require the Secretary of Defense to report to Congress by February 1, 1997, on efforts to implement this provision.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would require the Secretary of Defense to prepare an incentive-based plan to encourage the reporting of crimes.

Display of State flags at installations and facilities of the Department of Defense (sec. 1071)

The Senate amendment contained a provision (sec. 1067) that would prohibit the adoption or enforcement of any rule that discriminates against the display of any official state or United States' Territory flag. This prohibition involves official ceremonies conducted on Department of Defense installations that display all state flags.

The House bill contained no similar provision.

The House recedes with a clarifying amendment.

Treatment of excess operational support airlift aircraft (sec. 1072)

The Senate amendment contained a provision (sec. 1083) that would require that all excess operational support airlift aircraft (OSA) be placed in inactive status and stored pending completion of any study or analysis of the costs and benefits of disposing or operating such aircraft.

The House bill contained no similar provision. The House Report (H. Rept. 104–563) would prevent the Secretary of the Army from making changes in the Army OSA program until the Secretary of Defense submits a detailed plan for reducing and redistributing all OSA aircraft.

The House recedes with an amendment that would direct the Secretary of Defense to ensure that attempts to reuse or sell the aircraft are given precedence over reutilization or sale of individual parts of those aircraft.

The conferees understand that the Department has submitted the plan and analysis directed in the House report.

Correction to statutory references to certain Department of Defense organizations (secs. 1073–1074)

The House bill contained a provision (sec. 1039(a)) that would make a number of minor technical and clerical amendments.

The Senate amendment contained similar provisions (secs. 112, 905, 1063).

The conference agreement includes all provisions.

Modification to third-party liability to United States for tortious infliction of injury or disease on members of the uniformed services (sec. 1075)

The Senate amendment contained a provision (sec. 1066) that would amend section one of the Medical Care Recovery Act (42 U.S.C. 2651) to enable the United States to recover the costs of compensation provided to members of the armed forces by the

United States when they are unable to perform their regular military duties due to circumstances in which a third party has tort liability.

The House bill contained no similar amendment.

The House recedes.

Chemical Stockpile Emergency Preparedness Program (sec. 1076)

The House bill contained a provision (sec. 1045) that would require the Secretary of the Army to submit a report to Congress assessing the implementation and success of establishing site-specific integrated product and process teams as a management tool for the chemical stockpile emergency preparedness program (CSEPP).

The Senate amendment contained no similar provision.

The Senate recedes.

Exemption from requirements applicable to savings associations for certain savings institutions serving military personnel (sec. 1077)

The Senate amendment contained a provision (sec. 1089) that would amend the Home Owners' Loan Act to permit an exemption to the act for a savings association subsidiary of a savings and loan holding company if not less than 90 percent of the customers are active or former officers in the military services or their survivors.

The House bill contained no similar provision.

The House recedes with an amendment that would permit these savings institutions to serve all military personnel.

Improvements to National Security Education Program (sec. 1078)

The Senate amendment contained a provision (sec. 1075) that would revise government service requirements for student recipients of undergraduate scholarships and graduate fellowships awarded under the National Security Education Act of 1991 (NSEA) and administered by the National Security Education Program (NSEP).

The House bill contained no similar provision.

The House recedes with an amendment that would clarify the terms of the service agreement between the recipient and the NSEP.

The conferees support the intended purpose of NSEA to promote international education and foreign language study by U.S. students, who later serve in defense and intelligence related positions in the U.S. government. If administered effectively, the conferees regard this program as constructive in assisting the education of qualified students, while strengthening national security institutions by introducing prospective candidates to the workforce. In this light, the conferees expect the Secretary of Defense to emphasize that student experience from foreign studies be reinvested in the government's national security efforts, establish greater awareness in the national security agencies about the availability and skills of such resources, and pursue an active and effective program in utilizing these individuals realizing their service obligation.

Aviation and vessel war risk insurance (sec. 1079)

The House bill contained a provision (sec. 1032) that would authorize the Department of Defense to transfer funds to the Department of Transportation in the event of a loss incurred incident to aviation insurance issued by the Federal Aviation Administration pursuant to title 49, United States Code, or vessel war risk insurance issued by the Maritime Administration pursuant to title 46, United States Code, when reimbursement is required by those statutes or implementing agreements. In the case of a reimbursement required as the result of an aviation incident, reimbursement to the Secretary of Transportation would be required within 30 days following the presentment of a valid claim to the Administrator of the Federal Aviation Administration. For vessel war risk claims, such reimbursement would be made not later than 90 days following adjudication of the claim by the Administrator of the Maritime Administration.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would limit payments to mortgage responsibilities on the lost or damaged aircraft or a vessel until such time as the claim is adjudicated and settled.

Designation of memorial as National D-Day Memorial (sec. 1080)

The Senate amendment contained a provision (sec. 1074) that would designate the D-Day Memorial in Bedford, Virginia as the National D-Day Memorial.

The House bill contained no similar provision.

The House recedes.

Sense of Congress regarding semiconductor trade agreement between United States and Japan (sec. 1081)

The Senate amendment contained a sense of the Senate provision (sec. 1072) urging the President to negotiate an extension of the United States-Japan Semiconductor agreement that is set to expire on July 31, 1996.

The House bill contained no similar provision.

The House recedes with an amendment making the sense of the Senate a sense of Congress.

Agreements for exchange of defense personnel between the United States and foreign countries (sec. 1082)

The Senate amendment contained a provision (sec. 1041) that would authorize the Secretary of Defense to enter into agreements with governments of allies of the United States and other friendly countries for the exchange of military and civilian personnel of the Department of Defense and military and civilian personnel of the defense ministries. The purpose of the agreement would be to facilitate greater understanding, standardization, and interoperability.

The House bill contained no similar provision.

The House recedes.

The conferees note that no funds are authorized by this provision for familiarization, orientation, or certification of exchange personnel.

The conferees agree that the authority granted to the Secretary by this provision shall be implemented specifically as writ-

ten. This authority is not to be used as a mechanism to require the Department of Defense to fund visits and training of military and civilian personnel from allied and other foreign countries without reciprocal exchanges that provide substantially equivalent benefits to the United States.

Sense of the Senate regarding Bosnia and Herzegovina (sec. 1083)

The Senate amendment contained a provision (sec. 1084) that would express the sense of the Senate that the price of equipment transferred to Bosnia and Herzegovina should not exceed the lowest level price for the same or similar equipment transfer to any other country under a government program.

The House bill contained no similar provision.

The House recedes.

Defense burdensharing (sec. 1084)

The House bill contained a provision (sec. 1041) that would express the sense of the Congress about discrepancies between U.S. and allied defense spending, concluding that the United States continues to bear a greater burden for the common defense than its allies. The provision would also direct the President to seek increases to allied defense spending through increased contributions in any of four areas: increasing the cost share of all non-U.S. nations where U.S. military forces are deployed by reaching specific percentages by certain dates; increasing defense spending comparable to that of the United States; increasing foreign assistance; or, increasing the amount of military resources contributed to multinational military activities. Additionally, the provision would require two reports regarding actions taken to increase allied burdensharing and progress in increasing allied burdensharing.

The Senate amendment contained a similar provision (sec. 1045) that would express the concerns of the Senate that the United States is bearing a disproportionate share of the common defense; directs the President to seek increases to allied defense burdensharing through one or a combination of four areas, similar to the four areas identified in the House language. Additionally, the provision would require the Department of Defense to report to Congress by March 1, 1997 on progress in increasing allied burdensharing and the relationship of burdensharing and forward deployment of U.S. military forces. In addition, the provision modifies the current burdensharing reporting requirement from an annual to a biannual frequency.

The conferees agree to a provision that would provide the President with the latitude to seek increases to allied burdensharing in one or more of four areas; would require a consolidated report to Congress addressing progress in increasing allied burdensharing as well as the relationship between forward deployment of United States military forces outside the U.S. and allied burdensharing.

In seeking increases in allied levels of support, the conferees are mindful that the success of such efforts will justifiably differ depending upon a number of variables, including the gross domestic product and the unique aspects of the U.S. relationship with each ally. The conferees recognize, for example, that a goal of se-

curing financial contributions at high levels to offset the non-personnel costs incurred by the U.S. Government for overseas force presence may be inappropriate with regard to many U.S. allies.

LEGISLATIVE PROVISIONS NOT ADOPTED

Authority to transport health professionals seeking to provide health-related humanitarian relief services

The House bill contained a provision (sec. 1042) that would provide the Department of Defense with the authority to provide transportation to civilian health professionals engaged in humanitarian activities.

The Senate amendment contained no similar provision.

The House recedes.

Treatment of excess defense articles of Coast Guard under Foreign Assistance Act of 1961

The House bill contained a provision (sec. 1043) that would permit excess property of the Coast Guard to be treated in the same manner as the excess property of the other armed services under the Foreign Assistance Act of 1961 (22 U.S.C. 2403(g)).

The Senate amendment contained no similar provision.

The House recedes. The intent of this provision has been accomplished by separate legislation.

Authority to transfer naval vessels

The House bill contained a provision (sec. 1052) and the Senate amendment contained a provision (sec. 1021) that would authorize transfer of six *Knox* class frigates, one *Oliver Hazard Perry* class guided missile frigate, one *Newport* class tank landing ship, and two *Stalwart* class ocean surveillance ships to various countries.

These provisions were not included in the conference agreement. The transfer of these ships has been authorized by separate legislation (H.R. 3121).

Southwest Border States Anti-drug Information System

The House bill contained a provision (sec. 1055) that would express the sense of Congress that the Federal Government should support and encourage the full utilization of the Southwest Border States Anti-Drug Information System.

The Senate amendment contained no similar provision.

The House recedes. The conferees recognize the valuable contribution that the Southwest Border States Anti-Drug Information System continues to make to the national counterdrug effort and have agreed to fully fund the request.

Sikes Act improvements amendments

The House bill contained a provision (secs. 1401–1414) that would amend the Sikes Act (Public Law 99–561) to address issues related to the preparation and implementation of integrated natural resource management plans at military installations.

The Senate amendment contained no similar provision.

The House recedes.

LEGISLATIVE PROVISION NOT ADOPTED

Use of hunting and fishing permit fees collected at closed military reservations

The House bill contained a provision (sec. 1407) that would amend section 670(a) of title 16, United States Code, commonly known as the "Sikes Act" to authorize the transfer of fees collected on a closing military installation for hunting and fishing permits. The provision would allow the transfer of those fees collected at a closing installation to another open installation for the conservation purposes expressed in the Act.

The Senate amendment contained a similar provision (sec. 351).

The House recedes from its provision and the Senate recedes from its provision.

Defense and security assistance

The House bill contained provisions (secs. 1501–1553) that would amend the Foreign Assistance Act of 1961 and the Arms Export Control Act, and address matters relating to International Military Education and Training, anti-terrorism assistance, and narcotics control assistance.

The Senate amendment contained no similar provisions.

The House recedes.

The intent of this title has been accomplished by separate legislation.

General limitations

The Senate amendment contained a provision (sec. 4) that would limit the total amount authorized to be appropriated by this Act for fiscal year 1997 for the national defense function to $265,583,000,000.

The House bill contained no similar provision.

The Senate recedes.

Fees for residents

The Senate amendment contained a provision (sec. 585) that would direct the Secretary of Defense, in conjunction with the military departments and the Armed Forces Retirement Home (AFRH) Board, to report to the congressional defense committees on aspects of the AFRH resident fees structure and the monthly assessment on active duty service members

The House bill contained no similar provision.

The Senate recedes.

Military-to-Military Contacts program

The Senate amendment contained a provision (sec. 1005) that would expand the authority of the Military-to-Military Contacts program within the Department of Defense in order to permit the Department to use this program to pay for international military education and training activities.

The House bill contained no similar provision.

The Senate recedes.

Reimbursement of Department of Defense for costs of disaster assistance provided outside the United States

The Senate amendment contained a provision (sec. 1007) that would express the sense of Congress that whenever the President directs the Secretary of Defense to provide disaster assistance outside the United States, the President should also direct the Administrator of the Agency for International Development (AID) to reimburse the Department of Defense for the cost of the assistance provided.

The House bill contained no similar provision.

The Senate recedes.

The conferees are concerned with the current practice of using funds appropriated to the Department of Defense to provide disaster assistance to foreign nations. The conferees believe that funds appropriated to AID should be used to provide such assistance. The conferees urge the Secretary of Defense and the Director of AID to establish procedures to reimburse the DOD for its funding of international disaster assistance.

Contract options for LMSR vessels

The Senate amendment contained a provision (sec. 1024) that would amend section 1013 of the National Defense Authorization Act for Fiscal Year 1996 to prohibit the Secretary of the Navy from negotiating and awarding contracts or contract options for two large medium speed roll-on/roll-off (LMSR) vessels before fiscal year 1998.

The House bill contained no similar provision.

The Senate recedes.

National Drug Intelligence Center

The Senate amendment contained a provision (sec. 1032) that would prohibit the funding of the National Drug Intelligence Center by the Department of Defense. The Senate amendment also contained a provision (sec. 1033) that would require an investigation of the National Drug Intelligence Center by the Inspectors General of the Department of Defense, the Department of Justice, the Central Intelligence Agency, and the Comptroller General of the United States.

The House bill contained no similar provisions.

The Senate recedes.

Authority for reciprocal exchange of personnel between the United States and foreign countries for flight training

The Senate amendment contained a provision (sec. 1042) that would authorize the exchange of students from U.S. military flight training schools on a one-for-one basis to comparable flight training schools of foreign countries.

The House bill contained no similar provision.

The Senate recedes.

The conferees understand that legislation passed by both the House and Senate, which amended the Foreign Assistance Act of 1961 and the Arms Export Control Act to make improvements to certain defense and security assistance provisions under those Acts, contains a similar provision.

Report on facilities used for testing launch vehicle engines

The Senate amendment contained a provision (sec. 1056) that would require the Secretary of Defense, in consultation with the Administrator of the National Aeronautics and Space Administration, to provide a report to Congress on the facilities used for testing launch vehicle engines.

The House bill contained no similar provision.

The Senate recedes.

Equitable treatment for the generic drug industry

The Senate amendment contained a provision (sec. 1080) that would allow companies that successfully demonstrate that they have made a "substantial investment" in certain generic drugs before adoption of the 1994 changes to General Agreement on Tariffs and Trade (GATT) to market those drugs despite a three-year patent extension granted by GATT that would otherwise block their marketing.

The House bill contained no similar provision.

The Senate recedes.

Facility for military dependent children with disabilities, Lackland Air Force Base, Texas

The Senate amendment contained a provision (sec. 1087) that would authorize the Secretary of the Air Force to transfer $2.0 million to the Children's Association for Maximum Potential (CAMP) for the construction of a facility for military dependent children with disabilities at Lackland Air Force Base, Texas. The grant is contingent upon an agreement between the Secretary and CAMP that would specify a 25-year lease for the facility and, as consideration for the lease CAMP, would be responsible for operations and maintenance cost of the facility.

The House bill amendment contained no similar provision.

The Senate recedes.

Prohibition on the distribution of information relating to explosive materials for a criminal purpose

The Senate amendment contained a provision (sec. 1088) that would prohibit the teaching or demonstration of the manufacture of explosive materials to certain individuals. Violations of this section would be punishable by fines and imprisonment.

The House bill contained no similar provision.

The Senate recedes.

Sense of the Senate regarding the reopening of Pennsylvania Avenue

The Senate amendment contained a provision (sec. 3601) that would express the sense of the Senate that the President should request the Department of the Treasury and the Secret Service to work with the Government of the District of Columbia to develop a plan to reopen Pennsylvania Avenue in front of the White House to vehicular traffic. The Secretary of the Treasury and the Secret Service would be required to certify that the plan protects the people who live and work in the White House.

The House bill contained no similar provision.

The Senate recedes.

TITLE XI—NATIONAL IMAGERY AND MAPPING AGENCY

National Imagery and Mapping Agency (secs. 1101–1124)

The Senate amendment contained provisions (secs. 911–934) that would establish a new organization known as the National Imagery and Mapping Agency (NIMA).

The House bill contained no similar provision.

The House recedes with an amendment that would: (1) address NIMA's support for the all-source analysis and production process; (2) address NIMA's personnel provisions in a consolidated Department of Defense Intelligence Personnel provision, discussed elsewhere in this report; and (3) establish a uniform standard (in a provision separate from the NIMA legislation) regarding the Secretary of Defense's recommendation to the President on the appointment of the Directors of NIMA, the National Security Agency, and the National Reconnaissance Office.

The conferees expect that the creation of NIMA will enhance support to the all source analysis and production process. Because of the importance attached to the achievement of this goal, the conferees agree to highlight it as one of the key mission areas to be reviewed in the overall review of NIMA's performance of its assigned national missions.

The conferees endorse the grant of authority recently given to the Director of the National Security Agency by the Deputy Secretary of Defense over research and development and urge the Secretary of Defense and the Director of Central Intelligence to grant to the Director of NIMA similar approval authority over tactical imagery programs and intelligence agency investment programs.

NIMA will provide a single agency focus for imagery and geospatial information within the United States Government. NIMA would: (1) be the focal point for the growing and diverse number and types of customers of imagery and geospatial information; (2) ensure visibility and accountability for imagery and geospatial resources; (3) harness, leverage, and focus rapid technological developments to serve imagery, imagery intelligence, and geospatial information customers; and (4) identify and advocate customer needs for this growing and diverse customer pool. The term "imagery", as defined and used in this Act, includes products produced from space-based national intelligence reconnaissance systems, in accordance with Executive Order 12951 and any successor or superseding Orders.

Although NIMA would carry out its mission responsibilities under the authority, direction, and control of the Secretary of Defense, with the advice of the Chairman of the Joint Chiefs of Staff, it would have a vital "national" mission to serve the imagery and geospatial information needs of consumers outside the Department of Defense. It would carry out its responsibilities to national intelligence customers in accordance with the policies and priorities of the Director of Central Intelligence (DCI). The Central Intelligence Agency (CIA) would have clear, affirmative authorization to provide administrative and contracting services to the NIMA to insure accomplishment of the national mission of the NIMA or the performance of intelligence community activities of common concern, notwithstanding provisions of law that would otherwise limit such an

authorization. The CIA also would be permitted to provide security police services for NIMA facilities, notwithstanding any limitations on jurisdiction of such personnel contained in section 15 of the Central Intelligence Agency Act of 1949.

NIMA would be established by bringing together various agencies and organizations already in existence within the Department of Defense and the Intelligence Community. Specifically, NIMA would be made up of: the Defense Mapping Agency; the Central Imagery Office; other elements of the Department of Defense identified in the classified annex to this Act; the National Photographic Interpretation Center of the CIA; and other elements of the CIA identified in the classified annex to this Act.

NIMA would be responsible for imagery requirements management, exploitation, dissemination, and archiving. It would define and recommend policies on imagery and geospatial information, and coordinate requirements for an end-to-end architecture, integrated into the National and Defense Information Infrastructure, to satisfy customer needs and to ensure appropriate interoperability.

NIMA would not be responsible for developing, procuring, or operating imagery collection systems, which are responsibilities currently held by the National Reconnaissance Office, the Defense Airborne Reconnaissance Office, and the intelligence elements of the military services. Nor would NIMA include or replace current organizations for tactical military exploitation and use of imagery products. In effect, NIMA would provide a coherent and uniform linkage between these two ends of the imagery spectrum.

NIMA would not replace or diminish the current responsibilities of Federal civilian agencies for mapping, charting, and geodesy, or change their existing responsibilities for disaster or emergency response or civil imagery archives. Rather, NIMA would facilitate their access to critical national security information, when appropriate, and promote technology exchange through established interagency mechanisms, such as the Civil Applications Committee. The ability of all members of the intelligence community to obtain both imagery intelligence support regarding matters of common concern and support necessary for individual agency requirements would be maintained and expanded, as appropriate.

The conferees believe that the legislative charter for NIMA contained in this Act strikes an appropriate balance between the needs of "national" intelligence and combat support. As a Combat Support Agency, NIMA must be under the clear authority, direction, and control of the Secretary of Defense. But the charter also provides for a clear and prominent role for the DCI to task imagery systems and exploit imagery products in support of the national mission. The committee notes that the Director of Central Intelligence strongly supports establishment of NIMA as a Combat Support Agency in Title 10, United States Code. The DCI has testified that his peacetime imagery tasking authorities are protected under this arrangement and that he does not believe that support to national customers will be in any way jeopardized. Except as otherwise provided in this Act, establishment of NIMA will not derogate from the existing authorities of the Secretary of Defense or the DCI.

The conferees also note that the Commission on the Roles and Capabilities of the United States Intelligence Community strongly endorsed the establishment of NIMA as a combat support agency within the Department of Defense. The conferees share the Commission's conclusion that NIMA will significantly improve imagery support to both military operations and planning, as well as to national consumers of intelligence.

The conferees note that limited collective bargaining would be permitted in NIMA. Collective bargaining units that were recognized by the Defense Mapping Agency at the time its employees and positions were transferred to NIMA would continue to represent the same categories of employees in the NIMA, although expansion of those units or the creation of new bargaining units in NIMA would be prohibited. Positions determined at any time to be engaged in intelligence, counterintelligence, investigative, or security work directly affecting national security would be excluded, at the discretion of the NIMA Director. Permitting continuation of limited collective bargaining in NIMA would not be intended to be a precedent affecting current or future employees or agencies of the Intelligence Community. It would be a one-time solution to a unique situation.

TITLE XII—RESERVE FORCES REVITALIZATION

Short title (sec. 1201)

The House bill contained a provision (sec. 1201) that would establish the short title for the follow-on sections as the Reserve Forces Revitalization Act of 1996.

The Senate amendment contained no similar provision.

The Senate recedes.

Purpose (sec. 1202)

The House bill contained a provision (sec. 1202) that would establish the purpose of the Reserve Forces Revitalization Act for 1996.

The Senate amendment contained no similar provision

The Senate recedes.

LEGISLATIVE PROVISIONS

Subtitle A—Reserve Component Structure

LEGISLATIVE PROVISIONS ADOPTED

Reserve component commands (sec. 1211)

The House bill contained a provision (sec. 1211) that would establish separate reserve commands and commanders for the Army, Navy, Marine Corps and Air Force reserves. The section would also delineate the forces to be assigned to each reserve command, as well as prescribe the subsequent assignment of the reserve forces to the commanders-in-chief (CINCs) of the joint combatant commands.

The Senate amendment contained a provision (sec. 903) that would codify the requirement for the United States Army Reserve Command. The recommended provision would establish that the

chain of command for the United States Army Reserve Command shall be prescribed by the Secretary of the Army.

The House recedes with an amendment that would strike the portion of the House provision pertaining to the Army Reserve Command and include the Senate language pertaining to the Army Reserve Command.

Reserve component chiefs (sec. 1212)

The House bill contained a provision (sec. 1212) that would establish separate offices of the military reserve chiefs as part of the staffs of the senior military headquarters of each of the services. In addition, the section would also prescribe the appointment criteria and procedures, and term of office, for the reserve chiefs, and would also assign budget, annual reporting, and other management responsibilities to the reserve component chiefs.

The Senate amendment contained no similar provision.

The Senate recedes.

Review of active duty and reserve general and flag officer authorizations (sec. 1213)

The House bill contained a provision (sec. 1213) that would require the Secretary of Defense to conduct a comprehensive review of the existing statutory reserve and active general and flag officer authorizations and report to Congress any recommendations for revisions to those authorizations, as well as recommendations for the statutory designation of other general and flag officers. The section would also require the Secretary to report on whether reserve component general and flag officers should be exempt from existing active duty general officer ceilings.

The Senate amendment contained no similar provision.

The Senate recedes.

The conferees stress that the Comptroller General has a broad right of access to agency records under section 716 of title 31, United States Code. Accordingly, it is expected that the Department of Defense will provide the Comptroller General with timely access, before the due date for the Secretary's report to Congress, to all analyses, memoranda, drafts, reports, and other documents prepared or used by the Department in connection with meeting the requirements of this section.

Guard and reserve technicians (sec. 1214)

The House bill contained a provision (sec. 1214) that would mandate that military technicians be authorized and accounted for as a separate category of civilian employees who are exempt from general civilian personnel reductions in the Department of Defense. The section would permit military technician reductions only if the reductions were related to force structure changes.

The Senate amendment contained no similar provision.

The Senate recedes.

Subtitle B—Reserve Component Accessibility

LEGISLATIVE PROVISIONS ADOPTED

Report to Congress on measures to improve national guard and reserve ability to respond to emergencies (sec. 1231)

The House bill contained a provision (sec. 1231) that would require the Secretary of Defense to report comprehensively on the measures taken or planned to improve the timeliness, adequacy, and effectiveness of reserve component responses to domestic emergencies. The section would also require the Secretary of Defense to assess the recommendations of the 1995 RAND report, "Assessing the State and Federal Missions of the National Guard."

The Senate amendment contained no similar provision.

The Senate recedes.

Report to Congress concerning tax incentives for employers of members of reserve components (sec. 1232)

The House bill contained a provision (sec. 1232) that would require the Secretary of Defense to report to Congress on tax incentives for employers of members of the reserve components.

The Senate amendment contained no similar provision.

The Senate recedes.

Report to Congress concerning income insurance program for activated reservists (sec. 1233)

The House bill contained a provision (sec. 1233) that would require the Secretary of Defense to report to Congress on income insurance programs for activated reservists.

The Senate amendment contained no similar provision.

The Senate recedes.

Report to Congress concerning small business loans for members released from reserve service during contingency operations (sec. 1234)

The House bill contained a provision (sec. 1234) that would would require the Secretary of Defense to report to Congress on small business loans for reservists released from active duty following contingency operations.

The Senate amendment contained no similar provision.

The Senate recedes.

Subtitle C—Reserve Forces Sustainment

LEGISLATIVE PROVISIONS ADOPTED

Report concerning tax deductibility of nonreimbursable expenses (sec. 1351)

The House bill contained a provision (sec. 1251) that would require the Secretary of Defense to sumbit a report to Congress that includes recommended legislation to restore tax deductibility of nonreimbursable expenses incurred by members of the reserve components in conjunction with military service.

The Senate amendment contained no similar provision.

The Senate recedes.

Authority to pay transient housing charges for members performing active duty for training (sec. 1252)

The House bill contained a provision (sec. 1252) that would authorize reimbursement of housing service charges incurred by reserve component personnel while participating in active duty training. It would authorize the reserve component personnel participating in active duty training to stay in contract quarters at no expense to the member.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that strikes the authority for reserve component personnel participating in active duty training to stay in contract quarters.

The conferees believe that military personnel should use on-base transient lodging facilities when training or on temporary duty away from their home station. The conferees direct the Secretary of Defense to review the current policies and practices concerning use of on-base facilities and provision of contract lodging and to report the results of that review, including any recommended legislative changes, to the Committee on Armed of the Senate and the Committee on National Security of the House of Representatives not later than March 31, 1997.

Sense of Congress concerning quarters allowance during service on active duty for training (sec. 1253)

The House bill contained a provision (sec. 1253) that would express the sense of the Congress that members of the reserve components should receive appropriate quarters allowances during periods of service on active duty for training.

The Senate amendment contained no similar provision.

The Senate recedes.

Sense of Congress concerning military leave policy (sec. 1254)

The House bill contained a provision (sec. 1254) that would express the sense of the Congress that military leave policies pertaining to members of the reserve components in effect upon enactment of the National Defense Authorization Act for Fiscal Year 1997 should not be changed.

The Senate amendment contained no similar provision.

The Senate recedes.

The conferees intend that military leave referred to in this provision is the non-chargeable leave available to civilian employees of federal, state or local government agencies while these employees are participating in active duty for training.

Reserve Forces Policy Board (sec. 1255)

The House bill contained a provision (sec. 1255) that would commend the Reserve Forces Policy Board for its good work as an independent body that provides advice to the Secretary of Defense on reserve component matters.

The Senate amendment contained a provision (sec. 1054) that would correct references in title 10, United States Code, pertaining to the annual report of the Armed Forces Policy Board and specify that the annual report shall be a separate report transmitted to the

Congress by the Secretary of Defense in conjunction with the Secretary's annual report.

The Senate recedes with an amendment that would combine the two provisions.

Report on parity of benefits for active duty service and reserve service (sec. 1256)

The House bill contained a provision (sec. 1256) that would require the Secretary of Defense to submit a report to the Congress providing recommendations, where appropriate, to reduce disparities in pay and benefits that occur between active component members and reserve component members as a result of eligibility based on length of time on active duty.

The Senate amendment contained no similar provision.

The Senate recedes.

Information on proposed funding for the Guard and Reserve components (sec. 1257)

The Senate amendment contained a provision (sec. 1055) that would require the Secretary of Defense to specify, in each year of the Future-Years Defense Plan, the estimated expenditures and proposed appropriations for the procurement of equipment and for military construction for each of the Guard and Reserve components.

The House bill contained no similar provision.

The House recedes.

TITLE XIII—ARMS CONTROL AND RELATED MATTERS

ITEMS OF SPECIAL INTEREST

Implementation of arms control agreements

The budget request included $282.3 million in procurement, operation and maintenance, and research and development in the defense and military service accounts for the implementation of arms control agreements. The budget request for these accounts is based on anticipated dates of implementation of the various arms control agreements and treaties.

The conferees agree to a $24.0 million reduction to the budget request due to changes in the anticipated dates of implementation of the various arms control agreements and treaties. The reductions are as follows: $14.0 million from the operation and maintenance account for the On-Site Inspection Agency (OSIA); $2.0 million from weapons procurement, Navy; $7.0 million from operation and maintenance, Army; and $1.0 million from operation and maintenance, Air Force.

The conferees agree that the Department of Defense shall keep the Congress informed on the status of the OSIA mission to implement Annex 1–B of the General Framework for Peace in Bosnia and Herzegovina Agreement (known as the Dayton Agreement), and any impact this mission may have on the ability of OSIA to conduct its other arms control inspection responsibilities.

Additionally, the conferees reiterate the concerns that were expressed in the statement of managers in the conference report accompanying the National Defense Authorization Act for Fiscal Year

1996 (Public Law 104–106) with regard to limiting the expenditure of funds to provide reimbursement for arms control implementation inspection costs borne by the inspected party to a treaty or agreement. As expressed in the statement of managers, funds may only be expended if the Congress has been notified 30 days in advance of an agreement by the President to a policy or policy agreement, and that policy or policy agreement does not modify any obligation imposed by the arms control agreement. Currently, the Congress is aware of only two such policy agreements that would reimburse Belarus, Kazakhstan, and Ukraine for the costs of U.S. inspections conducted within those states. The conferees understand that those reimbursements occur on a six-month basis after the inspections have been conducted. Those policy agreements are with regard to the Intermediate-Range Nuclear Forces (INF) Treaty and the Strategic Arms Reduction Treaty (START), concluded in May 1994 and February 1995.

Once again, the conferees express their concern that arms control consultative commissions are being used as a mechanism to make substantive changes or modifications to arms control treaties and agreements that should be brought to the Senate for its review and subsequent advice and consent. There may be very good reasons for changes in implementation of specific arms control treaties or agreements. However, if a change or modification to the treaty or agreement would result in a substantive change to the understanding under which the Senate provided its advice and consent prior to ratification, the Congress should be consulted about the recommended change or modification in advance of any agreement in the consultative commissions, and must provide its subsequent agreement to the change or modification.

The conferees support the ratification and full implementation by all parties of the Chemical Weapons Convention (CWC), as negotiated. However, the conferees remain concerned that Russia continues to engage in chemical weapons activities inconsistent with the accord. In addition, Iran, a signatory to the convention, has been characterized by one U.S. official as having "the most active chemical weapons program" in the Third World. Further, a number of states that possess active chemical weapons programs, such as Libya, are not signatories to the accord. For example, the Secretary of Defense and the Director of Central Intelligence have confirmed that Libya is engaged in the construction of an underground chemical weapons facility carved into a mountain near Tarhunah. This extensive project demonstrates the Libyan commitment to the acquisition of a significant chemical weapons capability and raises questions about the ability of arms control agreements like the CWC to restrain the rogue regimes from acquiring these types of weapons of terror.

With regard to the negotiations on a comprehensive test ban, many experts believe that a Comprehensive Test Ban Treaty (CTBT) is unlikely to be effectively verifiable. Countries intent on cheating could identify and implement evasive measures that would make it virtually impossible for U.S. sensors to detect low-yield tests. This thesis is given additional credibility by reports that the Russians may have recently conducted a nuclear test, in violation of their self-imposed moratorium, at Novaya Zemlya.

The conferees support the budget request for arms control implementation, which includes $26.7 million for research, development, test and evaluation of technologies to aid in the detection of nuclear tests. As discussed elsewhere in the statement of managers, the conferees recommend $6.5 million for basic research on seismic nuclear monitoring, which could be used to detect low-yield nuclear tests.

FY 1997 ARMS CONTROL IMPLEMENTATION BUDGET

Account	Program	Request	Recomm	Rec auth
WPN	Arms control compliance	14.840	−2.000	12.840
OPAF	Spares & repairs	0.207	0.000	0.207
PDA	OSIA	3.286	0.000	3.286
RDT&E, AF	Arms control implementation	26.786	0.000	26.786
RDT&E, DA	Ver tech dem, DNA (603711)	26.199	0.000	26.199
O&M, Army		37.255	−7.000	31.255
O&M, Navy		35.402	0.000	35.402
O&M, AF		29.331	−1.000	28.331
O&M, DA	OSIA	109.030	−14.000	95.030
Total		282.336	−24.000	258.336

LEGISLATIVE PROVISIONS

Subtitle A—Arms Control, Counterproliferation Activities, and Related Matters

LEGISLATIVE PROVISIONS ADOPTED

Extension of counterproliferation authorities (sec. 1301)

The House bill contained a provision (sec. 1301) that would extend the authority of the Department of Defense to provide support to the United Nations Commission on Iraq (UNSCOM) through the end of fiscal year 1997.

The Senate amendment contained a similar provision (sec. 1043) that would extend the authority of the Department of Defense to provide support to UNSCOM through the end of fiscal year 1998.

The Senate recedes with an amendment that would extend the authority of the Department of Defense to provide support to UNSCOM through the end of fiscal year 1997. Additionally, the conferees agree to a provision that would provide the Department with authority to exceed the levels authorized in fiscal year 1997 for DOD support to UNSCOM in the event of a significant unforeseen development. In that event, the Secretary of Defense would be required to notify the congressional defense committees in writing, prior to providing assistance that would exceed the levels authorized for DOD support. However, if the Secretary of Defense determines that prior notification of such action is not possible, he must notify the congressional defense committees of his actions no later than 15 days after the date the additional assistance was provided.

Limitation on retirement or dismantlement of strategic nuclear delivery systems (sec. 1302)

The House bill contained a provision (sec. 1302) that would prohibit the use of funds appropriated to the Department of De-

fense during fiscal year 1997 for retiring or dismantling any B–52H bombers, Trident ballistic missile submarines, Minuteman III intercontinental ballistic missiles (ICBMs), or Peacekeeper ICBMs.

The Senate amendment contained a similar provision (sec. 1062) that would prohibit the use of funds during fiscal year 1997 for the retirement of B–52H bombers, Trident ballistic missile submarines, Minuteman III intercontinental ballistic missiles, or Peacekeeper intercontinental ballistic missiles, or preparing to retire or dismantle such systems. The provision would allow the Secretary of Defense to waive the funding restrictions on retiring or dismantling strategic nuclear delivery systems, other than for B–52H bombers, to the extent necessary to implement the START II Treaty.

The House recedes with an amendment that would limit the obligation of funds during fiscal year 1997 for early deactivation of U.S. strategic nuclear delivery systems until 30 days after the date on which the President submits to Congress a report concerning such actions. The conferees note that discussions have been held between the governments of the United States and the Russian Federation regarding an agreement on early deactivations of strategic nuclear weapons and/or strategic nuclear delivery systems, once the START II Treaty has entered into force. However, the conferees have not been given information about the substance of these discussions or negotiations.

In order to retain 94 B–52H aircraft in an operational status (28 in attrition reserve), the conferees recommend an increase of $42.9 million in Operation and Maintenance, Air Force. Of the amounts available in Aircraft procurement, Air Force, $42.7 million shall be available for B–52H aircraft modifications. Of the amounts available in Military Personnel, Air Force, $3.3 million shall be available for support of the 28 attrition reserve aircraft. In making these recommendations, the conferees do not intend to alter the Air Force's ongoing effort to consolidate B–52 squadrons. The conferees also do not intend to preclude long-range pre-planning, design, or evaluation efforts to allow the Navy and Air Force to be ready to execute various retirement and dismantlement options in an efficient manner.

Strengthening certain sanctions against nuclear proliferation activities (sec. 1303)

The Senate amendment contained a provision (sec. 1085) that would authorize the President to impose Export-Import Bank sanctions against specific persons or entities that knowingly aid or abet countries to acquire nuclear weapons, or nuclear materials for such weapons, by amending the Export-Import Bank Act of 1945 (12 U.S.C. 635(b)(4)).

The House bill contained no similar provision.

The House recedes with a technical and clarifying amendment.

The global spread of nuclear weapons constitutes one of the gravest threats to the national security of the United States and that our friends and allies. The persistent and ever-changing nature of this threat, together with the numerous pathways available to countries to acquire these weapons, require both the Congress

and the Executive Branch to ensure that the United States possesses tools, including necessary statutes, to combat this threat.

Current law requires the denial of Export-Import Bank credits: to finance goods destined to countries that violate safeguards or a U.S. nuclear agreement, to any non-nuclear weapon state that has detonated a nuclear weapon or device, and, to any country that has willfully aided or abetted a non-nuclear weapon state to acquire or develop a nuclear weapon.

In 1996, a Chinese government-owned entity transferred sensitive uranium enrichment technology to Pakistan. This action raised the possibility that several billion dollars of Export-Import Bank-financed credits for U.S. exports to China would be denied. However, the specific entity, the China Nuclear Energy Industry Corporation (CNEIC), escaped sanctions under current law because the administration judged that current law, which prescribes sanctions only against a "country" that willfully aids and abets proliferation, does not authorize sanctions against a person or entity, such as the CNEIC.

The conferees agree that enabling the President to target sanctions against specific proliferators that are not countries will provide important additional options to the President and thereby strengthen the U.S. ability to use sanctions as a tool to discourage future business with enterprises that knowingly promote the global spread of nuclear weapons and materials.

Authority to pay certain expenses relating to humanitarian and civic assistance for clearance of landmines (sec. 1304)

The Senate amendment contained a provision (sec. 1006) that would allow funds appropriated to the overseas humanitarian, disaster, and civic assistance program to be used to pay for the travel, transportation, and subsistence expenses of Department of Defense personnel providing humanitarian demining assistance. The provision would also allow for the purchase of supplies, services, and equipment to be used in providing such assistance and the transfer of this equipment and supplies to a foreign country in furtherance of the Department's landmine clearance program. The cost of equipment and supplies transferred, or services hired to support Department of Defense humanitarian demining deployments, may not exceed $5.0 million in any given fiscal year.

The House bill contained a similar provision (sec. 1304).

The House recedes.

Report on military capabilities of People's Republic of China (sec. 1305)

The House bill contained a provision (sec. 1305) that would require an unclassified report and a classified report be submitted to Congress, no later than February 1, 1997, on the potential for, and likelihood of, the People's Liberation Army pursuing modernization of its military capabilities.

The Senate amendment contained no similar provision.

The Senate recedes.

Presidential report regarding weapons proliferation and policies of the People's Republic of China (sec. 1306)

The House bill contained a provision (sec. 1048) that would express the concerns of the Congress with regard to the transfer by China to Pakistan of sophisticated equipment important to the development of nuclear weapons in Pakistan, China's compliance with nuclear proliferation regimes, and the decision of the United States not to impose sanctions against China for its transfer of equipment to Pakistan. The provision would express the sense of the Congress that the President should not have decided that the evidence of China's actions was not sufficient to warrant sanctions. The provision would also require the President to report to Congress on the administration's response to China's transfer of equipment to Pakistan, on specific information related to the justification for the President's determination not to enforce sanctions against China, and on subsequent actions taken by the United States to enforce compliance with nonproliferation and export control regimes.

The Senate had no similar provision.

The Senate recedes with an amendment that would express congressional concerns regarding China's transfer of assistance to Iran and Pakistan that could contribute to the manufacture of nuclear weapons; transfer of nuclear weapons technology and assistance, as well as the transfer of M–11 missiles, to Pakistan; and China's compliance with proliferation regimes such as the nuclear Nonproliferation Treaty and the Missile Technology Control Regime (MTCR). The provision would also require the President to submit a report to Congress within 60 days of enactment of this Act regarding the transfer of nuclear weapons technology and assistance, as well as their means of delivery, by China to Pakistan, subsequent actions taken by the President to express concern with China's compliance with nuclear proliferation regimes, and information related to the specific justification by the Secretary of State that there was no sufficient basis for imposing sanctions against China.

United States-People's Republic of China Joint Defense Conversion Commission (sec. 1307)

The House bill contained a provision (sec. 1306) that would prohibit obligation or expenditure of fiscal year 1997 funds for activities associated with the United States-People's Republic of China Joint Defense Conversion Commission until Congress receives reports required by section 1343 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106).

The Senate amendment contained no similar provision.

The Senate recedes.

Sense of the Congress concerning export controls (sec. 1308)

The Senate amendment contained a provision (sec. 1046) that would express the sense of the Senate that an international export control regime is critically important; that agreement on an international export control regime should be a top priority of the United States; that the United States should encourage the adoption by friends and allies of a commodity control list similar to the U.S.

list; that enforcement activities should be strengthened; and, that the United States should use unilateral controls.

The House bill contained no similar provision.

The House recedes with a technical and clarifying amendment.

During the Cold War, the Coordinating Committee for Multilateral Export Controls (COCOM) regime assisted the North Atlantic Treaty Organization (NATO) in maintaining a qualitative military edge over the Warsaw Pact. However, in the post-Cold War era, while allies have a strong interest in coordinating exports, they have rejected efforts to implement restrictive procedures, such as those used in COCOM, to ensure the restriction of exports of militarily significant dual use technologies and commodities.

Dual-use technologies and commodities are civilian items which have military application; they are not munitions. The United States controls the export of its dual use technologies and commodities for national security, foreign policy, and short supply purposes. The legislative framework that controls the exports of these dual use items is the Export Administrative Act (EAA).

The world has changed dramatically since 1988 (the last time the Export Administration Act (EAA) was revised). COCOM coordinated NATO restrictions on exports of conventional weapons and related dual use goods to communists countries, but was disbanded in March 1994. To date, the administration's effort to negotiate an effective successor regime to COCOM, which would restrict exports to targeted countries (Iran, Iraq, Libya and North Korea) from former COCOM members and new members from neutral and eastern European countries, has failed.

Additionally, the Export Administration Act (EAA) expired in August 1994 and new legislation has not been adopted by Congress. Currently, the President's authority to control the export of dual use technologies is exercised under Executive Order 12938. Executive Order 12938 declared a national emergency with respect to the threat posed to U.S. national security by the proliferation of weapons of mass destruction. Under this executive order the President can enforce most export controls on dual use technologies and commodities that would contribute to the proliferation of weapons of mass destruction. The executive order, however, does not provide full enforcement authority.

The capability to build weapons of mass destruction (WMD), including nuclear, chemical and biological weapons, and missiles to deliver WMD, is spreading. Without adequate export controls on sensitive dual use technologies and commodities, their export could enable an adversary to design, develop, test, produce, stockpile or use weapons of mass destruction, missile delivery systems, and other significant military capabilities.

The availability of sensitive military technologies to countries, without sufficient safeguards to ensure that these technologies cannot be transferred to a third country (which could be a rogue nation), remains a fundamental concern to the United States and should be eliminated through deterrence, negotiations, and other appropriate means.

Export controls remain part of a comprehensive approach that effectively responds to U.S. national security interests. The United States should continue to work with its friends and allies to nego-

tiate an agreement to restrict exports of dual use technologies and commodities to foreign countries that threaten U.S. national security, nonproliferation, or foreign policy interests.

Sense of Congress concerning assisting other countries to improve security of fissile material (sec. 1310)

The House bill contained a provision (sec. 1054) that would express the sense of Congress that it is in the national interest of the United States to take actions to assist other countries in securing and accounting for plutonium and highly enriched uranium from dismantled nuclear weapons.

The Senate amendment contained no similar provision.

The Senate recedes.

Review by Director of Central Intelligence of National Intelligence Estimate 95–19 (sec. 1311)

The House bill contained a provision (sec. 1308) that would direct the Director of Central Intelligence (DCI) to review the underlying assumptions and conclusions of the November, 1995, National Intelligence Estimate on "Emerging Missile Threats to North America During the Next 15 Years," to convene a panel of independent, non-governmental experts, and to report the panel's findings to Congress, along with the DCI's comments.

The Senate amendment contained no similar provision.

The Senate recedes.

Subtitle B—Commission to Assess the Ballistic Missile Threat to the United States

LEGISLATIVE PROVISIONS ADOPTED

Commission to assess the ballistic missile threat to the United States (secs. 1321-1329)

The House bill contained provisions (secs. 1321–1329) that would establish a commission to be known as the "Commission to Assess the Ballistic Missile Threat to the United States." The commission's members would be private citizens with knowledge and expertise in the political and military aspects of proliferation of ballistic missiles and the ballistic missile threat to the United States, and would have access to the resources and information of the intelligence community necessary to carry out their responsibilities. The commission would consist of nine members appointed by the Director of Central Intelligence. Consistent with the consultative nature of the appointment process used by the Defense Base Closure and Realignment Commission (Public Law 101–510), three members would be chosen in consultation with the Speaker of the House of Representatives, three members would be chosen in consultation with the Majority Leader of the Senate, and three members would be chosen in consultation with the minority leaders of the House and Senate.

The Senate amendment contained no similar provision.

The Senate recedes.

Certification required before observance of moratorium on use by armed forces of antipersonnel landmines

The House bill contained a provision (sec. 1303) that would require the Secretary of Defense, after consultation with the Chairman of the Joint Chiefs of Staff, to certify to Congress that a moratorium on the use of antipersonnel landmines would not adversely affect the ability of U.S. armed forces to defend against attack and that effective substitutes for antipersonnel landmines exist, prior to implementation of such a moratorium.

The Senate amendment contained no similar provision.

The House recedes with the understanding that further legislation on a landmine moratorium will not be introduced or enacted in the remainder of this Congress.

The conferees support efforts to minimize and eliminate post-combat civilian casualties, and note that the United States has been the global leader in working toward this objective. U.S. military forces use non-self-destructing landmines only along internationally recognized borders or in demilitarized zones within perimeter-marked areas that are monitored by military personnel and protected by adequate means to ensure the exclusion of civilians.

The conferees note the announcement by the President on May 16, 1996, regarding U.S. military use of antipersonnel landmines, that is, to cease immediately the use of non-self-destructing landmines, except for training purposes and deployment along the demilitarized zone in Korea; and, with regard to self-destructing antipersonnel landmines, a commitment to cease the use of self-destructing antipersonnel landmines, when an international agreement is reached, with exceptions for training and in Korea.

TITLE XIV—DEFENSE AGAINST WEAPONS OF MASS DESTRUCTION

Cooperative threat reduction (CTR) program, domestic emergency assistance programs and programs for the defense against weapons of mass destruction (secs. 1401–1505)

The House bill contained provisions (sec. 1101–1105) that would: authorize $302.9 million for the Cooperative Threat Reduction (CTR) program, a $25.0 million reduction to the budget request; would specify CTR programs; allocate fiscal year 1997 funding for the various CTR programs and activities; prohibit the use of CTR funds for specific purposes; prohibit the obligation of CTR funds until various reports are submitted to Congress; and make fiscal year 1997 CTR funds available for three fiscal years. Additionally, the House report (H. Rept. 104–563) encouraged the Secretary of Defense to report to the Congress by September 30, 1996, an assessment of the advisability of the Department of Defense's establishing a program for enhancing the capability of the Department to assist law enforcement agencies in responding to terrorism or natural disasters involving chemical or biological agents and recommended an increase of $12.0 million in PE 65160D to preserve the option of initiating such a program in fiscal year 1997.

The Senate amendment would fully fund the budget request for CTR at $327.9 million. In addition, the Senate amendment contained provisions (secs. 1301–1356) that would increase the overall budget request for defense operation and maintenance by $150.0 million, and add $85.0 million to the budget request for the Department of Energy to establish a comprehensive program to improve U.S. capabilities to deal with the use, or threatened use, of weapons of mass destruction. In that regard, the amendment would expand the scope of the DOD CTR program and the DOE arms control and materials, protection, control and accountability programs to include additional activities, especially assistance to the independent states of the former Soviet Union. Of the $235.0 million budget increase for DOD and DOE, $80.0 million would be authorized for the establishment of a DOD and DOE domestic emergency assistance program; $59.0 would be authorized for domestic and international border security assistance DOD CTR and DOE materials, protection, control and accountability activities would be increased by $94.0 million; and $2.0 million would be authorized for research activities of the proliferation coordinator.

Additionally, the provision would provide the President with more specific authorities than exist under current law by authorizing the limited use of U.S. military forces to assist the Department of Justice in domestic emergency situations involving the terrorist use of WMD and by amending the International Emergency Economic Powers Act.

The House recedes with an amendment to the Senate provisions.

The Senate recedes with an amendment to the House provisions.

Since the end of the Cold War, materials and technologies related to weapons of mass destruction—nuclear, radiological, chemical, and biological weapons—have become increasingly more available to rogue states, terrorist groups, and unstable individuals. Controls over nuclear materials in the former Soviet Union continue to require significant improvement. Easy access to dual-use materials and technologies to fabricate chemical and biological weapons make the proliferation of these weapons arguably the most urgent and serious threat the United States faces today.

The United States government must improve and make comprehensive the way it addresses this threat. To this end, the conferees agree to a series of provisions that address all aspects of the threat of the proliferation of weapons of mass destruction. The conferees agree to recommend an additional $201.0 million to the budget to address this issue. These increased funds would: increase the budget request for the Cooperative Threat Reduction (CTR) program by $37.0 million; authorize a $10.0 million increase to the budget request for the counterproliferation support program; authorize $30.0 million for U.S. and international border security activities; add $65.0 million for the establishment of a domestic emergency response program; and add $57.0 for DOE materials, protection, control and accountability.

Domestic Preparedness

Enhancing the nation's ability to prevent, and, if necessary, to respond to a terrorist incident involving nuclear, radiological, chemical, or biological weapons or materials is the cornerstone of this program. The conferees note that an interagency group, composed of the Federal Response Plan signatory agencies led by the Federal Emergency Management Agency (FEMA) completed and forwarded to the President on July 1, 1996, a report titled "Consequences Management for Nuclear, Biological, and Chemical (NBC) Terrorism." The report documents the inadequacy of the Federal Response Plan to deal with NBC terrorist incidents and makes specific recommendations regarding capability enhancements. The conferees agree to a provision (sec. 1411) that would require the President to take immediate action to enhance the capability of the Federal Government to respond to such incidents and to provide enhanced support to improve the capabilities of State and local emergency response and law enforcement agencies to respond to such incidents. The provision would further require the President to provide to the Congress by January 31, 1997, a report containing an assessment of such capabilities, improvements required, and measures that should be taken to achieve such improvements, including additional resources and legislative authority that might be necessary.

The conferees agree to recommend $50.0 million for the establishment of a domestic emergency assistance program for the Department of Defense to immediately begin sharing its unique expertise, experience, and equipment in dealing with chemical and biological weapons and materials with local emergency first respondents (firemen, policemen, and medical workers).

The conferees expect that the Secretary of Defense will work expeditiously with the Secretary of Health and Human Services in providing DOD resources and expertise to the Office of Emergency Preparedness for the formation of emergency medical teams that are trained and equipped to handle incidents involving weapons of mass destruction.

The conferees agree to provide $15.0 million for DOD to conduct interagency exercises that will focus on testing and improving the U.S. Government's ability to respond to incidents involving weapons of mass destruction.

The conferees have agreed to an additional provision (sec. 1414) that would require DOD to establish at least one Chemical-Biological Emergency Response Team for rapid response to domestic terrorism. The conferees expect that such teams would be similar in concept to the Nuclear Emergency Search Team and Accident Response Groups that are maintained by DOE for response to a nuclear incident. The conferees note in the joint DOD/DOE report to the Congress, "Preparedness and Response to a Nuclear, Radiological, Biological, or Chemical Terrorist Attack," dated June 13, 1996, that the DOD is attempting to establish such a capability. The conferees note that many of the capabilities sought for such teams are already present in the Army's Technical Escort Unit, Edgewood Research, Development, and Engineering Center, and Chemical Defense and Infectious Disease Medical Research Institutes. The conferees also note the Counterproliferation Program Review Commit-

tee's "Report on Activities and Programs for Countering Proliferation", dated May 1996, which states that U.S. Marine Forces, Atlantic was scheduled to activate a Department of the Navy/Marine Corps Chemical/Biological Incident Response Force on June 1, 1996, to respond to chemical and biological incidents (terrorist or otherwise) occurring on Naval installations and Department of State legations worldwide. The conferees understand that the unit has been activated and is now in training.

In section 1416, the conferees agree to provide authority, very narrowly defined and carefully constructed, for the President and the Attorney General to request military support to local authorities in incidents involving chemical and biological weapons. This authority is in addition to the authorities otherwise provided in Chapter 18 of title 10, U.S. Code. The conferees agree that the use of the military in any emergency situation involving biological or chemical weapons or materials should be limited both in time and scope to dealing with the specific chemical or biological weapons-related incident.

Finally, the conferees have included a provision (sec. 1417) that would require Federal Response Plan agencies to develop and maintain an inventory of equipment and other assets that could be made available to aid State and local officials in search and rescue and other disaster management and mitigation efforts associated with an emergency involving weapons of mass destruction, and would require FEMA to maintain a comprehensive master list of the inventory. The provision would also require FEMA to establish a data base on chemical and biological agent and munitions characteristics and safety precautions and to develop a system to provide federal, State, and local officials access to the data base and to the master inventory.

Interdiction of weapons of mass destruction and related materials

This section focuses attention on enhancing our efforts at interdicting and detecting nuclear, radiological, chemical, and biological weapons and related materials, the next step of protecting the United States against the threat posed by the proliferation of weapons of mass destruction. The conferees agree to recommend $15.0 million for the DOD to assist the U.S. Customs Service in interdicting these materials before they enter the United States.

As mentioned above, the conferees also agree to an increase of $10.0 million to the DOD counterproliferation support program and an increase of $17.0 million to the DOE nonproliferation and verification research and development program to conduct research and development of technical means for detecting the presence, transportation, production, and use of weapons of mass destruction and related materials and technologies.

Additionally, the conferees agree to provisions that would amend the International Emergency Economic Powers Act to provide penalties to cover attempts to import or export weapons of mass destruction and related materials, and would express the sense of the Congress that criminal penalties for proliferation-related activities should be increased.

Finally, the conferees agree to recommend $15.0 million for DOD training and assistance to customs services and border

guards in the former Soviet Union, the Baltic states, and Eastern Europe in detecting and interdicting the smuggling of weapons of mass destruction and related materials. This program is intended to be separate and distinct from the existing DOD/FBI counterproliferation assistance program, which focuses largely on training law enforcement officials in the interdiction of these materials. The conferees believe that law enforcement and Customs agents, and border guards, must be familiar with proliferation issues if any counterproliferation effort is to be viable. While there may be some beneficial overlap between the DOD/FBI effort and the DOD/Customs program envisioned in this legislation, it is the view of the conferees that the most effective way to reach and establish productive relations is through expanding relations between analogous counterparts. The conferees expect the Secretary of Defense to make DOD equipment and related materials and technologies available to the Commissioner of Customs for use in detecting and interdicting the movement of weapons of mass destruction into the United States to the extent authorized under existing law. The Secretary of Defense and the U.S. Customs Commissioner shall provide to Congress a joint report on the scope and impact of this program and an inventory of items provided under this authority. This report should also include the extent to which it will interface with the DoD/FBI effort.

Control and disposition of weapons of mass destruction and related materials threatening the United States

With regard to the DOD budget request for the CTR program and the DOE budget request for materials, protection, control and accountability, the conferees agree to recommend authority for a variety of programs that focus on assisting the states of the former Soviet Union to better control and/or eliminate their stockpiles of weapons of mass destruction and related materials. Programs include: $15.0 million for DOE MPC&A activity; $10.0 million for DOD MPC&A activity; $10.0 million for a DOE program to develop technologies associated with improving the verification of nuclear warhead dismantlement; $15.0 million for DOD activities related to the dismantlement of chemical and biological weapons-related facilities; $9.0 million for DOE's Lab-to-Lab program; and $6.0 million for DOE to work with the Russian government in enhancing the security of fissile material used for the propulsion of Russian military and civilian ships.

It is the view of the conferees that both DOE and DOD should seek to expand these activities in the former Soviet Union beyond nuclear activities in Russia, Ukraine, Kazakhstan, and Belarus. While programs to date have appropriately focused on the most pressing strategic concerns, critical work remains to be done in combating the threat of proliferation at a variety of sites in the other states of the former Soviet Union where nuclear, chemical, and biological weapons-related materials and technologies continue to be vulnerable to proliferation.

The conferees agree to transfer $10.0 million in DOD funds to DOE for activities related to the conversion of several Russian nuclear core reactors so they no longer produce weapons-grade plutonium. It is the view of the conferees that the Secretary of Defense

should transfer these funds to the Secretary of Energy expeditiously so that the Department of Energy can continue to move forward on this program.

Coordination of policy and countermeasures against proliferation of weapons of mass destruction

The conferees agree that the nation's overall coordination of policy, efforts, and activities addressing the threat posed by the increasing availability of nuclear, chemical, and biological weapons, materials, and technology must be improved. The conferees agree to a provision that would direct the appointment by the President of a national coordinator on proliferation within the Executive Office of the President, to advise the President on nonproliferation and related issues regarding terrorism and international organized crime. The provision would establish a committee on nonproliferation, to be chaired by the coordinator, and composed of members of the Executive Branch who have responsibilities for crisis and consequence management, nonproliferation, and related issues. This committee will review and coordinate programs, policies, and directives related to the proliferation of weapons of mass destruction and the threat they pose to our national security. The conference agreement also requires the President, through the committee on nonproliferation, to submit a comprehensive report for carrying out this amendment.

TITLE XV—COOPERATIVE THREAT REDUCTION WITH STATES OF FORMER SOVIET UNION

TITLE XVI—DEPARTMENT OF DEFENSE CIVILIAN PERSONNEL

LEGISLATIVE PROVISIONS

Subtitle A—Miscellaneous Matters Relating to Personnel Management, Pay, and Allowances

LEGISLATIVE PROVISIONS ADOPTED

Modification of requirement for conversion of military positions to civilian positions (sec. 1601)

The Senate amendment contained a provision (sec. 1101) that would repeal the portion of section 1032 of the National Defense Authorization Act for Fiscal Year 1996 that would require the Secretary of Defense to convert 7,000 military positions to civilian positions during fiscal year 1997.

The House bill contained no similar provision.

The House recedes with an amendment that would repeal the requirement for the conversion of 7,000 military positions to civilian positions during fiscal year 1997, contingent on the Secretary of Defense's having certified to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives that the Department of Defense has completed the conversion of 3,000 military positions to civilian positions during fiscal year 1996, as required by section 1032 of the National Defense Authorization Act for Fiscal Year 1996.

The certification shall include: (1) a description of the types and grades of positions converted; (2) the distribution of converted positions across the services and defense agencies; (3) the extent to which any military positions converted to civilian positions were vacant when converted; (4) the extent to which any newly-converted civilian positions remain vacant; (5) an analysis of the follow-on assignment of those military personnel whose positions were converted to civilian positions; (6) a discussion of any costs associated with the required conversion; and (7) the effect on operational readiness, if any, caused by the required conversion.

Retention of civilian employee positions at military training bases transferred to national guard (sec. 1602)

The House bill contained a provision (sec. 368) that would require the Secretary of Defense to retain civilian employee positions at installations being transferred to the National Guard during fiscal year 1997 to provide transitional support to active and reserve component training missions on the installations.

The Senate amendment contained a provision (sec. 1102) that, while similar, did not specify that the transfer of an installation to the National Guard had to occur in 1997 in order for the provision to have effect.

The Senate recedes with an amendment that would retain the directive nature of the House provision while eliminating the requirement that transfers occur in 1997.

Clarification of applicability of certain management constraints on major range and test facility base structure (sec. 1603)

The House bill contained a provision (sec. 508) that would clarify that major range and test facility base activities are covered by certain limitations on the use of end strengths or other personnel management caps that are used to reduce personnel levels or restrict funding for Federal employees. The provision would also clarify that funding available to major range and test facility base activities includes both direct appropriated funds and funds provided by major range and test facility customers.

The Senate amendment contained no similar provision.

The Senate recedes.

Travel expenses and health care for civilian employees of the Department of Defense abroad (sec. 1604)

The Senate amendment contained a provision (sec. 1104) that would authorize the Secretary of Defense, under certain circumstances, to pay allowances and benefits to civilian personnel serving overseas comparable to those paid to members of other government agencies that routinely assign personnel overseas.

The House bill contained no similar provision.

The House recedes.

Travel, transportation, and relocation allowances for certain former nonappropriated fund employees (sec. 1605)

The Senate amendment contained a provision (sec. 1105) that would authorize a nonappropriated fund employee who moves in conjunction with being hired as an appropriated fund employee to

receive the same travel, transportation, and relocation expenses authorized for appropriated fund employees.

The House bill contained no similar provision.

The House recedes.

Employment and salary practices applicable to Department of Defense overseas teachers (sec. 1606)

The Senate amendment contained a provision (sec. 1106) that would permit the Secretary of Defense to reclassify General Schedule professional educator positions as "overseas teachers" compensable under the Overseas Teacher Pay and Personnel Act.

The House bill contained no similar provision.

The House recedes.

Employment and compensation of civilian faculty members at certain Department of Defense schools (sec. 1607)

The Senate amendment contained a provision (sec. 1107) that would authorize the Asia-Pacific Center for Security Studies and the English Language Center of the Defense Language Institute to employ and compensate the civilian faculty, including the Director and Deputy Director of the Asia-Pacific Center, in the same manner as the George C. Marshall European Center for Security Studies and other Department of Defense education facilities.

The House bill contained no similar provision.

The House recedes.

Reimbursement of Department of Defense domestic dependent school board members for certain expenses (sec. 1608)

The Senate amendment contained a provision (sec. 1108) that would authorize Department of Defense domestic dependent school board members to be reimbursed for travel and transportation expenses, program fees, and activity fees that the Secretary of Defense determines reasonable and necessary in the performance of their duties.

The House bill contained no similar provision.

The House recedes with an amendment that would include lodging expenses among those expenses for which domestic dependent school board members could be reimbursed.

Modification of authority for civilian employees of Department of Defense to participate voluntarily in reductions in force (sec. 1609)

The House bill contained a provision (sec. 336) that would extend until September 30, 2001, the authority to allow employees who are not affected by a reduction-in-force (RIF) to volunteer to be RIF-separated in place of other employees who are scheduled for RIF separation.

The Senate amendment contained a similar provision (sec. 1109).

The conference agreement includes this provision.

Wage-board compensatory time off (sec. 1610)

The House bill contained a provision (sec. 333) that would provide federal managers of wage-board employees the same flexibility

to use compensatory time off afforded federal managers of general schedule employees, by authorizing agency heads to grant compensatory time off in lieu of overtime pay under certain circumstances.

The Senate amendment contained a similar provision (sec. 1110).

The Senate recedes with an amendment that would preclude agency heads from directly or indirectly forcing employees to accept compensatory time off in lieu of pay for overtime work.

Liquidation of restored annual leave that remains unused upon transfer of employee from installation being closed or realigned (sec. 1611)

The Senate amendment contained a provision (sec. 1111) that would require, under certain circumstances, automatic liquidation of annual leave restored under section 6304(d) of title 5, United States Code.

The House bill contained no similar provision.

The House recedes.

Waiver of requirement for repayment of voluntary separation incentive pay by former Department of Defense employees reemployed by the Government without pay (sec. 1612)

The House bill contained a provision (sec. 332) that would allow civilian employees who have previously received separation or incentive pay to leave federal employment to volunteer for government service without the loss of their separation or incentive pay.

The Senate amendment contained a similar provision (sec. 1112).

The conference agreement includes this provision.

Simplification of rules relating to the observance of certain holidays (sec. 1613)

The House bill contained a provision (sec. 334) that would allow the head of an agency within the Department of Defense to change the Federal day off from Monday to an alternate day for those employees who would normally have Monday off under a compressed work schedule.

The Senate amendment contained a similar provision (sec. 1113).

The Senate recedes.

The conferees intend that when a Federal holiday falls on a Monday and that day is a day off for certain employees, that those employees will receive the next normal work day off. The conferees do not intend that this authority would be used to disrupt what would have been an extended weekend break by forcing employees to take a mid-week day off.

Revision of certain travel management authorities (sec. 1614)

The House bill contained a provision (sec. 331) that would provide Department of Defense (DOD) civilian personnel with the flexibility to make more efficient lodging decisions based on overall mission requirements by considering overall travel costs.

The Senate amendment contained a provision (sec. 1114) that would repeal a reporting requirement and repeal the prohibition on paying lodging expenses to DOD civilian employees who do not use adequate government quarters when they are available.

The House recedes.

The conferees believes that these and other provisions related to travel reform can assist the DOD in its ongoing efforts to simplify the travel management system and, in doing so, improve efficiency and reduce costs associated with official travel.

The conferees note, however, that the success or failure of travel management initiatives will not depend on the relaxation of the many detailed rules and regulations which have governed travel management over the years. Rather, the success or failure will be a direct reflection of the courage and discipline with which executives and supervisors at every level approach their individual responsibilities in overseeing their own official travel and lodging decisions and those of their subordinates. Official travel is not a prerequisite of position to be exploited. Individual responsibility and the effective stewardship of official travel funds must be institutionalized as fundamental management principles at all levels.

Failure to comply with veterans' preference requirements to be treated as a prohibited personnel practice (sec. 1615)

The House bill contained a provision (sec. 1047) that would make failure to take, recommend or approve any personnel action involving a veteran's preference a prohibited personnel practice.

The Senate amendment contained no similar provision.

The Senate recedes with a clarifying amendment.

Pilot programs for defense employees converted to contractor employees due to privatization at closed military installations (sec. 1616)

The Senate amendment contained a provision (sec. 1121) that would permit certain federal workers who accept employment with a contractor in conjunction with a privatization initiative, referred to as "transferred" employees, to continue to accrue years of federal service for the purpose of determining eligibility for federal retirement, but not for determining the amount of the employees retirement benefit.

The House bill contained no similar provision.

The House recedes with an amendment clarifying that the facility must have been recommended for privatization in place by the Base Realignment and Closure Commission.

Subtitle B—Department of Defense Intelligence Personnel Policy

LEGISLATIVE PROVISIONS ADOPTED

Department of Defense intelligence personnel policy (secs. 1631–1635)

The Senate amendment contained several provisions (sec. 1131–1134) that would provide new personnel management authorities to the Secretary of Defense for managing the civilian personnel in the DOD intelligence community.

These provisions would authorize the Secretary of Defense to: 1) establish Senior Executive Service (SES) positions in the intelligence community without regard to individual service or agency caps while retaining the overall DOD cap; 2) establish senior-level positions in the intelligence community to provide upward mobility for individuals whose career patterns and areas of expertise do not afford or require the management experience required of an SES; 3) establish term-limited non-competitive positions for periods of up to two years to permit the rapid expansion or contraction of portions of the workforce to meet evolving needs; 4) terminate the employment of a member of the intelligence community in the interests of the United States; 5) adjust the size, quality and skill mix of the intelligence community workforce by allowing greater weight to be given to performance and skill than is currently possible under existing reduction-in-force rules.

The Senate amendment also contained several provisions (secs. 921, 924, and 925) that would provide personnel management authorities to the Secretary of Defense for managing the civilian personnel in the National Imagery and Mapping Agency that are consistent with other authorities affecting the defense intelligence community.

The House bill contained no similar provision.

The House recedes with an amendment that would consolidate those provisions addressing the management of civilian personnel of the defense intelligence community including those assigned to the National Imagery and Mapping Agency.

The conferees intend that the section concerning time-limited appointments be used for non-competitive appointments to meet crisis or surge requirements. The conferees do not intend to limit the temporary limited appointment or "not-to exceed" authorities currently in effect.

LEGISLATIVE PROVISIONS NOT ADOPTED

Phased retirement

The House bill contained a provision (sec. 335) that would authorize the Department of Defense to establish a pilot program to encourage some civilians to retire in stages by changing current annuity offset rules.

The Senate amendment contained no similar provision.

The House recedes.

TITLE XVII—FEDERAL EMPLOYEE TRAVEL REFORM

Federal Employee Travel Reform (secs. 1701–1725)

The Senate amendment contained several provisions (secs. 1401–1434) that would reform federal travel policy to provide employees who transfer in the interest of the government more effective and efficient delivery of relocation services, alleviate administrative burdens associated with travel and employee relocations, and reduce travel and relocation costs.

These provisions are the product of the Joint Financial Management Improvement Program: a multi-agency task force that includes the Office of Management and Budget; the General Accounting Office; the Department of the Treasury; and the Office of Per-

sonnel Management. The provisions would: (1) provide authority to offer employees a choice of methods of reimbursement for house-hunting trips and reimbursement for subsistence expenses when lodged in temporary quarters; (2) establish a cap on reimbursement of residence transaction expenses based on a percentage of the price of a home; (3) provide authority for reimbursement for property management services expenses; (4) authorize the transportation of an employee's privately owned vehicle within the continental United States under certain circumstances; and (5) authorize the use of home marketing incentives and other streamlining initiatives.

The House bill contained no similar provision.

The House recedes.

The conferees recognize that the Committee on Government Reform and Oversight of the House of Representatives has been active in seeking reform of federal travel processes and has developed separate legislation that incorporates many of the provisions in the conference agreement. In the legislation being considered by the Committee on Government Reform and Oversight of the House of Representatives, there are significant new measures that warrant further attention and review. One such provision would require the use of the government-wide travel charge card program. The conferees urge that executive branch agencies, when appropriate, use their discretionary authority to maximize the use of the travel charge card in order to maximize the rebate the government receives for the purchases of travel and travel related services.

TITLE XVIII—FEDERAL CHARTER FOR THE FLEET RESERVE ASSOCIATION

Federal Charter for the Fleet Reserve Association (secs. 1801–1816)

The Senate amendment contained provisions (sec. 1201–1216) that would establish a Federal charter for the Fleet Reserve Association.

The House bill contained no similar provision.

The House bill recedes with a technical amendment.

DIVISION B—MILITARY CONSTRUCTION AUTHORIZATIONS

Overview

The budget request for fiscal year 1997 included $9,132,311,000 for military construction and family housing.

The House bill would authorize $10,032,311,000 for military construction and family housing.

The Senate amendment would provide $9,832,711,000 for this purpose.

The conferees recommend authorization of apppropriations of $9,982,311,000 for military construction and family housing, including general reductions and termination of prior year projects.

The conferees are deeply concerned about the condition of the military infrastructure and troubled by the shortfalls evident in the administration's budget request for fiscal year 1997 for military construction and military family housing programs. The conferees note that the construction and modernization of facilities and their upkeep and maintenance are a critical component of military readi-

ness, which has been under funded in recent years. The conferees are also mindful of the serious deficiencies in facilities designed to support the quality of life of military personnel and their families.

From an operational and readiness perspective, shortfalls in the construction and repair and maintenance accounts have exacerbated problems in the facilities infrastructure. Needed improvements to basic infrastructure have often been deferred, leading to the creation of a steep backlog in facilities, construction and maintenance. For example, approximately 20 percent of the Army's facilities are unsuitable, either due to deteriorated conditions or they are unable to meet mission requirements. Additionally, the Army lacks 30 percent of the facilities required to meet specific mission requirements, making do with work-arounds that impair efficiency. To cite another example, over two-thirds of the Navy's piers were constructed during the Second World War. According to the Navy's estimates, by the year 2010, only 20 percent of existing piers and wharves would adequately be able to service the fleet.

The condition of military housing for families and unaccompanied personnel and other quality of life infrastructure is in a similar state of deterioration. According to the Defense Science Board Task Force on Quality of Life, 62 percent of barracks and dormitories are currently unsuitable and 64 percent of family housing units are in the same condition. In spite of these serious deficiencies, the administration's budget request fails to keep pace with current levels of funding to support the construction of barracks and dormitories. The budget request for fiscal year 1997 further proposes to reduce sharply the expenditure of funds on new construction of military family housing and improvements to existing family housing units. The administration also proposes to reduce funding for basic maintenance of family housing.

The conferees believe the administration's budget request for military construction and military family housing programs for fiscal year 1997, which is $1.56 billion below the fiscal year 1996 request, is seriously under funded. The conferees recommend an increase in new budget authority for these programs of $850,000,000. Approximately 60 percent of that amount is dedicated to a major quality of life initiative. The conferees recommend an additional $200,816,000 for the construction of new barracks and dormitories and an additional $266,170,000 for the construction of military family housing and improvements to existing family housing units. The conferees also recommend an additional $30,410,000 for the construction of child development centers. The conferees reiterate their support for the military housing privatization initiative authorized in section 2801 of the Military Construction Authorization Act of Fiscal Year 1996 (division B of Public Law 104–106) and recommend an additional $10,000,000 to support both the family housing and unaccompanied housing privatization initiatives.

The conferees remain concerned about the instability in funding for the military construction and military family housing programs contemplated by the current Future Years Defense Plan. The conferees believe the serious backlog of military construction requirements can no longer be deferred. The conferees urge the Secretary of Defense to address the need to reduce the backlog of military construction requirements affecting the operational needs

of the military departments and to enhance those programs that directly support improvements in the quality of life for military personnel and their families.

A tabular summary of the authorizations provided in Division B for fiscal year 1997 follows:

	FY 1997 Authorization Request	House Authorized	Senate Authorized	Conference Change	Conference Authorization
DIVISION B					
MILITARY CONSTRUCTION					
Military Construction, Army	434,723	603,584	546,498	136,865	571,588
Military Construction, Navy	525,346	712,476	630,336	174,258	699,604
Military Construction, Air Force	603,059	678,914	750,274	142,205	745,264
Military Construction, Defense-wide	812,945	772,345	770,145	(49,233)	763,712
Military Construction, Army National Guard	7,600	41,316	94,528	51,594	59,194
Military Construction, Air National Guard	75,394	118,394	209,884	113,111	188,505
Military Construction, Army Reserve	48,459	50,159	59,174	7,084	55,543
Military Construction, Naval Reserve	10,983	33,169	32,743	21,796	32,779
Military Construction, Air Force Reserve	51,655	51,655	54,770	1,150	52,805
Base Realignment and Closure II, III, IV	2,507,476	2,507,476	2,507,476	0	2,507,476
NATO Infrastructure	197,000	177,000	197,000	(25,000)	172,000
DoD Unaccompanied Housing Improvement Fund	0	10,000	5,000	5,000	5,000
BRAC Receipts					
Total Military Construction	5,274,640	5,756,488	5,857,828	578,830	5,853,470
FAMILY HOUSING					
Family Housing Construction, Army	75,013	176,603	102,133	83,490	158,503
Family Housing Support, Army	1,212,466	1,257,466	1,262,466	0	1,212,466
Family Housing Construction, Navy and Marine Corps	403,726	532,456	410,216	96,160	499,886
Family Housing Support, Navy and Marine Corps	1,014,241	1,058,241	1,014,241	0	1,014,241
Family Housing Construction, Air Force	231,236	304,068	265,038	86,520	317,756
Family Housing Support, Air Force	829,474	840,474	829,474	0	829,474

	FY 1997 Authorization Request	House Authorized	Senate Authorized	Conference Change	Conference Authorization
Family Housing Construction, Defense-wide	4,371	4,371	4,371	0	4,371
Family Housing Support, Defense-wide	30,963	30,963	30,963	0	30,963
Homeowners Assistance Fund	36,181	36,181	36,181	0	36,181
DoD Family Housing Improvement Fund	20,000	35,000	20,000	5,000	25,000
Total Family Housing	3,857,671	4,275,823	3,975,083	271,170	4,128,841

Military Construction and Family Housing

(Dollars in Thousands)

Line No.	State	Service/Agency/Program	Installation	Project Title	Authorization: Request	Authorization: House	Authorization: Senate	Conference: Change	Conference: Authorization
1	Alabama	Army	Ft. Rucker	Air Traffic Control Tower	0	0	3,250	3,250	3,250
2	Alabama	Air Force	Maxwell AFB	Off Trng School Academic Facility	7,875	7,875	7,875	0	7,875
3	Alabama	Defense Medical Facility Office	Maxwell AFB	Ambulatory Health Care Center, Phase II	25,000	25,000	25,000	0	25,000
4	Alabama	Army National Guard	Birmingham	Joint Medical Training Facility	0	4,600	4,600	4,600	4,600
5	Alabama	Air National Guard	Dannelly Field	Munitions Complex & Aircraft Equipment Shop	0	0	4,500	0	0
6	Alaska	Air Force	Eielson AFB	Conventional Munitions Shop	0	0	3,900	3,900	3,900
7	Alaska	Air Force	Elmendorf AFB	Hanger/Squadron Operations/ Aircraft Maint	19,435	19,435	19,435	0	19,435
8	Alaska	Air Force	Elmendorf AFB	Upgrade Storm Drainage System	2,095	2,095	2,095	0	2,095
9	Alaska	Air Force	King Salmon	Repair Airfield Pavements	0	0	6,700	6,700	6,700
10	Alaska	Defense Logistics Agency	Elmendorf AFB	Hydrant Fuel System	18,000	18,000	18,000	0	18,000
11	Alaska	Defense Logistics Agency	Elmendorf AFB	Fuel Farm, Phase I	0	0	3,000	3,000	3,000
12	Alaska	Army National Guard	Fairbanks	Readiness Center	0	0	4,955	4,955	4,955
13	Arizona	Army	Ft. Huachuca	Bachelor Enlisted Quarters	0	21,000	0	0	0
14	Arizona	Navy	MCAS Yuma	Bachelor Enlisted Quarters	0	14,600	0	0	0
15	Arizona	Navy	NAVDET Camp Navajo	Magazine Modifications, Phase I	3,920	3,920	3,920	0	3,920
16	Arizona	Air Force	Davis-Monthan AFB	EC-130 Aircraft Maint Facility	4,330	4,330	4,330	0	4,330
17	Arizona	Air Force	Davis-Monthan AFB	Consolidated Material Processing Facility	5,590	5,590	5,590	0	5,590
18	Arizona	Air Force	Luke AFB	Dormitory	0	6,700	0	6,700	6,700
19	Arkansas	Air Force	Little Rock AFB	C-130 Squadron Operations/ Aircraft Maint	14,045	14,045	14,045	0	14,045
20	Arkansas	Air Force	Little Rock AFB	Add/Alter Field Training Facility	1,525	1,525	1,525	0	1,525
21	Arkansas	Air Force	Little Rock AFB	Upgrade Sanitary Sewer System	2,535	2,535	2,535	0	2,535
22	Arkansas	Chemical Demilitarization	Pine Bluff Arsenal	Ammunition Demilitarization Facility, Phase III	46,000	46,000	46,000	0	46,000
23	Arkansas	Army National Guard	Benton	Armory	0	0	1,805	0	0
24	Arkansas	Army National Guard	Camp Robinson	Army Aviation Support Facility	0	0	14,081	0	0
25	California	Army	Barstow-Daggett	Heliport	0	7,000	0	0	0
26	California	Army	Camp Roberts	Electrical Distribution System	5,500	5,500	5,500	0	5,500
27	California	Army	NWS Concord	Ammunition Pier	27,000	27,000	27,000	0	27,000
28	California	Navy	MCAGCC Twentynine Palms	Child Development Center	4,020	4,020	4,020	0	4,020
29	California	Navy	MCAS Camp Pendleton	Runway Improvements	1,390	1,390	1,390	0	1,390
30	California	Navy	MCAS Camp Pendleton	Aircraft Parking Apron Expansion & Taxiway	2,600	2,600	2,600	0	2,600
31	California	Navy	MCAS Camp Pendleton	Transportation Infrastructure	2,250	2,250	2,250	0	2,250
32	California	Navy	MCB Camp Pendleton	Bachelor Enlisted Quarters	11,800	11,800	11,800	0	11,800
33	California	Navy	MCB Camp Pendleton	Bachelor Enlisted Quarters	10,100	10,100	10,100	0	10,100
34	California	Navy	MCB Camp Pendleton	Bachelor Enlisted Quarters Replacement	12,500	12,500	12,500	0	12,500
35	California	Navy	MCB Camp Pendleton	Automated Field Firing Range	4,020	4,020	4,020	0	4,020
36	California	Navy	MCB Camp Pendleton	Tactical Vehicle Maintenance Facility	9,060	9,060	9,060	0	9,060
37	California	Navy	MCB Camp Pendleton	Physical Fitness Center	4,150	4,150	4,150	0	4,150
38	California	Navy	MCRD San Diego	Combat Training Tank	0	0	8,150	8,150	8,150
39	California	Navy	NAS North Island	Dredging	59,502	59,502	49,872	0	59,502
40	California	Navy	NAS North Island	Ship Maintenance Facility	27,000	27,000	27,000	0	27,000
41	California	Navy	NAVFAC San Clemente	BEQ & Mess Hall	17,000	17,000	17,000	0	17,000
42	California	Navy	NS San Diego	Oily Waste Collection Facility	7,050	7,050	7,050	0	7,050
43	California	Navy	NCBC Hueneme	Bachelor Enlisted Quarters	0	7,700	0	7,700	7,700

Military Construction and Family Housing

(Dollars in Thousands)

Line No.	State	Service/Agency/Program	Installation	Project Title	Authorization: Request	Authorization: House	Authorization: Senate	Conference: Change	Conference: Authorization
44	California	Navy	NCCOSC San Diego	Pier (San Clemente)	1,960	1,960	1,960	0	1,960
45	California	Air Force	Beale AFB	Landfill Closure	6,735	6,735	6,735	0	6,735
46	California	Air Force	Beale AFB	CARS Deployable Ground Station Spt Fac	7,690	7,690	7,690	0	7,690
47	California	Air Force	Edwards AFB	Renovate Aircraft Maintenance Facility	7,680	7,680	7,680	0	7,680
48	California	Air Force	Edwards AFB	Convert Boilers	3,120	3,120	3,120	0	3,120
49	California	Air Force	Edwards AFB	F-22 Alter Aircraft Maint Facility	4,390	4,390	4,390	0	4,390
50	California	Air Force	Edwards AFB	Add to and Alter Anechoic Chamber	4,890	4,890	4,890	0	4,890
51	California	Air Force	McClellan AFB	Flood Control Measure	8,795	0	0	(8,795)	0
52	California	Air Force	Travis AFB	Dormitory	7,980	7,980	7,980	0	7,980
53	California	Air Force	Travis AFB	Dormitory	0	6,250	7,000	7,000	7,000
54	California	Air Force	Vandenberg AFB	Satellite Processing Facility	3,290	3,290	3,290	0	3,290
55	California	Defense Logistics Agency	Def Dist San Diego	Replace General Purpose Whse	15,700	15,700	15,700	0	15,700
56	California	Defense Medical Facility Office	MCB Camp Pendleton	Branch Medical Clinic (Edson Range)	3,300	3,300	3,300	0	3,300
57	California	Special Operations Command	NAB Coronado	SOF - Ops & Logistics Support Facility	7,700	7,700	7,700	0	7,700
58	California	Defense Logistics Agency	NAF El Centro	Replace Hydrant Fuel System	5,700	5,700	5,700	0	5,700
59	California	Defense Medical Facility Office	NAS Lemoore	NAVHOSP Lemoore Replacement	38,000	38,000	38,000	0	38,000
60	California	Defense Finance & Accounting Service	Norton AFB	Renovate Existing Facility For Admin Use	13,800	13,800	13,800	0	13,800
61	California	Defense Logistics Agency	Travis AFB	Replace Hydrant Fuel System	15,200	15,200	15,200	0	15,200
62	California	Army National Guard	Los Alamitos AFRC	JP-8 Fuel Tank Replacements	0	0	1,092	0	0
63	California	Navy Reserve	Pasadena	Marine Corps Reserve Facility	0	6,100	0	0	0
64	Colorado	Army	Ft. Carson	Whole Barracks Complex Renewal, Phase II	13,000	13,000	13,000	0	13,000
65	Colorado	Army	Ft. Carson	Child Development Center	0	4,550	0	4,550	4,550
66	Colorado	Air Force	Air Force Academy	Upgrade Academic Facility	10,065	10,065	10,065	0	10,065
67	Colorado	Air Force	Air Force Academy	Family Support Center	0	2,100	2,100	2,100	2,100
68	Colorado	Air Force	Buckley ANGB	Space-Based Infrared Sys Ops Facility	14,460	14,460	14,460	0	14,460
69	Colorado	Air Force	Buckley ANGB	Base Supply And Equipment Warehouse	3,500	3,500	3,500	0	3,500
70	Colorado	Air Force	Falcon AFS	Alter Dining Facility/Safety Upgrade	2,095	2,095	2,095	0	2,095
71	Colorado	Air Force	Peterson AFB	Dormitory	8,350	8,350	8,350	0	8,350
72	Colorado	Air Force	Peterson AFB	Mission Support Facility	12,370	12,370	12,370	0	12,370
73	Colorado	Chemical Demilitarization	Pueblo AD	Ammunition Demilitarization Fac, Phase I	17,497	17,497	17,497	(17,497)	0
74	Colorado	Air National Guard	Buckley ANGB	Infrastructure Improvements	0	4,450	0	4,450	4,450
75	Colorado	Air Force Reserve	Peterson AFB	Composite Maintenance Facility	3,200	3,200	3,200	0	3,200
76	Connecticut	Navy	NSB New London	Hazardous Material Storehouse	3,230	3,230	3,230	0	3,230
77	Connecticut	Navy	NSB New London	Bachelor Enlisted Quarters	10,600	10,600	10,600	0	10,600
78	Connecticut	Army National Guard	Groton	ADAL Aviation Classif. Repair Activity Depot	0	0	5,647	5,647	5,647
79	Connecticut	Army National Guard	Windsor Locks	Fire Suppression	0	3,045	3,045	3,045	3,045
80	Delaware	Air Force	Dover AFB	C-5 Aerial Delivery Facility	7,980	7,980	7,980	0	7,980
81	Delaware	Air Force	Dover AFB	Visiting Officers Quarters	0	0	12,000	12,000	12,000
82	Delaware	Air National Guard	New Castle County AP	Fire Station, AGE & AGU Complex	0	2,800	0	2,800	2,800
83	Delaware	Air National Guard	New Castle County AP	Operations & Training Complex	0	0	9,300	0	0
84	District of Columbia	Army	Ft. McNair	National Defense University Fac, Phase II	6,900	6,900	6,900	0	6,900
85	District of Columbia	Navy	NAVDIST Washington	Bachelor Enlisted Quarters Complex	19,300	19,300	19,300	0	19,300
86	District of Columbia	Defense Intelligence Agency	Bolling AFB	Reconfiguration DIAC	6,790	6,790	6,790	0	6,790
87	District of Columbia	Navy Reserve	NAF, Andrews AFB	Training Building Addition	1,465	1,465	1,465	0	1,465

Military Construction and Family Housing

(Dollars in Thousands)

Line No.	State	Service/Agency/Program	Installation	Project Title	Authorization: Request	Authorization: House	Authorization: Senate	Conference: Change	Conference: Authorization
88	District of Columbia	Navy Reserve	NAF, Andrews AFB	Addition To Hangar 12	640	640	640	0	640
89	Florida	Navy	NAS Key West	Fitness Center	2,250	2,250	2,250	0	2,250
90	Florida	Navy	NS Mayport	Wharf Structure Improvements	0	2,800	0	2,800	2,800
91	Florida	Air Force	Eglin AFB	Upgrade Electrical Distribution System	4,590	4,590	4,590	0	4,590
92	Florida	Air Force	Eglin Aux Field 9	Transient Personnel Quarters	6,825	6,825	6,825	0	6,825
93	Florida	Air Force	Patrick AFB	Control Tower	2,595	2,595	2,595	0	2,595
94	Florida	Air Force	Patrick AFB	Air Freight/Passenger Terminal & Base Ops	0	0	7,900	0	0
95	Florida	Air Force	Tyndall AFB	Aircraft Equipment Maintenance Shop	0	3,600	3,600	3,600	3,600
96	Florida	Special Operations Command	MacDill AFB	Add to Command & Control Facility	0	9,600	0	9,600	9,600
97	Florida	Defense Medical Facility Office	NAS Key West	NAST Clinic Replacement	13,600	13,600	13,600	0	13,600
98	Florida	Defense Finance & Accounting Service	NTC Orlando	Renovate Existing Fac For Admin Use	2,600	2,600	2,600	0	2,600
99	Florida	Army National Guard	MacDill AFB	Aviation Support Facility	0	4,248	0	4,248	4,248
100	Florida	Air National Guard	Jacksonville IAP (ANG)	Upgrade Heating Plants And Chillers	680	680	680	0	680
101	Florida	Air National Guard	Jacksonville IAP (ANG)	ADAL Medical Training Facility	0	0	1,100	0	0
102	Florida	Navy Reserve	NRRC Jacksonville	Reserve Center Addition	770	770	770	0	770
103	Florida	Air Force Reserve	Homestead AFR	Fire Training Facility	1,300	1,300	1,300	0	1,300
104	Georgia	Army	Ft. Benning	Rail Loading Facility	9,400	9,400	9,400	0	9,400
105	Georgia	Army	Ft. Benning	Whole Barracks Complex Renewal	44,000	44,000	44,000	0	44,000
106	Georgia	Army	Ft. McPherson	Whole Barracks Complex Renewal	0	9,100	0	0	0
107	Georgia	Army	Ft. McPherson	Military Entrance Processing Facility (Ft. Gillem)	0	0	3,800	3,800	3,800
108	Georgia	Army	Ft. Stewart/Hunter AAF	Close Combat Tactical Training Building	6,000	6,000	6,000	0	6,000
109	Georgia	Navy	MCLB Albany	Child Development Center	0	1,630	0	0	0
110	Georgia	Navy	NSB Kings Bay	Child Development Center Addition	0	1,550	0	1,550	1,550
111	Georgia	Air Force	Moody AFB	Rescue C-130 Parking Apron	0	0	3,350	3,350	3,350
112	Georgia	Air Force	Robins AFB	JSTARS ADAL Aircraft Maint Shops	1,645	1,645	1,645	0	1,645
113	Georgia	Air Force	Robins AFB	JSTARS Child Development Center	2,145	2,145	2,145	0	2,145
114	Georgia	Air Force	Robins AFB	JSTARS ADAL Apron/Hydrant Fuel System	6,585	6,585	6,585	0	6,585
115	Georgia	Air Force	Robins AFB	JSTARS Squadron Operations/ Aircraft Maint	8,270	8,270	8,270	0	8,270
116	Georgia	Air Force	Robins AFB	Upgrade Dormitories <House = 2 lines>	0	4,000	6,400	6,400	6,400
117	Georgia	Air National Guard	Robins AFB	B-1 Composite Aircraft Maint. Complex	12,400	12,400	12,400	0	12,400
118	Georgia	Air National Guard	Robins AFB	B-1 Aircraft Park Apron & Relocate Taxiway	8,800	8,800	8,800	0	8,800
119	Georgia	Air National Guard	Robins AFB	B-1 Site Improvements, Roads & Utilities	5,500	5,500	5,500	0	5,500
120	Georgia	Air National Guard	Robins AFB	B-1 AGE & Munitions Trailer Maint Complex	2,800	2,800	2,800	0	2,800
121	Georgia	Air National Guard	Robins AFB	B-1 Operations & Training Facility	0	0	5,000	0	0
122	Georgia	Navy Reserve	NAS Atlanta	Renovate Bachelor Enlisted Quarters	0	0	3,250	3,250	3,250
123	Georgia	Air Force Reserve	Dobbins AFB	ADAL Communications Facility	1,137	1,137	1,137	0	1,137
124	Georgia	Air Force Reserve	Dobbins AFB	Upgrade Storm Water System	0	0	1,150	1,150	1,150
125	Hawaii	Army	Schofield Barracks	Whole Barracks Complex Renewal	0	0	16,500	16,500	16,500
126	Hawaii	Navy	MCAS Kaneohe Bay	Bachelor Enlisted Quarters	0	20,060	0	20,060	20,060
127	Hawaii	Navy	NS Pearl Harbor	Bachelor Enlisted Quarters Modernization	19,600	19,600	19,600	0	19,600
128	Hawaii	Navy	NS Pearl Harbor	Bachelor Enlisted Quarters Modernization	5,390	5,390	5,390	0	5,390
129	Hawaii	Navy	NS Pearl Harbor	Bachelor Enlisted Quarters	30,500	30,500	30,500	0	30,500
130	Hawaii	Special Operations Command	NS Ford Island, Pearl	SOF - Advanced SEAL Delivery Sys Facility	12,800	12,800	12,800	0	12,800
131	Hawaii	Air National Guard	Hickam AFB	Alter Avionics Shop	1,000	1,000	1,000	0	1,000

Military Construction and Family Housing

(Dollars in Thousands)

Line No.	State	Service/Agency/Program	Installation	Project Title	Authorization: Request	Authorization: House	Authorization: Senate	Conference: Change	Conference: Authorization
132	Hawaii	Air National Guard	Hickam AFB	Alter Squadron Operations Facility	0	0	9,000	9,000	9,000
133	Idaho	Navy	NSWC Bayview	Ships Model Engineering & Test Facility	7,150	7,150	7,150	0	7,150
134	Idaho	Air Force	Mountain Home AFB	Flightline Fire Station	6,545	6,545	6,545	0	6,545
135	Idaho	Air Force	Mountain Home AFB	Dormitory	0	9,300	0	0	0
136	Idaho	Air Force	Mountain Home AFB	Corrosion Control Facility	0	0	9,400	9,400	9,400
137	Idaho	Air National Guard	Gowen Field	Fuel Sys Maint & Corrosion Control Fac	4,500	4,500	4,500	0	4,500
138	Idaho	Air National Guard	Gowen Field	C-130 Engine & Propeller Shops	0	0	1,500	1,500	1,500
139	Illinois	Navy	NH Great Lakes	Bachelor Enlisted Quarters	0	15,200	0	10,000	10,000
140	Illinois	Navy	NTC Great Lakes	Bachelor Enlisted Quarters	22,900	22,900	22,900	0	22,900
141	Illinois	Defense Finance & Accounting Service	Rock Island Arsenal	Renovate Existing Fac For Admin Use	14,400	14,400	14,400	0	14,400
142	Illinois	Air National Guard	Greater Peoria RAP (ANG)	Fuel Systems Maint & Corrosion Control Fac	4,200	4,200	4,200	0	4,200
143	Illinois	Air Force Reserve	Scott AFB	Consolidated Medical Training Facility	2,300	2,300	2,300	0	2,300
144	Indiana	Navy	NSWC Crane	Bachelor Enlisted Quarters	0	5,000	0	5,000	5,000
145	Indiana	Army National Guard	Camp Atterbury	Central Vehicle Wash Facility	0	4,747	4,747	4,747	4,747
146	Indiana	Army National Guard	Marion	Organizational Maintenance Shop	0	1,121	0	1,121	1,121
147	Indiana	Air National Guard	Fort Wayne IAP	Upgrade Drainage System	480	480	480	0	480
148	Indiana	Air National Guard	Fort Wayne IAP	Base Supply Complex	0	0	4,150	4,150	4,150
149	Indiana	Air National Guard	Hulman AP	Extend Cross Wind Runway	0	7,000	0	7,000	7,000
150	Indiana	Air National Guard	Hulman Field	Fuel Cell, Corrosion Control, Fire Station	0	0	4,700	0	0
151	Iowa	Air National Guard	Des Moines IAP	Aircraft Arresting System <House = 2 lines, AGE S	0	3,350	2,350	1,000	1,000
152	Kansas	Army	Ft. Riley	Whole Barracks Complex Renewal	26,000	26,000	26,000	0	26,000
153	Kansas	Army	Ft. Riley	Modified Record Fire Range	0	0	3,350	0	0
154	Kansas	Air Force	McConnell AFB	Dormitory	8,480	8,480	8,480	0	8,480
155	Kansas	Air Force	McConnell AFB	Flight Simulator Training Facility	0	0	3,550	3,550	3,550
156	Kansas	Air Force	McConnell AFB	Dormitory	0	7,100	7,100	7,100	7,100
157	Kansas	Air Force	McConnell AFB	Consolidated Education Center	0	0	6,700	0	0
158	Kansas	Defense Logistics Agency	McConnell AFB	Add/Alter Jet Fuel Storage Facility	2,200	2,200	2,200	0	2,200
159	Kansas	Army National Guard	Topeka	USP&FO Warehouse Alteration/Addition	0	0	1,917	1,917	1,917
160	Kansas	Army Reserve	Wichita ARC	Add/Alt USARC, New OMS/AMSA	5,670	5,670	5,670	0	5,670
161	Kentucky	Army	Ft. Campbell	Rail Spur	16,100	16,100	16,100	0	16,100
162	Kentucky	Army	Ft. Campbell	Whole Barracks Complex Renewal	35,000	35,000	35,000	0	35,000
163	Kentucky	Army	Ft. Campbell	Tactical Equipment Shop, Phase II	0	0	9,900	0	0
164	Kentucky	Army	Ft. Campbell	Consolidated Education Center, Phase II	0	0	6,600	0	0
165	Kentucky	Army	Ft. Knox	Whole Barracks Complex Renewal	0	20,500	0	10,000	10,000
166	Kentucky	Army	Ft. Knox	Urban Training Range	0	0	13,000	13,000	13,000
167	Kentucky	Special Operations Command	Ft. Campbell	SOF - Supply Support Facility	4,200	4,200	4,200	0	4,200
168	Kentucky	Army National Guard	Greenville	Western Kentucky Training Site, Phase III	0	0	10,800	0	0
169	Louisiana	Army	Ft. Polk	Consolidated Rail Complex	0	0	4,800	0	0
170	Louisiana	Air Force	Barksdale AFB	Upgrade Sanitary Sewer System	2,390	2,390	2,390	0	2,390
171	Louisiana	Air Force	Barksdale AFB	Communications Systems Squadron Complex	2,500	2,500	2,500	0	2,500
172	Louisiana	Defense Logistics Agency	Barksdale AFB	Jet Fuel Offload Facility	4,300	4,300	4,300	0	4,300
173	Louisiana	Navy Reserve	NSA New Orleans	Bachelor Enlisted Quarters	0	8,956	8,900	8,956	8,956
174	Louisiana	Navy Reserve	NSA New Orleans	Child Development Center Addition	0	1,330	0	1,330	1,330
175	Louisiana	Navy Reserve	NSA New Orleans	Applied Instruction Facility	0	3,650	3,650	3,650	3,650

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Line No.	State	Service/Agency/Program	Installation	Project Title	Authorization: Request	Authorization: House	Authorization: Senate	Conference: Change	Conference: Authorization
176	Maine	Defense Finance & Accounting Service	Loring AFB	Renovate Existing Fac For Admin Use	6,900	6,900	6,900	0	6,900
177	Maine	Air National Guard	Bangor IAP	Upgrade Base Facilities	0	0	13,000	7,000	7,000
178	Maryland	Navy	NAS Patuxent River	Wastewater Treatment Plant Upgrade	1,270	1,270	1,270	0	1,270
179	Maryland	Navy	NAWC Patuxent River	Ante-Chamber & Laboratory Space	0	10,000	0	10,000	10,000
180	Maryland	Navy	United States Naval Academy	Chiller System Upgrade	0	0	10,480	5,000	5,000
181	Maryland	Air Force	Andrews AFB	Alter Dormitory	5,990	5,990	5,990	0	5,990
182	Maryland	Air Force	Andrews AFB	Family Support Center	0	0	2,150	2,150	2,150
183	Maryland	Defense Logistics Agency	Andrews AFB	Replace Hydrant Fuel System	12,100	12,100	12,100	0	12,100
184	Maryland	Defense Medical Facility Office	Andrews AFB	Life Safety/Emergency Room Upgrade	15,500	15,500	15,500	0	15,500
185	Maryland	National Security Agency	Ft. Meade	Friendship Annex III Purchase	26,200	0	0	(26,200)	0
186	Maryland	Defense Medical Facility Office	WRAIR, Forest Glen	Army Institute Of Research, Phase IV	92,000	72,000	92,000	(20,000)	72,000
187	Maryland	Army National Guard	Annapolis	Armory Addition/Alteration	0	0	2,332	0	0
188	Maryland	Air National Guard	Andrews AFB	Munitions Trailer Maintenance Facility	500	500	500	0	500
189	Maryland	Air Force Reserve	Andrews AFB	Consolidated Medical Training	2,600	2,600	2,600	0	2,600
190	Massachusetts	Air National Guard	Barnes MAP (ANG)	Upgrade Heating Distribution System	500	500	500	0	500
191	Massachusetts	Air National Guard	Milford ANGB	Vehicle Maintenance Complex	0	0	1,900	1,900	1,900
192	Michigan	Air National Guard	Selfridge ANGB	Upgrade Heating Systems	3,000	3,000	3,000	0	3,000
193	Michigan	Air National Guard	W.K. Kellogg AP	Composite Support Complex	0	0	6,000	6,000	6,000
194	Michigan	Air Force Reserve	Selfridge ANGB	Fuel System Maintenance Hangar	6,000	6,000	6,000	0	6,000
195	Minnesota	Air National Guard	Minneapolis/St Paul IAP	Base CE Operations & Maintenance Complex	0	0	4,150	0	0
196	Minnesota	Army Reserve	ARC Buffalo	USARC/OMS	4,260	4,260	4,260	0	4,260
197	Mississippi	Navy	NS Pascagula	Extend West Quaywall	0	0	4,990	0	0
198	Mississippi	Navy	Stennis Space Center	Ocean Acoustics Research Lab	0	0	7,960	7,960	7,960
199	Mississippi	Air Force	Keesler AFB	Student Dormitory	14,465	14,465	14,465	0	14,465
200	Mississippi	Army National Guard	Camp Shelby	Multipurpose Range Complex, Phase II	0	10,000	5,000	5,000	5,000
201	Mississippi	Air National Guard	Gulfport-Biloxi RAP	Relocate Hewes Road, Phase II	0	0	5,400	5,400	5,400
202	Mississippi	Air National Guard	Thompson Field	Alteration to Operations & Training Building	0	1,350	0	1,350	1,350
203	Missouri	Air National Guard	Rosencrans Memorial AP	Vehicle Maintenance & AGE Complex	0	0	4,000	4,000	4,000
204	Montana	Air Force	Malmstrom AFB	Dormitory	0	0	6,300	6,300	6,300
205	Montana	Air National Guard	Great Falls IAP	Composite Support Facilities Complex	0	0	5,400	5,400	5,400
206	Nebraska	Defense Finance & Accounting Service	Offutt AFB	Renovate Existing Fac For Admin Use	7,000	7,000	7,000	0	7,000
207	Nebraska	Army National Guard	Hastings Training Range	MRF RETS/MPMG	0	0	1,250	0	0
208	Nebraska	Air National Guard	Lincoln MAP	Composite Support Facilities Complex	0	0	7,300	7,300	7,300
209	Nevada	Navy	NAS Fallon	Child Development Center	0	1,400	0	1,030	1,030
210	Nevada	Navy	NAS Fallon	Bachelor Enlisted Quarters	0	14,800	14,800	14,800	14,800
211	Nevada	Navy	NAS Fallon	Engine Test Facility/Aircraft Test Enclosure	0	0	5,800	5,800	5,800
212	Nevada	Air Force	Indian Springs AAF	UAV Operations And Maintenance Facilities	4,690	4,690	4,690	0	4,690
213	Nevada	Air Force	Nellis AFB	Dormitory	0	0	9,900	9,900	9,900
214	Nevada	Air Force	Nellis AFB	Weapons School Addition	0	0	4,800	0	0
215	Nevada	Defense Logistics Agency	NAS Fallon	Addition To Hot Refueling Area	2,100	2,100	2,100	0	2,100
216	Nevada	Air National Guard	Reno Cannon IAP	Fuel Sys Maint & Corrosion Control Hangar	4,600	4,600	4,600	0	4,600
217	Nevada	Air National Guard	Reno IAP	C-130 Aircraft Parking Apron Addition	0	0	1,400	1,400	1,400
218	New Hampshire	Army Reserve	Manchester	AFRC/OMS/AMSA	0	0	5,315	5,315	5,315
219	New Jersey	Army	Picatinny Arsenal	Upgrade Electrical Power System, Phase III	0	7,500	0	5,000	5,000

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220	New Jersey	Air Force	McGuire AFB	Dormitory	8,080	8,080	8,080	0	8,080
221	New Jersey	Army National Guard	Ft. Dix	Training/Technology Tech Battle Lab, Phase I	0	2,000	0	2,000	2,000
222	New Jersey	Air National Guard	Atlantic City IAP (ANG)	Add To & Alter Medical Training Facility	380	380	380	0	380
223	New Jersey	Air National Guard	McGuire AFB	Consolidated Squadron Operations Facility	0	9,900	9,900	9,900	9,900
224	New Mexico	Army	White Sands Missile Range	National Range Control Center, Phase I	0	10,000	10,000	10,000	10,000
225	New Mexico	Air Force	Cannon AFB	Logistics Administration Facility	0	0	7,100	7,100	7,100
226	New Mexico	Air Force	Kirtland AFB	Advanced Laser Research Facility	0	0	10,000	10,000	10,000
227	New Mexico	Air Force	Kirtland AFB	Replace Manzano Bridge	0	0	6,300	0	0
228	New Mexico	Air National Guard	Kirtland AFB	Munitions Maint. & Storage Complex	3,000	3,000	3,000	0	3,000
229	New York	Army	Ft. Drum	Rapid Deployment Operations Facility	0	7,600	0	7,600	7,600
230	New York	Army	Ft. Drum	Range Control Facility	0	3,800	0	3,800	3,800
231	New York	Army	Ft. Drum	Military Training & Education Center	0	0	6,500	0	0
232	New York	Defense Finance & Accounting Service	Griffiss AFB	Renovate Existing Fac For Admin Use	10,200	10,200	10,200	0	10,200
233	New York	Air National Guard	Gabreski Airport	Aircraft Wash And Deicing Facility	659	659	659	0	659
234	New York	Air National Guard	Hancock Field	Composite Operations & Training Facility	0	0	4,500	4,500	4,500
235	New York	Air National Guard	Stewart IAP	C-5 Flight Simulator Facility	3,000	3,000	3,000	0	3,000
236	New York	Air National Guard	Stewart IAP	Cover Landfill	0	0	2,200	2,200	2,200
237	New York	Air Force Reserve	Niagara Falls ARS	Deicing Facility	342	342	342	0	342
238	New York	Air Force Reserve	Niagara Falls ARS	Fire Training System	1,600	1,600	1,600	0	1,600
239	North Carolina	Army	Ft. Bragg	Land Acquisition, Phase II	0	14,000	0	14,000	14,000
240	North Carolina	Navy	MCAS Cherry Point	Tactical Mission Planning Facility	1,630	1,630	1,630	0	1,630
241	North Carolina	Navy	MCAS New River	Child Development Center	0	3,250	0	3,250	3,250
242	North Carolina	Navy	MCAS New River	Aviation Armament Shops	4,140	4,140	4,140	0	4,140
243	North Carolina	Navy	MCAS New River	Corrosion Control Hangar	12,900	12,900	12,900	0	12,900
244	North Carolina	Navy	MCB Camp LeJeune	Bachelor Enlisted Quarters	5,190	5,190	5,190	0	5,190
245	North Carolina	Navy	MCB Camp LeJeune	Physical Fitness Center	2,530	2,530	2,530	0	2,530
246	North Carolina	Navy	MCB Camp LeJeune	Training Range Facilities	9,800	9,800	9,800	0	9,800
247	North Carolina	Navy	MCB Camp LeJeune	Wastewater Treatment Plant, Phase III	3,230	3,230	3,230	0	3,230
248	North Carolina	Air Force	Pope AFB	C-130 ADAL Sqd Ops Aircraft Maint Fac	3,850	3,850	3,850	0	3,850
249	North Carolina	Air Force	Pope AFB	Upgrade Sanitary Sewer System	2,065	2,065	2,065	0	2,065
250	North Carolina	Air Force	Seymour Johnson AFB	F-15 Air Ord Equip Facility/Pod Storage	2,405	2,405	2,405	0	2,405
251	North Carolina	Air Force	Seymour Johnson AFB	F-15E Add To And Alter Flight Simulator	3,460	3,460	3,460	0	3,460
252	North Carolina	Air Force	Seymour Johnson AFB	F-15E Squadron Ops/AMU Academic Fac	3,490	3,490	3,490	0	3,490
253	North Carolina	Air Force	Seymour Johnson AFB	F-15E Student Officer Quarters	1,925	1,925	1,925	0	1,925
254	North Carolina	Defense Medical Facility Office	Ft. Bragg	Ambulatory Clinic, Smoke Bomb Hill	11,400	11,400	11,400	0	11,400
255	North Carolina	Special Operations Command	Ft. Bragg	SOF - Company Ops & Supply Complex	14,000	14,000	14,000	0	14,000
256	North Carolina	Defense Medical Facility Office	Ft. Bragg	Hospital Replacement, Phase IV	89,000	89,000	89,000	0	89,000
257	North Carolina	Air National Guard	Stanly Co. Airport	Composite Maintenance Facility	0	6,000	0	6,000	6,000
258	North Carolina	Air National Guard	Stanly Co. Airport	Parallel Taxiway	0	1,850	0	1,850	1,850
259	North Carolina	Army Reserve	Ft. Bragg	Add To and Alter USARC/OMS	9,966	9,966	9,966	0	9,966
260	North Dakota	Air Force	Grand Forks AFB	Dining Facility	5,985	5,985	5,985	0	5,985
261	North Dakota	Air Force	Grand Forks AFB	KC-135 Sqd Ops/Acft Maint	6,485	6,485	6,485	0	6,485
262	North Dakota	Air Force	Minot AFB	Ugnd Storage Tanks Msl Facilities	3,940	3,940	3,940	0	3,940
263	North Dakota	Army National Guard	Bismarck	AASF/Armory Complex Expansion	0	0	3,650	0	0

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264	Ohio	Air Force	Wright-Patterson AFB	ADAL Engineering Research Lab	7,400	7,400	7,400	0	7,400
265	Ohio	Defense Finance & Accounting Service	Columbus Center	DFAS Operations Facility - Increment II	20,822	20,822	20,822	0	20,822
266	Ohio	Defense Logistics Agency	DCSC Columbus	Construct Entrance Roadway	600	600	600	0	600
267	Ohio	Defense Finance & Accounting Service	Gentile AFS	Renovate Facility For Admin Use	11,400	11,400	11,400	0	11,400
268	Ohio	Air National Guard	Mansfield Lahm AP	Composite Operations & Training Facility	0	0	4,550	4,550	4,550
269	Ohio	Air National Guard	Rickenbacker ANGB	Composite Squadron Ops & HQ Facility	0	6,100	0	6,100	6,100
270	Ohio	Air National Guard	Rickenbacker ANGB	Fuel Cell & Corrosion Control Facility	0	0	5,700	0	0
271	Ohio	Air Force Reserve	Youngstown ARS	Fire Training System	1,500	1,500	1,500	0	1,500
272	Ohio	Air Force Reserve	Youngstown ARS	Wing Headquarters Facility	5,300	5,300	5,300	0	5,300
273	Ohio	Air Force Reserve	Youngstown ARS	Consolidated Maint Facility	3,600	3,600	3,600	0	3,600
274	Oklahoma	Air Force	Tinker AFB	Consolidated Vehicle Maint/Metals Facilities	9,880	9,880	9,880	0	9,880
275	Oklahoma	Air Force	Tinker AFB	Depot Aircraft Corrosion Control Facility, Phase II	0	5,400	0	5,400	5,400
276	Oklahoma	Defense Logistics Agency	Altus AFB	Upgrade C-5 Hydrant System, Phase I	3,200	3,200	3,200	0	3,200
277	Oklahoma	Army National Guard	Camp Gruber	Modified Record Fire Range	0	0	1,551	1,551	1,551
278	Oklahoma	Air National Guard	Will Rogers World Airport	Aeromedical Evacuation Training Facility	0	0	3,000	0	0
279	Oklahoma	Air National Guard	Will Rogers World Airport	ADAL Security Police Facility	570	570	570	0	570
280	Oklahoma	Army Reserve	ARC Muskogee	ADAL USARC/OMS	3,125	3,125	3,125	0	3,125
281	Oklahoma	Air Force Reserve	Tinker AFB	ADAL Facilities For Conversion	5,700	5,700	5,700	0	5,700
282	Oklahoma	Air Force Reserve	Tinker AFB	KC-135 Operations & Training Facilities	3,400	3,400	3,400	0	3,400
283	Oklahoma	DFAS	Fort Sill	DFAS Regional Finance Center	0	0	0	12,864	12,864
284	Oregon	Chemical Demilitarization	Umatilla Depot	Ammunition Demilitarization Facility, Phase II	64,000	64,000	64,000	0	64,000
285	Oregon	Air National Guard	Klamath Falls IAP	Upgrade Infrastructure	0	0	2,500	2,500	2,500
286	Pennsylvania	Navy	NSY Philadelphia	Foundry Improvements	0	8,300	0	8,300	8,300
287	Pennsylvania	Army Reserve	WTS Geneva	ECS/AMSA/Warehouse	9,362	9,362	9,362	0	9,362
288	Pennsylvania	Army Reserve	ARC St. Mary's	Add/Alt USARC/OMS	2,333	2,333	2,333	0	2,333
289	Pennsylvania	Navy Reserve	NAS Willow Grove	Aircraft Rinse Facility	750	750	750	0	750
290	Pennsylvania	Navy Reserve	NMCRC Pittsburgh	Purchase Reserve Center Building And Land	3,480	3,480	3,480	0	3,480
291	Rhode Island	Navy	NWC Newport	Strategic Maritime Research Center, Phase II	0	8,000	0	8,000	8,000
292	Rhode Island	Navy	NUWC Newport	Undersea Weapons Systems Laboratory	0	0	8,900	0	0
293	South Carolina	Navy	MCRD Parris Island	Indoor Simulated Marksmanship Trng Bldg	0	2,450	0	0	0
294	South Carolina	Navy	MCRD Parris Island	Recruit Battalion Operations Facility	0	2,540	2,550	2,540	2,540
295	South Carolina	Air Force	Charleston AFB	C-17 Squadron Ops\Aircrft Maint Unit Fac	5,685	5,685	5,685	0	5,685
296	South Carolina	Air Force	Charleston AFB	C-17 ADAL Aircraft Maintenance/NDI Shop	4,590	4,590	4,590	0	4,590
297	South Carolina	Air Force	Charleston AFB	C-17 ADAL Apron/Hydrant System	13,170	13,170	13,170	0	13,170
298	South Carolina	Air Force	Charleston AFB	C-17 Aircraft Maintenance Facility	5,785	5,785	5,785	0	5,785
299	South Carolina	Air Force	Charleston AFB	Dormitory	8,180	8,180	8,180	0	8,180
300	South Carolina	Air Force	Charleston AFB	Child Development Center	0	0	5,700	0	0
301	South Carolina	Air Force	Shaw AFB	Security Police Operations	3,300	3,300	3,300	0	3,300
302	South Carolina	Air Force	Shaw AFB	Upgrade Sanitary Sewer System	2,365	2,365	2,365	0	2,365
303	South Carolina	Air Force	Shaw AFB	Dormitory	0	0	8,800	8,800	8,800
304	South Carolina	Defense Finance & Accounting Service	Charleston	Renovate Existing Fac For Admin Use	6,200	6,200	6,200	0	6,200
305	South Carolina	Defense Medical Facility Office	Charleston AFB	WRM/BEE Facility	1,300	1,300	1,300	0	1,300
306	South Carolina	Defense Logistics Agency	Shaw AFB	Railroad Jet Fuel Facility	2,900	2,900	2,900	0	2,900
307	South Carolina	Air National Guard	McEntire ANGB	Composite Security Police/Disaster Prep. Facility	0	0	1,500	1,500	1,500

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308	South Dakota	Air Force	Ellsworth AFB	Child Development Center	0	0	4,150	4,150	4,150
309	South Dakota	Army National Guard	Rapid City	Army Aviation Support Facility Ramp	0	0	4,329	4,329	4,329
310	Tennessee	Air Force	Arnold Eng Dev Ctr	Upgrade ETF Refrig System, Plant	3,790	3,790	3,790	0	3,790
311	Tennessee	Air Force	Arnold Eng Dev Ctr	Upgrade Jet Engine Air Induction System	2,991	8,691	2,991	5,700	8,691
312	Tennessee	Army National Guard	Ashland City	Armory	0	0	1,530	0	0
313	Tennessee	Army National Guard	Kingsport	Organizational Maintenance Shop	0	2,755	0	0	0
314	Texas	Army	Ft. Hood	Whole Barracks Complex Renewal	35,000	35,000	35,000	0	35,000
315	Texas	Army	Ft. Hood	Close Combat Tactical Training Building II	5,900	5,900	5,900	0	5,900
316	Texas	Army	Ft. Hood	Direct Support Motor Pool	0	5,400	0	0	0
317	Texas	Army	Ft. Hood	Organizational Motor Pool	0	6,400	0	6,400	6,400
318	Texas	Army	Ft. Sam Houston	Dining Facility	0	0	3,100	3,100	3,100
319	Texas	Navy	NAS Kingsville	Combined Fire/Crash Rescue Station	1,810	1,810	1,810	0	1,810
320	Texas	Navy	NS Ingleside	Magnetic Range Silencing Facility & Land Addition	7,250	7,250	7,250	0	7,250
321	Texas	Navy	NS Ingleside	Bachelor Enlisted Quarters, Phase II	9,600	9,600	9,600	0	9,600
322	Texas	Air Force	Brooks AFB	Student Dormitory	0	5,400	0	5,400	5,400
323	Texas	Air Force	Dyess AFB	Consolidated Dining Hall	0	6,400	0	6,400	6,400
324	Texas	Air Force	Dyess AFB	ADAL Dormitories	5,895	5,895	5,895	0	5,895
325	Texas	Air Force	Kelly AFB	Wing Support Facility	3,250	3,250	3,250	0	3,250
326	Texas	Air Force	Lackland AFB	PIF Combat Arms Training Facility	4,800	4,800	4,800	0	4,800
327	Texas	Air Force	Lackland AFB	Upgrade Recruit Dormitory	4,613	4,613	4,613	0	4,613
328	Texas	Air Force	Sheppard AFB	Consolidated Logistics Complex	9,400	9,400	9,400	0	9,400
329	Texas	Defense Medical Facility Office	Ft. Bliss	Life Safety Upgrade	6,600	6,600	6,600	0	6,600
330	Texas	Defense Medical Facility Office	Ft. Hood	Social Work Services Clinic	1,950	1,950	1,950	0	1,950
331	Texas	Army National Guard	Bryan	Organizational Maintenance Shop	0	0	1,368	1,368	1,368
332	Texas	Army National Guard	Jasper	Armory	0	0	2,103	0	0
333	Texas	Air National Guard	JRB Ft. Worth	Fuel Cell & Corrosion Control Facility	3,450	3,450	3,450	1,050	4,500
334	Texas	Navy Reserve	Dyess AFB	Marine Corps Reserve Center	0	0	3,100	3,100	3,100
335	Utah	Air Force	Hill AFB	Correct Fire Protection Deficiencies	3,690	3,690	3,690	0	3,690
336	Utah	Air National Guard	Salt Lake City IAP	Electronics Security Squadron Complex	2,250	2,250	2,250	0	2,250
337	Utah	Navy Reserve	MCRC Camp Williams	Reserve Training Center	1,994	1,994	1,994	0	1,994
338	Vermont	Army National Guard	Jericho	Upgrade Ranges	0	0	746	746	746
339	Virginia	Army	Fort Eustis	Child Development Center	0	3,550	3,550	3,550	3,550
340	Virginia	Army	Charlottesville	NGIC, Land Purchase	0	0	2,400	1,000	1,000
341	Virginia	Navy	AFSC Norfolk	Wargaming And Research Center	12,900	12,900	12,900	0	12,900
342	Virginia	Navy	FCTC Dahlgren	Bachelor Enlisted Quarters Renovation	0	7,000	0	0	0
343	Virginia	Navy	MCCDC Quantico	Battle Staff Training Facility	3,580	3,580	3,580	0	3,580
344	Virginia	Navy	MCCDC Quantico	Ammunition Storage Magazines, Phase II	2,060	2,060	2,060	0	2,060
345	Virginia	Navy	MCCDC Quantico	Sanitary Landfill	8,930	8,930	8,930	0	8,930
346	Virginia	Navy	NS Norfolk	Crane Rail Interconnect	0	14,400	0	14,400	14,400
347	Virginia	Navy	NS Norfolk	Controlled Industrial Facility	16,500	16,500	16,500	0	16,500
348	Virginia	Navy	NS Norfolk	Shore Interim Maint Activ Addn & Upgrade	8,820	8,820	8,820	0	8,820
349	Virginia	Navy	NS Norfolk	Oily Waste Collection System	10,200	10,200	10,200	0	10,200
350	Virginia	Navy	NS Norfolk	Pier Electrical Improvements	0	6,200	0	6,200	6,200
351	Virginia	Navy	NS Norfolk	Deperming Piers	0	0	12,400	0	0

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352	Virginia	Navy	NSWC, Dahlgren	Bachelor Enlisted Quarters	0	8,030	8,030	8,030	8,030
353	Virginia	Air Force	Langley AFB	Alter HQ Air Combat Command Facilities	8,160	8,160	8,160	0	8,160
354	Virginia	Air Force	Langley AFB	Upgrade Sanitary Sewer System	2,845	2,845	2,845	0	2,845
355	Virginia	Defense Medical Facility Office	NAS Norfolk	Environmental Preventive Med Unit Addition	1,250	1,250	1,250	0	1,250
356	Virginia	Defense Logistics Agency	NAS Oceana	Jet Fuel Storage Tank	1,500	1,500	1,500	0	1,500
357	Virginia	Defense Medical Facility Office	NAVHOSP Portsmouth	Hospital Replacement, Phase VIII	24,000	24,000	24,000	0	24,000
358	Virginia	Army National Guard	Danville	Armory Addition/Alteration	0	0	1,789	1,789	1,789
359	Virginia	Army Reserve	Ft. Eustis	USARC/OMS	10,273	10,273	10,273	0	10,273
360	Washington	Army	Ft. Lewis	Tank Trail Erosion Mitigation-Yakima	2,000	2,000	2,000	0	2,000
361	Washington	Army	Ft. Lewis	Readiness Deployment Facility	3,600	3,600	3,600	0	3,600
362	Washington	Army	Ft. Lewis	Whole Barracks Complex Renewal	49,000	49,000	49,000	0	49,000
363	Washington	Navy	NS Everett	Bachelor Enlisted Quarters	10,940	10,940	10,940	0	10,940
364	Washington	Navy	NS Everett	Berthing Pier	14,800	14,800	14,800	0	14,800
365	Washington	Navy	NUWC Keyport	Environmental Test Facility	0	6,800	0	6,800	6,800
366	Washington	Air Force	Fairchild AFB	KC-135 Eqd Ops/ Aircraft Maint Unit Fac	7,280	7,280	7,280	0	7,280
367	Washington	Air Force	Fairchild AFB	KC-135 Hydrant Fueling System	10,875	10,875	10,875	0	10,875
368	Washington	Air Force	McChord AFB	C-17 Corrosion Control Facility	11,570	11,570	11,570	0	11,570
369	Washington	Air Force	McChord AFB	C-17 Beddown Support Utilities	5,985	5,985	5,985	0	5,985
370	Washington	Air Force	McChord AFB	C-17 Add to Flight Simulator	2,095	2,095	2,095	0	2,095
371	Washington	Air Force	McChord AFB	Dormitory	5,390	5,390	5,390	0	5,390
372	Washington	Air Force	McChord AFB	C-17 Modular Replacement Center	16,460	16,460	16,460	0	16,460
373	Washington	Air Force	McChord AFB	C-17 Maintenance Training Facility	5,685	5,685	5,685	0	5,685
374	Washington	Air Force	McChord AFB	C-17 Fuel Cell Maintenance Facility	7,480	7,480	7,480	0	7,480
375	Washington	Air Force	McChord AFB	C-17 ADAL Avionics Maintenance Facility	1,300	1,300	1,300	0	1,300
376	Washington	Air Force	McChord AFB	C-17 Alter Hydrant Fueling System	1,100	1,100	1,100	0	1,100
377	Wisconsin	Air National Guard	Volk Field AGB	Upgrade Sanitary Sewer System	850	850	850	0	850
378	Wisconsin	Air Force Reserve	Mitchell ARS	Medical Training Facility	2,500	2,500	2,500	0	2,500
379	Wisconsin	Air Force Reserve	Mitchell ARS	Improve Storm Ordinage System	950	950	950	0	950
380	Wyoming	Air Force	F.E. Warren AFB	Child Development Center	0	3,700	0	3,700	3,700
381	Wyoming	Army National Guard	Camp Guernsey	Combined Support Maintenance Shop, Phase I	0	0	4,100	0	0
382	CONUS Classified	Army	Classified	Classified Project	4,600	4,600	4,600	0	4,600
383	Bahrain	Navy	ASU Bahrain	Quality Of Life Improvements	5,980	5,980	5,980	0	5,980
384	Bahrain	Defense Medical Facility Office	ASU Bahrain	Medical/Dental Clinic	4,600	4,600	4,600	0	4,600
385	Germany	Army	Darmstadt (Lincoln Village)	Child Development Center	0	7,300	0	7,300	7,300
386	Germany	Army	Taylor Bks, Mannheim	Bachelor Enlisted Quarters Modernization	0	9,300	9,300	9,300	9,300
387	Germany	Army	Spinelli Bks, Mannheim	Bachelor Enlisted Quarters Modernization	0	8,100	8,100	8,100	8,100
388	Germany	Air Force	Ramstein AFB	Dormitory	5,370	5,370	5,370	0	5,370
389	Germany	Air Force	Spangdahlem AB	Fire Station	1,890	1,890	1,890	0	1,890
390	Greece	Navy	NSA Souda Bay	Bachelor Enlisted Quarters Replacement	7,050	7,050	7,050	0	7,050
391	Greece	Navy	NSA Souda Bay	Bachelor Enlisted Quarters	0	4,000	0	0	0
392	Italy	Army	Camp Ederle, Vincenza	Water Distribution System	3,100	3,100	3,100	0	3,100
393	Italy	Navy	NAS Sigonella	Bachelor Enlisted Quarters Replacement	15,700	15,700	15,700	0	15,700
394	Italy	Navy	NSA Naples	Air Cargo Terminal	8,620	8,620	8,620	0	8,620
395	Italy	Air Force	Aviano AB	Upgrade Flightline Water Distribution Syst	2,900	2,900	2,900	0	2,900

Military Construction and Family Housing

(Dollars in Thousands)

Line No.	State	Service/Agency/Program	Installation	Project Title	Authorization: Request	Authorization: House	Authorization: Senate	Conference: Change	Conference: Authorization
396	Italy	Air Force	Aviano AB	Consolidated Support Center	5,225	5,225	5,225	0	5,225
397	Italy	Air Force	Aviano AB	Upgrade Electrical Distribution System	1,935	1,935	1,935	0	1,935
398	Italy	Defense Logistics Agency	NAS Sigonella	Extend Hydrant Fuel System	6,100	6,100	6,100	0	6,100
399	Korea	Army	Camp Casey	Whole Barracks Complex Renewal	16,000	16,000	16,000	0	16,000
400	Korea	Army	Camp Red Cloud	Whole Barracks Complex Renewal	14,000	14,000	14,000	0	14,000
401	Korea	Air Force	Osan AB	Construct Enlisted Dormitory	9,780	9,780	9,780	0	9,780
402	Puerto Rico	Navy	NS Roosevelt Roads	Bachelor Enlisted Qtrs Replacement	0	0	23,600	9,600	9,600
403	Puerto Rico	Air National Guard	Puerto Rico IAP	Refueling Vehicle Shop & Paint Bay	450	450	450	0	450
404	Spain	Defense Logistics Agency	Moron AB	Replace Hydrant Fuel System	12,958	12,958	12,958	0	12,958
405	Turkey	Air Force	Incirlik AB	Add to and Alter Transient Dormitory	1,740	1,740	1,740	0	1,740
406	Turkey	Air Force	Incirlik AB	Add To And Alter Physical Fitness Center	1,740	1,740	1,740	0	1,740
407	Turkey	Air Force	Incirlik AB	Base Ops and Control Tower Complex	3,680	3,680	3,680	0	3,680
408	United Kingdom	Navy	JMCC St. Mawgan	Physical Fitness Ctr Addn and Alterations	4,700	4,700	4,700	0	4,700
409	United Kingdom	Air Force	RAF Croughton	Fire Station	1,740	1,740	1,740	0	1,740
410	United Kingdom	Air Force	RAF Lakenheath	F-15E Add To Jet Engine Shop	2,700	2,700	2,700	0	2,700
411	United Kingdom	Air Force	RAF Lakenheath	Dormitory	4,260	4,260	4,260	0	4,260
412	United Kingdom	Air Force	RAF Lakenheath	Dormitory	7,950	7,950	7,950	0	7,950
413	United Kingdom	Air Force	RAF Lakenheath	F-15E Add To And Alter Weapons Release Fac	2,615	2,615	2,615	0	2,615
414	United Kingdom	Air Force	RAF Mildenhall	Dormitory	6,195	6,195	6,195	0	6,195
415	Overseas Classified	Army	Overseas Classified	Strategic Logistical Prepo Complex, Phase II	64,000	64,000	64,000	0	64,000
416	Overseas Classified	Air Force	Overseas Classified	Munitions Storage Igloos	6,735	6,735	6,735	0	6,735
417	Overseas Classified	Air Force	Overseas Classified	Special Tactical Unit Detachment Facility	3,680	3,680	3,680	0	3,680
418	Overseas Classified	Air Force	Overseas Classified	War Readiness Material Warehouse	5,765	5,765	5,765	0	5,765
419	Overseas Classified	Air Force	Overseas Classified	War Readiness Material Warehouse	2,215	2,215	2,215	0	2,215
420	Worldwide Unspecified	Army	Host Nation Support	Army - Host Nation Support	20,000	20,000	20,000	0	20,000
421	Worldwide Unspecified	Army	Unspecified Worldwide	Unspecified Minor Construction	5,000	6,000	7,000	0	5,000
422	Worldwide Unspecified	Army	Unspecified Worldwide	Planning And Design	23,623	34,384	31,748	6,915	30,538
423	Worldwide Unspecified	Army	Unspecified Worldwide	Demolition	0	10,000	0	0	0
424	Worldwide Unspecified	Navy	Unspecified Worldwide	Reduction for Prior Year Savings	(12,000)	0	0	12,000	0
425	Worldwide Unspecified	Navy	Unspecified Worldwide	General Reduction	0	(12,000)	(12,000)	(12,000)	(12,000)
426	Worldwide Unspecified	Navy	Unspecified Worldwide	Unspecified Minor Construction	5,115	8,115	7,115	0	5,115
427	Worldwide Unspecified	Navy	Unspecified Worldwide	Access Roads	300	300	300	0	300
428	Worldwide Unspecified	Navy	Unspecified Worldwide	Planning And Design	42,559	60,959	47,619	7,368	49,927
429	Worldwide Unspecified	Navy	Unspecified Worldwide	Demolition	0	10,000	0	0	0
430	Worldwide Unspecified	Air Force	Unspecified Worldwide	Unspecified Minor Construction	9,328	12,328	11,328	0	9,328
431	Worldwide Unspecified	Air Force	Unspecified Worldwide	Planning And Design	43,387	47,387	53,497	7,300	50,687
432	Worldwide Unspecified	Air Force	Unspecified Worldwide	Demolition	0	10,000	0	0	0
433	Worldwide Unspecified	Air Force	Various Locations	Termination Fiscal Year 1995 Projects	0	0	0	(2,100)	(2,100)
434	Worldwide Unspecified	Office Secretary of Defense	Unspecified Worldwide	Unspecified Minor Construction	3,200	3,200	3,200	0	3,200
435	Worldwide Unspecified	Office Secretary of Defense	Unspecified Worldwide	Energy Conservation Improvement Program	47,765	47,765	47,765	0	47,765
436	Worldwide Unspecified	Office Secretary of Defense	Various Locations	Termination Fiscal Year 1996 Authority	0	0	0	(7,000)	(7,000)
437	Worldwide Unspecified	Defense Medical Facility Office	Unspecified Worldwide	Unspecified Minor Construction	5,142	5,142	5,142	0	5,142
438	Worldwide Unspecified	Defense Intelligence Agency	Unspecified Worldwide	Planning and Design	0	0	2,000	0	0
439	Worldwide Unspecified	DoD Dependents Schools	Unspecified Worldwide	Unspecified Minor Construction	2,000	2,000	2,000	0	2,000

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(Dollars in Thousands)

Line No.	State	Service/Agency/Program	Installation	Project Title	Authorization Request	Authorization House	Authorization Senate	Conference Change	Conference Authorization
440	Worldwide Unspecified	Special Operations Command	Unspecified Worldwide	Unspecified Minor Construction - SOCOM	4,000	4,000	4,000	0	4,000
441	Worldwide Unspecified	Special Operations Command	Unspecified Worldwide	Planning And Design - SOCOM	2,305	2,305	2,305	0	2,305
442	Worldwide Unspecified	Ballistic Missile Defense Organization	Unspecified Worldwide	Unspecified Minor Construction	1,404	1,404	1,404	0	1,404
443	Worldwide Unspecified	OSD Contingencies	Unspecified Worldwide	Contingency Construction	9,500	4,500	9,500	(5,000)	4,500
444	Worldwide Unspecified	OSD Planning & Design	Unspecified Worldwide	Planning And Design	4,948	4,948	4,948	0	4,948
445	Worldwide Unspecified	NATO Security Investment Program	Unspecified Worldwide	NATO Security Investment Program	197,000	177,000	172,000	(25,000)	172,000
446	Worldwide Unspecified	Army National Guard	Unspecified Worldwide	Planning And Design	2,100	3,300	11,201	4,541	6,641
447	Worldwide Unspecified	Army National Guard	Unspecified Worldwide	Unspecified Minor Construction	5,500	5,500	5,500	0	5,500
448	Worldwide Unspecified	Air National Guard	Unspecified Worldwide	Planning And Design	7,725	8,925	13,615	4,311	12,036
449	Worldwide Unspecified	Air National Guard	Unspecified Worldwide	Unspecified Minor Construction	4,100	4,100	4,100	0	4,100
450	Worldwide Unspecified	Army Reserve	Unspecified Worldwide	Planning And Design	3,480	3,480	7,649	1,769	5,249
451	Worldwide Unspecified	Army Reserve	Unspecified Worldwide	Unspecified Minor Construction	0	1,700	1,331	0	0
452	Worldwide Unspecified	Navy Reserve	Unspecified Worldwide	Planning And Design	1,884	3,034	3,744	1,510	3,394
453	Worldwide Unspecified	Navy Reserve	Unspecified Worldwide	Unspecified Minor Construction	0	1,000	1,000	0	0
454	Worldwide Unspecified	Air Force Reserve	Unspecified Worldwide	Planning And Design	5,900	5,900	6,665	0	5,900
455	Worldwide Unspecified	Air Force Reserve	Unspecified Worldwide	Unspecified Minor Construction	4,326	4,326	5,326	0	4,326
456	Worldwide Unspecified	Chemical Demilitarization	Unspecified Worldwide	Planning And Design	4,124	4,124	4,124	0	4,124
457	Worldwide Unspecified	Defense Finance & Accounting Service	Unspecified Worldwide	Planning and Design	862	862	862	0	862
458	Worldwide Unspecified	Joint Chiefs of Staff	Unspecified Worldwide	Unspecified Minor Construction	6,128	6,128	6,128	0	6,128
459	Worldwide Unspecified	Defense Wide	Unspecified Worldwide	Unaccompanied Housing Improvement Fund	0	10,000	6,000	6,000	6,000
460	Worldwide Unspecified	Base Closure II	BRAC II	Base Realignment & Closure Acct Part II	352,802	352,802	352,802	0	352,802
461	Worldwide Unspecified	Base Closure III	BRAC III	Base Realignment & Closure Acct Part III	971,925	971,925	971,925	0	971,925
462	Worldwide Unspecified	Base Closure IV	BRAC IV	Base Realignment & Closure Acct Part IV	1,182,749	1,182,749	1,182,749	0	1,182,749
463									
464				Military Construction Subtotal	5,274,640	5,756,488	5,857,628	576,830	5,853,470
465									

Military Construction and Family Housing

(Dollars in Thousands)

Line No.	State	Service/Agency/Program	Installation	Project Title	Authorization: Request	Authorization: House	Authorization: Senate	Conference: Change	Conference: Authorization
466	Alabama	Army	Redstone Arsenal	FH Replacement -- 70 Units	0	8,000	0	0	0
467	Alaska	Air Force	Elelson AFB	Fire Station	2,960	2,960	2,960	0	2,960
468	Alaska	Air Force	Elelson AFB	Replace MFH, Phase III--72 units	21,127	21,127	21,127	0	21,127
469	Arizona	Navy	MCAS Yuma	Community Center	709	709	709	0	709
470	California	Navy	MCAGCC Twentynine Palms	Housing Office	956	956	956	0	956
471	California	Navy	MCAGCC Twentynine Palms	Community Center	1,982	1,982	1,982	0	1,982
472	California	Navy	MCB Camp Pendleton	FH New Construction -- 202 Units	19,483	29,483	19,483	10,000	29,483
473	California	Navy	NAS Lemoore	FH Units Replacement --276 Units	39,837	39,837	39,837	0	39,837
474	California	Navy	NPWC San Diego	FH Units Replacement --366 Units	48,719	48,719	48,719	0	48,719
475	California	Navy	NPWC San Diego	FH New Construction --100 Units	0	14,710	0	0	0
476	California	Air Force	Beale AFB	Replace MFH, Phase II--56 units	8,893	8,893	8,893	0	8,893
477	California	Air Force	Los Angeles AFB	FH Replacement, Phase II -- 26 Units	0	6,426	0	6,426	6,426
478	California	Air Force	Travis AFB	Replace MFH--70 units	8,631	8,631	8,631	0	8,631
479	California	Air Force	Vandenberg AFB	Replace MFH, Phase IV--112 units	20,891	20,891	20,891	0	20,891
480	District of Columbia	Air Force	Bolling AFB	Replace MFH, Phase IV--40 units	5,000	5,000	5,000	0	5,000
481	Florida	Navy	NS Mayport	FH New Construction -- 100 Units	0	10,000	0	10,000	10,000
482	Florida	Air Force	Eglin Aux Field 9	Construct MFH (100)	249	249	249	0	249
483	Florida	Air Force	MacDill AFB	Replace MFH, Phase I-- 56 units	8,822	8,822	8,822	0	8,822
484	Florida	Air Force	Patrick AFB	Replace Housing Office Facility	821	821	821	0	821
485	Florida	Air Force	Patrick AFB	Housing Sup & Storage Facility	756	756	756	0	756
486	Florida	Air Force	Patrick AFB	Base Maintenance Shop	853	853	853	0	853
487	Florida	Air Force	Tyndall AFB	FH Replacement -- 42 Units	0	6,000	0	6,000	6,000
488	Georgia	Air Force	Robins AFB	FH Replacement -- 48 Units	0	5,252	0	5,252	5,252
489	Hawaii	Army	Schofield Barracks	Family Housing Replacement--54 units	10,000	10,000	10,000	0	10,000
490	Hawaii	Navy	MCAS, Kaneohe Bay	FH New Construction -- 54 Units	11,676	11,676	11,676	0	11,676
491	Hawaii	Navy	NPWC Pearl Harbor	FH Units Replacement -- 264 Units	52,586	52,586	52,586	0	52,586
492	Louisiana	Air Force	Barksdale AFB	Replace MFH, Phase IV-- 80 units	9,570	9,570	9,570	0	9,570
493	Maine	Navy	NAS Brunswick	FH Replacement, Phase I -- 72 Units	0	10,925	0	10,925	10,925
494	Maryland	Navy	NAS Patuxent River	Community Center	1,233	1,233	1,233	0	1,233
495	Massachusetts	Air Force	Hanscom AFB	Replace MFH, Phase III-- 32 units	0	5,100	5,100	5,100	5,100
496	Missouri	Air Force	Whiteman AFB	Construct MFH, Phase II-- 68 units	9,600	9,600	9,600	0	9,600
497	Montana	Air Force	Malmstrom AFB	Family Housing-- 98 units	0	0	5,242	15,688	15,688
498	Nevada	Air Force	Nellis AFB	FH Replacement -- 50 units	0	7,955	0	7,955	7,955
499	New Mexico	Air Force	Kirtland AFB	Replace MFH -- 50 units	5,450	5,450	11,850	0	5,450
500	North Carolina	Army	Ft. Bragg	Family Housing Replacement Const-- 88 units	9,800	9,800	9,800	0	9,800
501	North Carolina	Navy	MCB Camp LeJeune	Community Center	845	845	845	0	845
502	North Carolina	Navy	MCB Camp LeJeune	FH New Construction -- 94 units	0	13,360	0	10,110	10,110
503	North Dakota	Air Force	Grand Forks AFB	Replace MFH, Phase II-- 68 units	7,784	7,784	7,784	0	7,784
504	North Dakota	Air Force	Minot AFB	Replace MFH, Phase III-- 46 units	8,740	8,740	8,740	0	8,740
505	Pennsylvania	Army	Tobyhanna Army Depot	Acquire & Demolish 200 Units	0	890	0	890	890
506	South Carolina	Navy	MCAS Beaufort	FH New Construction -- 140 units	0	19,110	0	14,000	14,000
507	Texas	Army	Ft. Bliss	FH Replacement, Phase I-- 64 units	0	12,000	0	11,000	11,000
508	Texas	Army	Ft. Hood	Family Housing Replacement Const-- 140 units	18,500	18,500	18,500	0	18,500
509	Texas	Navy	Corpus Christi Naval Complex	FH Replacement -- 104 units	0	17,425	0	11,675	11,675

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Line No.	State	Service/Agency/Program	Installation	Project Title	Authorization: Request	Authorization: House	Authorization: Senate	Conference: Change	Conference: Authorization
510	Texas	Navy	NAS Kingsville	FH Replacement, Phase I -- 48 Units	0	7,550	0	7,550	7,550
511	Texas	Air Force	Lackland AFB	Replace MFH Maintenance Facility	350	350	350	0	350
512	Texas	Air Force	Lackland AFB	Replace MFH Management Office	450	450	450	0	450
513	Texas	Air Force	Lackland AFB	Replace MFH--82 units	6,500	11,500	6,500	5,000	11,500
514	Virginia	Navy	AEGIS CSC Wallops Is	FH Units New Construction -- 20 Units	2,975	2,975	2,975	0	2,975
515	Virginia	Navy	NSGA Northwest	Self-Help/Housing Office/Community Center	741	741	741	0	741
516	Washington	Navy	NS Everett	FH Units New Construction -- 100 Units	15,015	15,015	15,015	0	15,015
517	Washington	Navy	NSB Bangor	Housing Office	934	934	934	0	934
518	Washington	Air Force	McChord AFB	Replace MFH, Phase II -- 40 Units	5,659	5,659	5,659	0	5,659
519	United Kingdom	Air Force	RAF Lakenheath	Replace MFH, Phase I	0	0	5,300	0	0
520	Worldwide Unspecified	Army	Unspecified Worldwide	Maintenance Of Real Property	525,893	570,893	525,893	0	525,893
521	Worldwide Unspecified	Army	Unspecified Worldwide	Utilities Account	270,391	270,391	270,391	0	270,391
522	Worldwide Unspecified	Army	Unspecified Worldwide	Furnishings Account	49,067	49,067	49,067	0	49,067
523	Worldwide Unspecified	Army	Unspecified Worldwide	Management Account	84,678	84,678	84,678	0	84,678
524	Worldwide Unspecified	Army	Unspecified Worldwide	Miscellaneous Account	1,241	1,241	1,241	0	1,241
525	Worldwide Unspecified	Army	Unspecified Worldwide	Leasing	227,515	227,515	227,515	0	227,515
526	Worldwide Unspecified	Army	Unspecified Worldwide	Interest & Servicemen's Mortgage Premiums	7	7	7	0	7
527	Worldwide Unspecified	Army	Unspecified Worldwide	Construction Improvements	33,750	114,450	109,750	71,600	105,350
528	Worldwide Unspecified	Army	Unspecified Worldwide	Planning	2,963	2,963	4,063	0	2,963
529	Worldwide Unspecified	Army	Unspecified Worldwide	Services Account	53,684	53,684	53,684	0	53,684
530	Worldwide Unspecified	Navy	Unspecified Worldwide	Mortgage Insurance Premiums	80	80	80	0	80
531	Worldwide Unspecified	Navy	Unspecified Worldwide	Utilities Account	204,967	204,967	204,967	0	204,967
532	Worldwide Unspecified	Navy	Unspecified Worldwide	Management Account	88,707	88,707	88,707	0	88,707
533	Worldwide Unspecified	Navy	Unspecified Worldwide	Services Account	67,413	67,413	67,413	0	67,413
534	Worldwide Unspecified	Navy	Unspecified Worldwide	Furnishings Account	34,621	34,621	34,621	0	34,621
535	Worldwide Unspecified	Navy	Unspecified Worldwide	Maintenance Of Real Property	508,632	552,632	508,632	0	508,632
536	Worldwide Unspecified	Navy	Unspecified Worldwide	Construction Improvements	183,483	209,133	189,383	21,900	205,383
537	Worldwide Unspecified	Navy	Unspecified Worldwide	Miscellaneous Account	1,290	1,290	1,290	0	1,290
538	Worldwide Unspecified	Navy	Unspecified Worldwide	Planning	22,562	22,562	23,142	0	22,562
539	Worldwide Unspecified	Navy	Unspecified Worldwide	Leasing	108,531	108,531	108,531	0	108,531
540	Worldwide Unspecified	Air Force	Unspecified Worldwide	Planning	9,590	9,590	12,350	0	9,590
541	Worldwide Unspecified	Air Force	Unspecified Worldwide	Maintenance Of Real Property	428,087	439,087	428,087	0	428,087
542	Worldwide Unspecified	Air Force	Unspecified Worldwide	Construction Improvements	88,550	125,650	94,550	35,100	123,650
543	Worldwide Unspecified	Air Force	Unspecified Worldwide	Furnishings Account	36,228	36,228	36,228	0	36,228
544	Worldwide Unspecified	Air Force	Unspecified Worldwide	Management Account	51,185	51,185	51,185	0	51,185
545	Worldwide Unspecified	Air Force	Unspecified Worldwide	Services Account	32,257	32,257	32,257	0	32,257
546	Worldwide Unspecified	Air Force	Unspecified Worldwide	Utilities Account	167,985	167,985	167,985	0	167,985
547	Worldwide Unspecified	Air Force	Unspecified Worldwide	Leasing	108,083	108,083	108,083	0	108,083
548	Worldwide Unspecified	Air Force	Unspecified Worldwide	Miscellaneous Account	5,619	5,619	5,619	0	5,619
549	Worldwide Unspecified	Air Force	Unspecified Worldwide	Mortgage Insurance Premiums	30	30	30	0	30
550	Worldwide Unspecified	Defense Logistics Agency	Unspecified Worldwide	Furnishings Account	32	32	32	0	32
551	Worldwide Unspecified	Defense Logistics Agency	Unspecified Worldwide	Management Account	206	206	206	0	206
552	Worldwide Unspecified	Defense Logistics Agency	Unspecified Worldwide	Maintenance Of Real Property	616	616	616	0	616
553	Worldwide Unspecified	Defense Logistics Agency	Unspecified Worldwide	Utilities Account	405	405	405	0	405

Military Construction and Family Housing

(Dollars in Thousands)

Line No.	State	Service/Agency/Program	Installation	Project Title	Authorization Request	Authorization House	Authorization Senate	Conference Change	Conference Authorization
554	Worldwide Unspecified	Defense Logistics Agency	Unspecified Worldwide	Construction Improvements	3,821	3,821	3,821	0	3,821
555	Worldwide Unspecified	Defense Logistics Agency	Unspecified Worldwide	Planning & Design	500	500	500	0	500
556	Worldwide Unspecified	Defense Logistics Agency	Unspecified Worldwide	Services Account	137	137	137	0	137
557	Worldwide Unspecified	National Security Agency	Unspecified Worldwide	Services Account	355	355	355	0	355
558	Worldwide Unspecified	National Security Agency	Unspecified Worldwide	Furnishings Account	184	184	184	0	184
559	Worldwide Unspecified	National Security Agency	Unspecified Worldwide	Utilities Account	500	500	500	0	500
560	Worldwide Unspecified	National Security Agency	Unspecified Worldwide	Construction Improvements	50	50	50	0	50
561	Worldwide Unspecified	National Security Agency	Unspecified Worldwide	Maintenance Of Real Property	524	524	524	0	524
562	Worldwide Unspecified	National Security Agency	Unspecified Worldwide	Miscellaneous Account	36	36	36	0	36
563	Worldwide Unspecified	National Security Agency	Unspecified Worldwide	Management Account	70	70	70	0	70
564	Worldwide Unspecified	National Security Agency	Unspecified Worldwide	Leasing	11,271	11,271	11,271	0	11,271
565	Worldwide Unspecified	Defense Intelligence Agency	Unspecified Worldwide	Leasing	14,366	14,366	14,366	0	14,366
566	Worldwide Unspecified	Defense Intelligence Agency	Unspecified Worldwide	Furnishings Account	2,262	2,262	2,262	0	2,262
567	Worldwide Unspecified	Homeowners' Assistance Program	Unspecified Worldwide	Homeowners' Assistance	36,181	36,181	36,181	0	36,181
568	Worldwide Unspecified	Defense Wide	Unspecified Worldwide	Family Housing Improvement Fund	20,000	35,000	20,000	5,000	25,000
				Family Housing Subtotal	3,867,671	4,275,823	3,975,083	271,170	4,126,841
				Grand Total	9,132,311	10,032,311	9,832,711	650,000	9,982,311

FY 1997 BRAC Military Construction Projects

(In Thousands of Dollars)

State	Installation or Location	Description	Amount
		Army: BRAC III Construction, Fiscal Year 1997	
Texas	Fort Bliss	Unmanned Aerial Vehicle Hangar	4,700
		Total Army - BRAC III	**4,700**

Army: BRAC IV Construction, Fiscal Year 1997

State	Installation or Location	Description	Amount
Alabama	Anniston Army Depot	EOD Operations Facility	1,700
Arizona	Fort Huachuca	Building 61801 Renovation	400
	Fort Huachuca	Warehouse	800
District of Columbia	Walter Reed Army Medical Center	Nurse Training Facility	1,500
Maryland	Fort Detrick	Administrative Facility	6,800
	Fort Detrick	General Purpose Storage	1,150
Missouri	Fort Leonard Wood	Chemical Defense Training Facility	28,000
	Fort Leonard Wood	General Instruction Facility	58,000
	Fort Leonard Wood	Applied instruction Facility	32,000
	Fort Leonard Wood	Unaccompanied Enlisted Housing	58,000
New Jersey	Fort Monmouth	Administrative Facility	2,200

FY 1997 BRAC Military Construction Projects

(In Thousands of Dollars)

State	Installation or Location	Description	Amount
New York	Fort Totten	Storage Facility	1,950
Oklahoma	McAlester Army Ammunition Plant	Universal Functional Test Range	1,950
	McAlester Army Ammunition Plant	General & Applies Inst Facility	6,100
	McAlester Army Ammunition Plant	Administrative Facility	14,200
South Carolina	Fort Jackson	DOD Polygraph Institute	4,600
Virginia	Fort Belvoir	Administrative Facility	7,500
Washington	Fort Lewis	Center for Health Promotion	3,050
Various Locations	Various Locations	Planning & Design	9,790
		Total Army - BRAC IV	239,690

Army: BRAC IV Family Housing, Fiscal Year 1997

State	Installation or Location	Description	Amount
Missouri	Fort Leonard Wood	General Officer Quarters	430
		Total Army - BRAC IV Family Housing	430

FY 1997 BRAC Military Construction Projects

(In Thousands of Dollars)

State	Installation or Location	Description	Amount

FY 1997 BRAC MILITARY CONSTRUCTION PROJECTS

[In Thousands of Dollars]

Navy: BRAC III Construction, Fiscal Year 1997

State	Installation or Location	Description	Amount
California	Fleet ASW Training Center, San Diego	Gymnasium	3,400
	Marine Corps Air Station Camp Pendleton	Warehouse & Special Storage Facilities	6,080
	Marine Corps Air Station Miramar	Storage Facilities	9,820
	Marine Corps Air Station Miramar	Tactical Van Pad Facility	15,500
	Marine Corps Air Station Miramar	Bachelor Enlisted Quarters	59,883
	Naval Air Station Lemoore	Administrative Office	1,500
District of Columbia	Commandant Naval District, Washington	Headquarters Building Renovation	2,000
	Strategic Systems Program Office, Washington	Building Renovation	14,580
Florida	Army Reserve Center Orlando	Facility Modifications	2,683
	Naval Air Station Jacksonville	Aviation Physiology Training	2,270
Georgia	Naval Air Station Atlanta	Marine Reserve Training Facility	9,100
Hawaii	Marine Corps Air Station Kaneohe Bay	Aircraft Parking Apron	14,562
	Marine Corps Air Station Kaneohe Bay	Maintenance Hangar Alterations	31,400
	Marine Corps Air Station Kaneohe Bay	Building Renovations	2,500
	Marine Corps Air Station Kaneohe Bay	Building Additions & Renovations	1,300
	Marine Corps Air Station Kaneohe Bay	Aviation Supply Facilities	2,700

FY 1997 BRAC Military Construction Projects

(In Thousands of Dollars)

State	Installation or Location	Description	Amount
	Marine Corps Air Station Kaneohe Bay	Training Facility	8,600
	Marine Corps Air Station Kaneohe Bay	Bachelor Quarters	26,900
	Marine Corps Air Station Kaneohe Bay	Helicopter Landing Pad	400
	Marine Corps Air Station Kaneohe Bay	Hazardous Storehouse & Waste Transfer Facil.	5,100
	Marine Corps Air Station Kaneohe Bay	Ordnance Facilities	1,400
	Marine Corps Air Station Kaneohe Bay	Tactical Support Facility	10,500
	Marine Corps Air Station Kaneohe Bay	Utilities Upgrade	5,100
	Marine Corps Air Station Kaneohe Bay	Ordnance Facilities	2,100
Nevada	Naval Air Station Fallon	Bachelor Enlisted Quarters, Phase II	9,830
South Carolina	Marine Corps Air Station Beaufort	Hangar Renovation	1,900
Tennessee	Naval Air Station Memphis	Building Alterations	17,510
	Naval Air Station Memphis	Building Alterations	7,100
Texas	Naval Air Station Fort Worth	Child Development Center	2,010
Virginia	Naval Station Norfolk	Administrative Facility	1,000
	Naval Air Station Oceana	Engine Maintenance Shop Addition	480
Washington	Naval Air Station Whidbey Island	Ground Support Equipment Shop	2,700
	Naval Air Station Whidbey Island	Sonobuoy Storage Facility	600
Midway Island	Naval Air Facility	Demolition	3,000
		Total Navy - BRAC III	**285,508**

FY 1997 BRAC Military Construction Projects

(In Thousands of Dollars)

State	Installation or Location	Description	Amount

Navy: BRAC III Family Housing, Fiscal Year 1997

State	Installation or Location	Description	Amount
Florida	Naval Air Station Pensacola	Family Housing	9,845
Washington	Naval Submarine Base Bangor	Family Housing	4,672
	Naval Submarine Base Bangor	Family Housing	6,454
		Total Navy - BRAC III Family Housing	20,971

Navy: BRAC IV Construction, Fiscal Year 1997

State	Installation or Location	Description	Amount
California	Naval Air Station North Island	Maintenance Training Facility	3,780
	Naval Aviation Depot, North Island	Engineering Support Office Modifications	844
	Naval Aviation Depot, North Island	Engineering Support Offices	721
	Naval Weapon Station Concord	Secure Warehouse	15,400
District of Columbia	Commandant, Naval District Washington	Parking Garage	8,900
	Commandant, Naval District Washington	Logistics Support Facility	2,400
	Commandant, Naval District Washington	Public Works Facility	1,900

FY 1997 BRAC Military Construction Projects

(In Thousands of Dollars)

State	Installation or Location	Description	Amount
Florida	Naval Explosive Diving Unit, Panama City	Manned Diving Physiology	1,870
Maryland	Naval Surface Warfare Center, Carderock	Materials Processing Facility	1,450
	Naval Surface Warfare Center, Carderock	Magnetic Fields Facility	6,400
Pennsylvania	Naval Surface Warfare Center, Philadelphia	Advance Machine R&D Facility	5,400
South Carolina	Naval Weapon Station Charleston	Medical/Dental Clinic Expansion	3,464
Tennessee	Naval Air Station Memphis	Building Modifications	4,744
Virginia	Naval Air Station Oceana	Flight Simulator Building Addition	9,044
	Naval Air Station Oceana	Corrosion Control Hangar	4,800
	Naval Air Station Oceana	F/A 18 Aviation Maintenance Additions	2,700
	Naval Air Station Oceana	Renovate/Addition Training Facility	5,700
Washington	Naval Shipyard Puget Sound	Ship Maintenance Facilities	1,840
Various Locations	Various Locations	Planning & Design	9,700
		Total Navy - BRAC IV	**91,057**

FY 1997 BRAC Military Construction Projects

(In Thousands of Dollars)

State	Installation or Location	Description	Amount

FY 1997 BRAC MILITARY CONSTRUCTION PROJECTS
[In Thousands of Dollars]

Air Force: BRAC II Construction, Fiscal Year 1997

State	Installation or Location	Description	Amount
California	Beale Air Force Base	Add/Alter Civil Engineer Facilities	900
	Beale Air Force Base	Add/Alter Operations Facility	460
	Beale Air Force Base	Alter Logistics Facilities	520
	Beale Air Force Base	Add/Alter Support Facility	300
	Vandenburg Air Force Base	Campus Utilities	2,900
Colorado	Buckley Air National Guard Base	Enlisted Dormitory	8,150
Indiana	Grissom Air Reserve Base	Munitions Storage	1,500
Mississippi	Keesler Air Force Base	Physical Fitness Center	690
Ohio	Rickenbacker Air National Guard Base	Alter Base Maintenance Shops	1,950
	Rickenbacker Air National Guard Base	Alter Support Shops	2,000
	Rickenbacker Air National Guard Base	Alter Fuel System Maintenance Dock	1,200
	Rickenbacker Air National Guard Base	Jet Fuel Storage/Distribution	9,000
	Wright-Patterson Air Force Base	NAOC Complex	5,100
Texas	Lackland Air Force Base	Add/Alter Physical Fitness Center	1,600
	Lackland Air Force Base	Alter Technical Training Facility	2,250

FY 1997 BRAC Military Construction Projects

(In Thousands of Dollars)

State	Installation or Location	Description	Amount
	Sheppard Air Force Base	Add to Chapel	700
Various Locations	Various Locations	Planning & Design	580
		Total Air Force - BRAC II	**39,800**

Air Force: BRAC II Family Housing, Fiscal Year 1997

State	Installation or Location	Description	Amount
Oklahoma	Altus Air Force Base	Family Housing	22,973
		Total Air Force - BRAC II Family Housing	**22,973**

Air Force: BRAC III Construction, Fiscal Year 1997

State	Installation or Location	Description	Amount
California	March Air Force Base	Alter Combat Camera	1,200
	Travis Air Force Base	Upgrade Roads	2,400
Idaho	Mountain Home Air Force Base	Air Control Squad Complex	3,500
New Jersey	McGuire Air Force Base	Public Health Facility	4,000
	McGuire Air Force Base	Upgrade Roads	3,000

FY 1997 BRAC Military Construction Projects

(In Thousands of Dollars)

State	Installation or Location	Description	Amount
New York	Griffiss Air Force Base	Alter Support Facilities	750
	Griffiss Air Force Base	Alter Consolidated Logistics Facility	2,550
		Total Air Force - BRAC III	**17,400**

Air Force: BRAC III Family Housing, Fiscal Year 1997

State	Installation or Location	Description	Amount
New Jersey	McGuire Air Force Base	Improve Family Housing	15,884
		Total Air Force - BRAC III Family Housing	**15,884**

Air Force: BRAC IV Construction, Fiscal Year 1997

State	Installation or Location	Description	Amount
California	Edwards Air Force Base	Add/Alter Avionics Research Laboratory	890
	March Air Force Base	Add/Alter Comm/Elec Training Complex	640
Florida	MacDill Air Force Base	Add/Alter Fuel Maintenance Facility	2,900
	MacDill Air Force Base	Alter Squadron Operations Facilities	2,500
	MacDill Air Force Base	Alter Corrosion Control	5,000
	MacDill Air Force Base	Alter Maintenance Facilities	800

FY 1997 BRAC Military Construction Projects

(In Thousands of Dollars)

State	Installation or Location	Description	Amount
	Patrick Air Force Base	Pararescue Training Facility	2,650
	Patrick Air Force Base	Maintenance Facilities	500
	Patrick Air Force Base	Add/Alter Corrosion Control Facility	2,750
Mississippi	Columbus Air Force Base	T-37 Aircraft Maintenance Hangar	1,100
New York	Fort Drum	Runway/Apron/ILS	46,000
Texas	Carswell-Naval Air Station/Fort Worth Joint Reserve Base	Numbered AF Headquarters	4,300
	Carswell-Naval Air Station/Fort Worth Joint Reserve Base	Security Police Training Facility	720
	Laughlin Air Force Base	Add to Child Development Center	350
Various Locations	Various Locations	Planning & Design	5,543
		Total Air Force: BRAC IV	76,643

FY 1997 BRAC Military Construction Projects

(In Thousands of Dollars)

State	Installation or Location	Description	Amount

FY 1997 BRAC MILITARY CONSTRUCTION PROJECTS
[In Thousands of Dollars]

Defense Logistics Agency: BRAC III Construction, Fiscal Year 1997

State	Installation or Location	Description	Amount
California	Defense Contract Management District West	Administrative Building	5,200
Pennsylvania	Aviation Supply Office, Philadelphia	Convert Facilities for Defense Personnel Support Center	31,950
Various Locations	Various Locations	Planning & Design	500
		Total DLA - BRAC III	**37,650**

Defense Logistics Agency: BRAC IV Construction, Fiscal Year 1997

State	Installation or Location	Description	Amount
California	Defense Distribution Region West	Hazardous Material Storage Addition to Warehouse 28	9,300
		Total DLA - BRAC IV	**9,300**

TITLE XXI—ARMY

FISCAL YEAR 1997

Overview

The House bill would authorize $2,037,653,000 for Army military construction and family housing programs for fiscal year 1997.

The Senate amendment would authorize $1,913,297,000 for this purpose.

The conferees recommend authorization of appropriations of $1,942,557,000 for Army military construction and family housing for fiscal year 1997.

ITEMS OF SPECIAL INTEREST

Improvements Of Military Family Housing, Army

The conferees recommend that, within authorized amounts for improvements of military family housing and facilities, the Secretary of the Army execute the following projects: $16,000,000 for Whole Neighborhood Revitalization, Phase II (228 units) at Fort Rucker, Alabama; $7,800,000 for family housing improvements (48 units) at Fort Richardson, Alaska; $8,600,000 for family housing improvements (52 units) at Fort Wainwright, Alaska; $7,300,000 for family housing improvements (120 units) at Stuttgart, Germany; $4,600,000 for family housing improvements (64 units) at Baumholder, Germany; $8,200,000 for family housing improvements (136 units) at Mannheim, Germany; $9,600,000 for Whole Neighborhood Revitalization, Phase III (102 units) at Fort Campbell, Kentucky; $7,200,000 for family housing improvements (250 units) at Fort Polk, Louisiana; and $2,300,000 for family housing improvements (42 units) at Tobyhanna Army Depot, Pennsylvania.

LEGISLATIVE PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

Land acquisition, National Ground Intelligence Center, Charlottesville, Virginia (sec. 2105)

The conferees include a provision that would authorize the Secretary of the Army to acquire real property for the National Ground Intelligence Center, Charlottesville, Virginia. The acquisition would be contingent upon the Secretary certifying to the congressional defense committees that the acquisition of the property would provide the most cost-effective means of securing a location for the National Ground Intelligence Center.

LEGISLATIVE PROVISIONS NOT ADOPTED

Correction in authorized uses of funds, Fort Irwin, California

The House bill contained a provision (sec. 2105) that would correct the authorized use of funds authorized for appropriation in prior years for a military construction project at Fort Irwin, California. The provision would permit the use of previously authorized funds to construct a heliport at Fort Irwin to support the National Training Center.

The Senate amendment contained no similar provision.

The House recedes.

TITLE XXII—NAVY

FISCAL YEAR 1997

Overview

The House bill would authorize $2,303,173,000 for Navy military construction and family housing programs for fiscal year 1997.

The Senate amendment would authorize $2,054,793,000 for this purpose.

The conferees recommend authorization of appropriations of $2,213,731,000 for Navy military construction and family housing for fiscal year 1997.

The conferees agree to a general reduction of $12,000,000 in the authorization of appropriations for the Navy military construction account. The general reduction is to be offset by savings from favorable bids, reduction in overhead costs, and cancellation of projects due to force structure changes. The general reduction shall not cancel any military construction authorized by title XXII of this Act.

ITEMS OF SPECIAL INTEREST

Improvements of Military Family Housing, Navy

The conferees recommend that, within authorized amounts for improvements of military family housing and facilities, the Secretary of the Navy execute the following projects: $6,600,000 for Whole House Revitalization, Phase I (160 units) at Naval Air Station Meridian, Mississippi; $5,900,000 for family housing improvements (1,257 units) at Marine Corps Air Station Beaufort, South Carolina; $2,400,000 for Whole House Revitalization (55 units) at Joint Reserve Base Fort Worth, Texas; and $6,900,000 for Whole House Revitalization (100 units) at Naval Air Station Whidbey Island, Washington.

LEGISLATIVE PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

Beach replenishment, Naval Air Station, North Island, California (sec. 2205)

The House bill contained a provision (sec. 2205) that would provide for a cost-sharing agreement between the Secretary of the Navy, the State of California, and local governments concerning beach replenishment executed as part of a military construction project at Naval Air Station, North Island, California.

The Senate amendment contained no similar provision.

The Senate recedes with a technical amendment.

LEGISLATIVE PROVISIONS NOT ADOPTED

Defense access roads

The Senate amendment contained a provision (sec. 2204) that would authorize the Secretary of the Navy to make advances, in

the amount of $300,000, to the Secretary of Transportation for the construction of defense access roads at various locations.

The House bill contained no similar provision.

The Senate recedes.

TITLE XXIII—AIR FORCE

FISCAL YEAR 1997

Overview

The House bill would authorize $1,823,456,000 for Air Force military construction and family housing programs for fiscal year 1997.

The Senate amendment would authorize $1,844,786,000 for this purpose.

The conferees recommend authorization of appropriations of $1,894,594,000 for Air Force military construction and family housing for fiscal year 1997.

ITEMS OF SPECIAL INTEREST

Improvements of Military Family Housing, Air Force

The conferees recommend that, within authorized amounts for improvements of military family housing and facilities, the Secretary of the Air Force execute the following projects: $8,600,000 for family housing improvements (112 units) at Eglin Air Force Base, Florida; $6,000,000 for Whole House Revitalization (52 units) at Wright-Patterson Air Force Base, Ohio; $13,000,000 for family housing improvements (133 units) at Laughlin Air Force Base, Texas; and $7,500,000 for Whole House Revitalization (92 units) at Hill Air Force Base, Utah.

LEGISLATIVE PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

Elimination of authority to carry out fiscal year 1995 project, Spangdahlem Air Force Base, Germany (sec. 2305)

The conferees recommend a provision (sec.) that would amend the table in 2301(b) of the Military Construction Authorization Act for Fiscal Year 1995 (Division B of Public Law 103–337) relating to Spangdahlem Air Force Base, Germany by reducing the authorization by $2.1 million and terminating the authority to upgrade the sewage and storm water system.

TITLE XXIV—DEFENSE AGENCIES

FISCAL YEAR 1997

Overview

The House bill would authorize $3,396,336,000 for Defense Agencies military construction and family housing programs for fiscal year 1997.

The Senate amendment would authorize $3,399,136,000 for this purpose.

The conferees recommend authorization of appropriations of $3,379,703,000 for Defense Agencies military construction and family housing for fiscal year 1997.

LEGISLATIVE PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

Reduction in amounts authorized to be appropriated for fiscal year 1996 defense agencies military construction, land acquisition, and military family housing functions (sec. 2407)

The conferees recommend a provision (sec.) that would amend section 2405 of the Military Construction Authorization Act for Fiscal Year 1996 (Division B of Public Law 104–106) by reducing the authorization of appropriations for defense agencies by $7.0 million.

TITLE XXV—NORTH ATLANTIC TREATY ORGANIZATION SECURITY INVESTMENT PROGRAM

FISCAL YEAR 1997

Overview

The House bill would authorize $177,000,000 for the U.S. contribution to the NATO Security Investment Program for fiscal year 1997.

The Senate amendment would authorize $172,000,000 for this purpose.

The conferees authorize $172,000,000 for the U.S. contribution to the NATO Security Investment Program.

TITLE XXVI—GUARD AND RESERVE FORCES FACILITIES

FISCAL YEAR 1997

Overview

The House bill would authorize $294,693,000 for military construction and land acquisition for fiscal year 1997 for the Guard and Reserve components.

The Senate amendment would authorize $451,099,000 for this purpose.

The conferees recommend authorization of appropriations of $388,826,000 for military construction and land acquisition for fiscal year 1997. This authorization would be distributed as follows:

Army National Guard	$59,194,000
Army Reserve	55,543,000
Naval/Marine Corps Reserve	32,779,000
Air National Guard	188,505,000
Air Force Reserve	52,805,000

LEGISLATIVE PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

Authorization and funding for construction and improvement of Naval Reserve Centers (sec. 2602)

The Senate amendment contained a provision (sec. 2602) that would reallocate $10.4 million appropriated under the heading

"Military Construction, Naval Reserve" in the Military Construction Appropriations Act, 1995 (P.L. 103–307) for the construction of a Joint Reserve Center at Fort Lawton, Washington and the construction of other reserve facilities in the State of Washington.

The House bill contained no similar provision.

The House recedes with an amendment that would broaden the availability of funds for unspecified minor construction and planning and design. The amendment would also make a technical correction by designating a new section (sec. 2835) regarding a modification to the related land conveyance language in the Military Construction Appropriations Act, 1995.

Upgrade Air National Guard facilities, Bangor International Airport, Maine (sec. 2603)

The conferees recommend a provision that would authorize the Secretary of the Army to carry out a construction project to upgrade Air National Guard Base and support facilities at Bangor International Airport, Maine. The total cost of the project authorized may not exceed $13,000,000. The amount authorized to be appropriated for fiscal year 1997 is $7,000,000.

LEGISLATIVE PROVISIONS NOT ADOPTED

Authorized Guard and Reserve construction and land acquisition projects

The Senate amendment contained a provision (sec. 2601(1)(A)) that would prohibit the obligation of funds authorized for the combined maintenance shop at Camp Guernsey, Wyoming until the Secretary of Defense certifies to Congress that the project is in the current future years defense program.

The House bill contained no similar provision.

The Senate recedes.

TITLE XXVII—EXPIRATION AND EXTENSION OF AUTHORIZATIONS

LEGISLATIVE PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

Extension of authorizations of certain fiscal year 1994 projects (sec. 2702)

The House bill contained a provision (sec. 2702) that would provide for extension of certain fiscal year 1994 military construction authorizations until October 1, 1997, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 1997, whichever is later.

The Senate amendment contained a similar provision.

The Senate recedes with an amendment that would add the following project:

South Carolina; Summerville; Organizational Maintenance Shop; $834,000.

Extension of authorizations of certain fiscal year 1993 projects (sec. 2703)

The Senate amendment contained a provision (sec. 2703) that would provide for extension of certain fiscal year 1993 military construction authorizations until October 1, 1997, or the date of the enactment of the Act authorizing funds for military construction for fiscal year 1997, whichever is later.

The House bill contained a similar provision.

The House recedes with an amendment that would add the following project:

New Mexico; Clayton; Armory; $1,400,000.

LEGISLATIVE PROVISIONS NOT ADOPTED

Prohibition on use of funds for certain projects

The Senate amendment contained a provision (sec. 2705) that would prohibit the obligation or expenditure of funds for certain military construction projects in Kentucky until the Secretary of Defense certifies that the projects are included in the current future years defense program.

The House bill contained no similar provision.

The Senate recedes.

TITLE XXVIII—GENERAL PROVISIONS

LEGISLATIVE PROVISIONS

Subtitle A—Military Construction and Military Family Housing

LEGISLATIVE PROVISIONS ADOPTED

Increase in certain thresholds for unspecified minor construction projects (sec. 2801)

The Senate amendment contained a provision (sec. 2801) that would amend sections 2805 and 18233(a) of title 10, United States Code, to increase the operations and maintenance minor construction limit from $300,000 to $500,000 for the active and reserve components. The provision would further amend section 18233(a) to increase the reserve component minor military construction limit from $400,000 to $1.5 million.

The House bill amendment contained no similar provision.

The House recedes.

Redesignation of North Atlantic Treaty Organization Infrastructure Program (sec. 2802)

The Senate amendment contained a provision (sec. 2503) that would amend section 2806 of title 10, United States Code, by redesignating the North Atlantic Treaty Organization Infrastructure Program as the North Atlantic Treaty Organization Security Investment Program. The provision would establish in law the name change implemented by the North Atlantic Treaty Organization when it revamped the infrastructure program in 1993.

The House bill contained a similar provision.

The House recedes.

Improvements to military family housing units (sec. 2803)

The House bill contained a provision (sec. 2803) that would make technical changes to the calculation of cost of major maintenance and repair to military housing units.

The Senate amendment contained a similar provision.

The Senate recedes with a technical amendment.

Availability of funds for planning, execution, and administration of contracts for family housing and unaccompanied housing (sec. 2804)

The conferees recommend an amendment to section 2883 of title 10, United States Code, to make a technical correction that would authorize the Department of Defense to pay expenses incurred for planning, execution, and administration of contracts entered into under the Military Housing Privatization Initiative authority from the funds established under the Initiative and from other Department of Defense funds that are otherwise available for such purposes.

Subtitle B—Defense Base Closure and Realignment

LEGISLATIVE PROVISIONS ADOPTED

Restoration of authority for certain intragovernmental transfers under 1988 Base Closure Law (sec. 2811)

The House bill contained a provision (sec. 2811) that would restore the ability of the Secretary of Defense to transfer property at a closing or realigning military installation to a military department, including a nonappropriated fund instrumentality, or to the Coast Guard. The previous authority for such transfers was inadvertently repealed in a prior year through a technical drafting error.

The Senate amendment contained a similar provision.

The Senate recedes.

Contracting for certain services at facilities remaining on closed installations (sec. 2812)

The House bill contained a provision (sec. 2812) that would authorize the Department of Defense to contract out for certain services at facilities remaining on military installations closed under the base closure and realignment process.

The Senate amendment contained a provision (sec. 2812) that would amend section 204(b)(8)(A) of the Defense Authorization Amendments and Base Closure and Realignment Act of 1988 (P.L. 100–526) and section 2905(b)(8)(A) of the Defense Base Closure and Realignment Act of 1990 (P.L. 101–510) to increase the authority of the service secretaries to contract for services, such as fire fighting or security guards, for facilities not yet transferred or otherwise disposed of at installations closed under the applicable closure law.

The House recedes.

Authority to compensate owners of manufactured housing (sec. 2813)

The House bill contained a provision (sec. 2813) that would authorize payments from the base closure and realignment accounts to compensate owners of manufactured housing at military installations to be closed or realigned. Under the provision, the payment may be made if the manufactured housing park is eliminated or relocated. No payment authorized by this section may exceed 90 percent of the purchase price of the manufactured housing unit.

The Senate amendment contained no similar provision.

The Senate recedes.

Additional purpose for which adjustment and diversification assistance is authorized (sec. 2814)

The House bill contained a provision (sec. 2814) that would restore the authority of the Secretary of Defense to make grants, conclude cooperation agreements, and supplement other Federal funds to assist base reuse planning by the States and local redevelopment authorities at military installations to be closed. The previous authority for such support was inadvertently repealed in a prior year through a technical drafting error.

The Senate amendment contained no similar provision.

The Senate recedes.

Payment of stipulated penalties assessed under CERCLA in connection with Loring Air Force Base, Maine (sec. 2815)

The House bill contained a provision (sec. 2815) that would authorize payments from the base closure and realignment accounts for stipulated penalties assessed under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) of 1980 in connection with the closure of Loring Air Force Base, Maine.

The Senate amendment contained a similar provision.

The Senate recedes.

Plan for utilization, reutilization, or disposal of Mississippi Army Ammunition Plant (sec. 2816)

The House bill contained a provision (sec. 2816) that would require the Secretary of the Army to submit to the Congress a plan for the utilization, reutilization, or disposal of the Mississippi Army Ammunition Plant. The plan shall be submitted not later than 180 days after enactment of this Act.

The Senate amendment contained no similar provision.

The Senate recedes with a clarifying amendment.

Subtitle C—Land Conveyances

LEGISLATIVE PROVISIONS ADOPTED

PART I—ARMY CONVEYANCES

Transfer of lands, Arlington National Cemetery, Arlington, Virginia (sec. 2821)

The Senate amendment contained a provision (sec. 2821) that would authorize the Secretary of the Interior to transfer to the Secretary of the Army a parcel of real property in section 29 of the National Park System known as the Arlington Cemetery Internment Zone and all those lands in the area of section 29 known as the Robert E. Lee Memorial Preservation Zone, except those lands in the Preservation Zone that the Secretary of the Interior determines must be retained because of historical significance. The conveyance would be carried out in accordance with the Interagency Agreement dated February 22, 1995.

Prior to executing a transfer of property in the Robert E. Lee Memorial Preservation Zone, the Secretaries would be required to submit a report to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives, which includes a summary of the cultural resource study, a summary of any environmental analysis, and a summary of the general manner in which the Secretary of the Army plans to develop the property.

The provision would further authorize the Secretary of the Interior to convey to the Secretary of the Army a parcel of real property and improvements containing 2.43 acres. It would also authorize the Secretary of the Army to transfer to the Secretary of the Interior a parcel of real property and improvements containing 0.17 acre.

The House bill contained a similar provision.

The House recedes with an amendment that would include in the summary required by paragraph (2)(A)(ii) any analysis required by the National Historic Preservation Act of 1966.

Transfer of jurisdiction and land transfer, Fort Sill, Oklahoma (sec. 2822)

The Senate amendment contained a provision (sec. 2828) that would authorize the Secretary of the Army to transfer to the Secretary of Veterans Affairs administrative jurisdiction of approximately 400 acres of real property, comprising a portion of Fort Sill, Oklahoma. The property transferred is to be used as a national cemetery.

The House bill contained no similar provision.

The House recedes.

Land conveyance, Army Reserve Center, Rushville, Indiana (sec. 2823)

The House bill contained a provision (sec. 2822) that would authorize the Secretary of the Army to convey, without consideration, a parcel of real property with improvements, to the City of Rushville, Indiana. The property is to be used for the benefit of public

safety. The cost of any surveys necessary for the conveyance shall be borne by the City.

The Senate amendment contained no similar provision.

The Senate recedes.

Land conveyance, Army Reserve Center, Anderson, South Carolina (sec. 2824)

The House bill contained a provision (sec. 2823) that would authorize the Secretary of the Army to convey, without consideration, a parcel of real property with improvements, to the County of Anderson, South Carolina. The property is to be used for educational purposes. The cost of any surveys necessary for the conveyance shall be borne by the County.

The Senate amendment contained no similar provision.

The Senate recedes.

Land conveyance, Army Reserve Center, Montpelier, Vermont (sec. 2825)

The Senate amendment contained a provision (sec. 2823) that would authorize the Secretary of the Army to convey, without consideration, the Army Reserve Center, Montpelier, Vermont consisting of approximately 4.3 acres and improvements, to the City of Montpelier, Vermont. The provision would require the City to lease, at no rental charge, to the Civil Air Patrol the space that the Civil Air Patrol leases from the Army at the time of enactment of the National Defense Authorization Act for Fiscal Year 1997. The conveyance would be contingent on a determination that no other Federal agency has an interest in the property.

The House bill contained no similar provision.

The House recedes with an amendment that would strike the language pertaining to expressions of interest by other Federal agencies.

Land conveyance, Craft Brothers Reserve Training Center, Manchester, New Hampshire (sec. 2826)

The Senate amendment contained a provision (sec. 2832) that would authorize the Secretary of the Army to convey, without consideration, approximately 3.5 acres of real property containing the Craft Brothers Reserves Center in Manchester, New Hampshire to Saint Anselm College. The Secretary would be prohibited from initiating the conveyance until the Army reserve units currently located at the Craft Brothers Reserves Center are relocated to the Joint Reserve Center to be constructed at the Manchester Airport, New Hampshire. The conveyance would be contingent on a determination that no other federal agency has an interest in the property.

The House bill contained no similar provision.

The House recedes.

Land conveyance, Pine Bluff Arsenal, Arkansas (sec. 2827)

The Senate amendment contained a provision (sec. 2835) that would authorize the Secretary of the Army to convey, without consideration, a 1500-acre parcel of land located at Pine Bluff Arsenal, Arkansas to the Economic Development Alliance of Jefferson Coun-

ty, Arkansas for economic development. The conveyance would be conditioned on the following: that the Secretary of the Army must have all required permits for the operation of the Chemical Demilitarization (DEMIL) facility prior to the conveyance; that the Secretary of Defense must certify that the proposed conveyance would not negatively impact the ability of the Department of Defense to carry out the DEMIL mission; and that the Federal government must be reimbursed if, at any time during the 25 years after the conveyance, the County sells the property.

The House bill contained no similar provision.

The House recedes.

Reaffirmation of land conveyances, Fort Sheridan, Illinois (sec. 2828)

The House bill contained a provision (sec. 2824) that would provide authority to the Secretary of the Army to complete, as soon as practicable, the previously authorized land conveyance at Fort Sheridan, Illinois.

The Senate amendment contained an identical provision. The conference agreement includes this provision.

PART II—NAVY CONVEYANCES

Land transfer, Potomac Annex, District of Columbia (sec. 2831)

The Senate amendment contained a provision (sec. 2822) that would direct the Secretary of the Navy to transfer approximately three acres of real property located at the Potomac Annex in the District of Columbia to the administrative jurisdiction of the United States Institute of Peace. As a condition of the transfer, the Institute shall agree to make available to the Navy permanent parking space at the headquarters building and interim parking during construction of the headquarters building.

The House bill contained no similar provision.

The House recedes with an amendment that would make the conveyance permissive.

The conferees urge the Secretary and the Institute to move forward with the transfer and expect the Institute to proceed with its plans to raise private funds for the construction of a headquarters facility on the site.

Land Exchange, St. Helena Annex, Norfolk Naval Shipyard, Virginia (sec. 2832)

The House bill contained a provision (sec. 2832) that would authorize an exchange of real property, with consideration, relating to Norfolk Naval Shipyard, Virginia. As consideration for the real property located at the Shipyard conveyed by the Secretary, the transferee shall convey to the United States a parcel or parcels of real property, with improvements, located in the area of Portsmouth, Virginia, and shall pay to the Secretary an amount equal to the amount by which the fair market value of the parcel conveyed by the Secretary exceeds the fair market value of the parcel conveyed to the United States. In lieu of such consideration, the Secretary and the transferee may agree upon in-kind consideration under which the transferee would provide for the improvement,

maintenance, or repair of real property under the control of the Secretary in the area of Hampton Roads, Virginia. The exact acreage and legal description of the parcels shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the transferee.

The Senate amendment contained no similar provision.

The Senate recedes.

Land conveyance, Calverton Pine Barrens, Naval Weapons Industrial Reserve Plant, Calverton, New York (sec. 2833)

The House bill contained a provision (sec. 2833) that would authorize the Secretary of the Navy to convey a parcel of real property, comprising the Calverton Pine Barrens and located at the Naval Weapons Industrial Reserve Plant, Calverton, New York, to the Department of Environmental Conservation of the State of New York. The property is to be used as a nature preserve. The cost of any surveys necessary for the conveyance shall be borne by the Department of Environmental Conservation.

The Senate amendment contained no similar provision.

The Senate recedes.

Land conveyance, former Naval Reserve Facility, Lewes, Delaware (sec. 2834)

The Senate amendment contained a provision (sec. 2824) that would authorize the Secretary of the Navy to convey, without consideration, to the State of Delaware a parcel of real property, consisting of approximately 16.8 acres and improvements, at the former Naval Reserve Facility, Lewes, Delaware. The provision would require the State to use the property, in perpetuity, solely as a public park or recreational area. The property would revert to the United States if at any time, the Secretary of the Interior determines that the property is not being used in accordance with the conditions of conveyance. The conveyance would be contingent on a determination that no other Federal agency has an interest in the property.

The House bill contained no similar provision.

The House recedes with an amendment that would require the Secretary of the Navy to determine that the property is not being used in accordance with the conditions of conveyance. The amendment would also strike the language pertaining to expressions of interest by other Federal agencies.

Modification of land conveyance authority, Naval Reserve Center, Seattle, Washington (sec. 2835)

The Senate amendment contained a provision (sec. 2602) that would reallocate $10.4 million appropriated under the heading "Military Construction, Naval Reserve" in the Military Construction Appropriations Act, 1995 for the construction of a Joint Reserve Center at Fort Lawton, Washington and the construction of other reserve facilities in the State of Washington.

The House bill contained no similar provision.

The House recedes with an amendment that would broaden the availability of funds for unspecified minor construction and planning and design. The amendment would also make a technical

correction by designating a new section regarding a modification to the related land conveyance language in the Military Construction Appropriations Act, 1995.

Release of condition on reconveyance of transferred land, Guam (sec. 2836)

The House bill contained a provision (sec. 2831) that would repeal section 818(b)(2) of the Military Construction Authorization Act for Fiscal Year 1981 (Public Law 96–418) relating to a condition on the disposal by the Government of Guam of real property conveyed by the United States.

The Senate bill contained no similar provision.

The Senate recedes.

Lease to facilitate construction of reserve center, Naval Air Station, Meridian, Mississippi (sec. 2837)

The House bill contained a provision (sec. 2206) that would permit the Secretary of the Navy to lease to the State of Mississippi, without reimbursement, approximately five acres of real property at Naval Air Station, Meridian, Mississippi. The State shall use the property to construct a reserve center and ancillary supporting facilities. The section also would provide for a leaseback of the reserve center by the Navy.

The Senate amendment contained a similar provision.

The Senate recedes.

PART III—AIR FORCE CONVEYANCES

Land conveyance, Radar Bomb Scoring Site, Belle Fourche, South Dakota (sec. 2841)

The House bill contained a provision (sec. 2842) that would authorize the Secretary of the Air Force to convey, without consideration, approximately 37 acres of real property and improvements to the Belle Fourche School District, Belle Fourche, South Dakota. The property is to be used for educational, economic development, and housing purposes. The cost of any surveys necessary for the conveyance shall be borne by the School District.

The Senate amendment contained a similar provision.

The Senate recedes.

Conveyance of primate research complex and Air Force-owned chimpanzees, Holloman Air Force Base, New Mexico (sec. 2842)

The Senate amendment contained a provision (sec. 2826) that would authorize the Secretary of the Air Force to convey, on a competitive basis and at no cost to the Air Force, the primate research complex and the colony of Air Force-owned chimpanzees located at Holloman Air Force Base, New Mexico. The authorized conveyance would not include the real property on which the research complex is sited. The Secretary, in cooperation with the Department of Agriculture and the National Institutes of Health, would be required to develop standards of care and use of the primate research complex and of the chimpanzees, to be used in solicitation of bids. The conditions of conveyance would require that the recipient use the

chimpanzees for scientific research, medical research, or retire and provide adequate care for the chimpanzees.

The House bill contained a similar provision.

The House recedes with an amendment that would: clarify that the Air Force-owned chimpanzees are included in the transfer; specify competitive negotiations required in the disposal; make the recipient of the complex and chimpanzees subject to the existing lease; and make certain technical corrections.

PART IV—OTHER CONVEYANCES

Land conveyance, Tatum Salt Dome Test Site, Mississippi (sec. 2851)

The House bill contained a provision (sec. 2851) that would authorize the Secretary of Energy to convey the Tatum Salt Dome Test Site to the State of Mississippi after certification by the Administrator of the Environmental Protection Agency and the State that any contamination of the property has been remediated in accordance with applicable Federal and state statutory and regulatory requirements. The property is to be used by the State as a wildlife refuge and is to be designated as the Jamie Whitten Wilderness Area.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would designate the property as the Jamie Whitten Forest Management Area and specify that all subsurface estate be retained by the United States.

Land conveyance, William Langer Jewel Bearing Plant, Rolla, North Dakota (sec. 2852)

The House bill contained a provision (sec. 2852) that would authorize the Administrator of the General Services Administration to convey, without consideration, approximately 9.77 acres of real property with improvements comprising the formerly Army-owned William Langer Jewel Bearing Plant, Rolla, North Dakota to the Job Development Authority of the City of Rolla, North Dakota. The property is to be used for economic development. The cost of any surveys necessary for the conveyance shall be borne by the Authority.

The Senate Amendment contained a similar provision.

The House recedes with an amendment that would make the funds made available under the Department of Defense Appropriations Act, 1995 (Public Law 103–335) for the maintenance of the William Langer Jewel Bearing Plant available pending the conveyance of the plant.

Land conveyance, Air Force Plant No. 85, Columbus, Ohio (sec. 2853)

The Senate amendment contained a provision (sec. 2834) that would authorize the Secretary of the Air Force to instruct the Administrator of General Services to convey, without consideration, a parcel of real property consisting of approximately 240 acres of land and improvements, known as Air Force Plant No. 85, to the Columbus Municipal Airport Authority. The conveyance would be

contingent on a determination that no other Federal agency has an interest in the property.

The House bill contained no similar provision.

The House recedes with a technical amendment.

Modification of boundaries of White Sands National Monument and White Sands Missile Range (sec. 2854)

The Senate amendment contained a provision (sec. 2836) that would authorize the Secretary of the Interior and the Secretary of the Army to exchange administrative jurisdiction of certain parcels of real property to facilitate the administration of the White Sands National Monument and the White Sands Missile Range, New Mexico.

The House bill contained no similar provision.

The House recedes with an amendment that would make the exchange permissive.

Subtitle D—Other Matters

LEGISLATIVE PROVISIONS ADOPTED

Authority to grant easements for rights-of-way (sec. 2861)

The Senate amendment contained a provision (sec. 2803) that would amend section 2668(a) of title 10, United States Code, by including poles, lines, structures, and facilities used for transmission or distribution of electrical power and communication signals in the authority for which the Secretary may grant easements on military installations. The provision would also make section 2668(a) the only easement authority for the military departments.

The House bill contained a similar provision.

The House recedes.

Authority to enter into cooperative agreements for the management of cultural resources on military installations (sec. 2862)

The House bill contained a provision (sec. 2862) that would authorize the military departments to enter into cooperative agreements for the management of cultural resources. In the absence of specific statutory authority, the military departments have been reluctant to enter into such cooperative agreements. The Sikes Act (Public Law 99–561) currently authorizes the Secretary of Defense to plan, develop, maintain, and coordinate wildlife conservation and rehabilitation efforts on Department of Defense installations through the use of cooperative agreements.

The Senate amendment contained a similar provision (sec. 349).

The Senate recedes.

Demonstration project for installation and operation of electric power distribution systems at Youngstown Air Reserve Station, Ohio (sec. 2863)

The House bill contained a provision (sec. 2863) that would authorize the Secretary of the Air Force to carry out a demonstration project to assess the feasibility of permitting private entities to install, operate, and maintain electric power distribution systems at

military installations. The demonstration project would be conducted at Youngstown Air Reserve Station, Ohio.

The Senate amendment contained a similar provision.

The Senate recedes with an amendment that would specify the source of funding to support the demonstration project and would establish a reporting requirement.

Renovation of the Pentagon Reservation (sec. 2864)

The Senate amendment contained a provision (sec. 2829) that would reduce, by $100.0 million, the $1.2 billion cap on the renovation of the Pentagon.

The House bill contained no similar provision.

The House recedes.

Plan for repairs and stabilization of the historic district at the Forest Glen Annex of the Walter Reed Medical Center, Maryland (sec. 2865)

The Senate amendment contained a provision (sec. 2105) that would require the Secretary of the Army to submit to the congressional defense committees a comprehensive plan for basic repairs and stabilization measures for the historic district at the Forest Glen Annex of Walter Reed Army Medical Center, Maryland, together with funding options for implementing the plan. The provision would require the report to be submitted not later than 30 days after the date of enactment of the National Defense Authorization Act for Fiscal Year 1997.

The House bill contained no similar provision.

The House recedes with an amendment that would extend the report submission time to 120 days.

Naming of range at Camp Shelby, Mississippi (sec. 2866)

The House bill contained a provision (sec. 2602) that would designate the Multi-Purpose Range Complex (Heavy) at Camp Shelby, Mississippi as the "G.V. (Sonny) Montgomery Range". The provision would take effect at noon, January 3, 1997, or the first day on which G.V. Montgomery otherwise ceases to be a Member of the House of Representatives.

The Senate amendment contained no similar provision.

The Senate recedes.

Designation of Michael O'Callaghan Military Hospital (sec. 2867)

The House bill contained a provision (sec. 2864) that would designate the Nellis Federal Hospital, Las Vegas, Nevada, as the Michael O'Callaghan Military Hospital.

The Senate amendment contained a similar provision (sec. 1070).

The Senate recedes.

Naming of building at the Uniformed Services University of the Health Sciences (sec. 2868)

The Senate amendment contained a provision (sec. 1071) that would express the sense of the Senate that the Secretary of Defense name Building A at the Uniformed Services University of the Health Sciences the "David Packard Building."

The House bill contained no similar provision.

The House recedes with an amendment that would express the sense of the Congress.

LEGISLATIVE PROVISIONS NOT ADOPTED

Authority to demolish excess facilities

The House bill contained a provision (sec. 2802) that would authorize a program to demolish excess facilities. Funds authorized for appropriation under the authorities contained in this section may not be used for the demolition of military family housing, facilities involved in a base closure and realignment action, or facilities which would be demolished as an integral part of a specific military construction project.

The Senate amendment contained no similar provision.

The House recedes.

Land transfer, Vernon Ranger District, Kisatchie National Forest, Louisiana

The Senate amendment contained a provision (sec. 2833) that would direct the Secretary of Agriculture to transfer 85,000 acres of the Kisatchie National Forest in Louisiana to the Secretary of the Army for use as training and maneuver space at Fort Polk, Louisiana. Within 6 months of enactment of the Act, the transfer shall occur unless the two Secretaries reach an agreement on land management and conservation activities related to National Forest land available for military training activities. The deadline may be extended by 6 months. If after the last deadline an agreement is not reached, the Secretary of Agriculture shall transfer the property to the Army for training use.

The House bill contained no similar provision.

The Senate recedes.

The conferees recognize the requirement for expanded training acreage to accommodate the training mission at Fort Polk. The conferees also recognize the administration's concern for addressing the Army's needs and note the administration's commitment to reaching an agreement between the Department of the Army and the Department of Agriculture through other than legislative means.

The conferees understand that the Department of the Army and the Department of Agriculture have agreed on a statement of principles which will be incorporated in a Memorandum of Agreement for the use of Kisatchie National Forest lands for Army training at Fort Polk. The conferees also understand that the Departments are committed to reaching an agreement on a final Memorandum of Agreement by August 1, 1996. The conferees support this effort and request that the administration provide a copy of the Memorandum of Agreement to the Committee on Armed Services of the Senate and National Security Committee of the House of Representatives as soon as it is available.

Bandelier National Monument

The Senate amendment contained a provision (sec. 2837) that would authorize the Secretary of the Interior and the Secretary of

Energy to exchange administrative jurisdiction over certain parcels of land to facilitate the administration of the Bandelier National Monument.

The House bill contained no similar provision.

The Senate recedes.

TITLE XXIX—MILITARY LAND WITHDRAWALS

LEGISLATIVE PROVISIONS

Subtitle A—Fort Carson-Pinon Canyon Military Lands Withdrawal

LEGISLATIVE PROVISIONS ADOPTED

Fort Carson-Pinon Canyon military lands withdrawal (sec. 2901–2913)

The House bill contained provisions (sec. 2901–2913) that would: withdraw and reserve, subject to valid existing rights, approximately 3,133 acres of public lands and approximately 11,415 acres of mineral rights in the State of Colorado for use by the Secretary of the Army for military maneuvering, training, and other defense-related purposes at Fort Carson, Colorado; withdraw and reserve, subject to valid existing rights approximately 2,517 acres of public lands and approximately 130,139 acres of mineral rights in the State of Colorado for use by the Secretary of the Army for military maneuvering, training, and other defense-related purposes at the Pinon Canyon Maneuver Site, Colorado; require that maps and legal descriptions of the lands withdrawn and reserved by this subtitle be prepared and published by the Secretary of the Interior; provide for the management by the Secretary of the Army, in coordination with the Secretary of the Interior, of the withdrawn lands under this subtitle; provide that the management of withdrawn and acquired mineral resources shall be conducted, as applicable, pursuant to the Military Lands Withdrawal Act of 1986 (Public Law 99–606); provide that hunting, fishing, and trapping activities on the lands withdrawn and reserved under this subtitle shall be conducted in accordance with section 2671 of title 10, United States Code; and provide that the withdrawal and reservation of public lands and mineral rights will terminate 15 years after the date of enactment of this subtitle.

The provisions would also: provide for procedures to permit a determination of continuing military need for the withdrawn and reserved public lands and mineral rights; provide for procedures under which the Secretary of the Army could relinquish all or part of the lands withdrawn and reserved under this subtitle; provide for decontamination of the withdrawn lands, both during the period of withdrawal and upon relinquishment of the lands by the Department of the Army; provide that the functions of the Secretary of the Army and the Secretary of the Interior under this subtitle may be delegated without restriction, except that an order by the Department of the Interior accepting jurisdiction over withdrawn lands relinquished by the Department of the Army may be signed only by the Secretary of the Interior, the Deputy Secretary of the Interior, or an Assistant Secretary of the Interior; provide that any party conducting any mining, mineral, or geothermal leasing activ-

ity on lands withdrawn under this subtitle shall indemnify the Untied States against any costs, fees, damages, or other liabilities incurred by the United States, arising from those activities; amend the Military Lands Withdrawal Act of 1986 (Public Law 99–606) to permit, subject to valid existing rights, military use of sand, gravel, and similar construction materials on the lands withdrawn by that Act; and authorize such sums as may be necessary to carry out the purposes of this subtitle.

The Senate amendment contained no similar provision.

The Senate recedes.

Subtitle B—El Centro Naval Air Facility Ranges Withdrawal

LEGISLATIVE PROVISIONS ADOPTED

El Centro Naval Air Facility ranges withdrawal (sec. 2921–2931)

The House bill contained provisions (sec. 2921–2931) that would: withdraw and reserve, subject to valid existing rights, approximately 46,600 acres of public lands in the State of California for use by the Secretary of the Navy for defense-related purposes at Naval Air Facility, El Centro, California; require that maps and legal descriptions of the lands withdrawn and reserved be prepared and published by the Secretary of the Interior; and provide for the management by the Secretary of the Interior, in coordination with the Secretary of the Navy.

The provision would also provide: that the withdrawal and reservation of lands at Naval Air Facility, El Centro, California, shall terminate 25 years after the date of enactment of this Act; that the Secretary of the Navy maintain a program of decontamination of the lands; for procedures to permit a determination of continuing military need for the lands; for procedures under which the Secretary of the Navy could relinquish all or part of the lands; that the functions of the Secretary of the Navy and the Secretary of the Interior under this provision may be delegated without restriction, except that an order by the Department of the Interior accepting jurisdiction over withdrawn lands relinquished by the Department of the Navy may be signed only by the Secretary of the Interior, the Deputy Secretary of the Interior, or an Assistant Secretary of the Interior; that hunting, fishing, and trapping activities on the lands withdrawn and reserved under this subtitle shall be conducted in accordance with section 2671 of title 10, United States Code; and that any party conducting any mining, mineral, or geothermal leasing activity on lands withdrawn under this subtitle shall indemnify the United Sates against any costs, fees, damages, or other liabilities incurred by the United States arising from those activities.

The Senate amendment contained no similar provision.

The Senate recedes.

DIVISION C—DEPARTMENT OF ENERGY NATIONAL SECURITY AUTHORIZATIONS AND OTHER AUTHORIZATIONS

TITLE XXXI—DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS

Overview

The budget request for fiscal year 1977 contained an authorization of $11,049.5 million for the Department of Energy National Security Programs. The House bill would authorize $11,214.1 million. The Senate amendment would authorize $11,499.5 million. The conferees recommended an authorization of $11,399.5 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Fiscal Year 1997 Department of Energy National Security Programs

(Dollars in Thousands)

	FY 1997 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
Atomic Energy Defense Activities:					
Weapons Activities					
Operation and Maintenance	3,395,404	3,620,404	3,634,404	208,000	3,603,404
Construction	314,598	314,598	314,598	0	314,598
Total, Weapons Activities	3,710,002	3,935,002	3,949,002	208,000	3,918,002
Defense Environmental Restoration and Waste Mgmt.					
Operation and Maintenance	5,203,411	5,203,411	5,401,411	100,000	5,303,411
Construction	205,899	205,899	205,899	0	205,899
Total, Defense Env. Restoration & Waste Management	5,409,310	5,409,310	5,607,310	100,000	5,509,310
Full Funding for Fixed Assets	182,000	182,000	182,000		182,000
Other Defense Activities					
Operation and Maintenance	1,517,531	1,457,100	1,445,531	-15,000	1,559,531
Construction	30,700	30,700	30,700	0	30,700
Defense Against Weapons of Mass Destruction Act	0	0	85,000	57,000	57,000
Total, Other Defense Activities	1,548,231	1,487,800	1,561,231	42,000	1,590,231
Defense Nuclear Waste Disposal	200,000	200,000	200,000	0	200,000
Total, Atomic Energy Defense Activities	**11,049,543**	**11,214,112**	**11,499,543**	**350,000**	**11,399,543**

Fiscal Year 1997 Department of Energy National Security Programs

(Dollars in Thousands)

	FY 1997 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
Weapons Activities					
Stockpile stewardship					
Core stockpile stewardship					
Operation and maintenance	1,062,570	1,162,570	1,112,570	85,000	1,147,570
Construction:					
96-D-102 Stockpile stewardship facilities revitalization, Phase VI, various locations	19,250	19,250	19,250		19,250
96-D-103 ATLAS, Los Alamos National Laboratory, Los Alamos, NM	15,100	15,100	15,100		15,100
96-D-104 Processing and environmental technology laboratory, SNL, Albuquerque, NM	14,100	14 100	14,100		14,100
96-D-105 Contained firing facility addition, LLNL, Livermore, CA	17,100	17,100	17,100		17,100
95-D-102 Chemistry and metallurgy research (CMR) upgrades project, LANL, Los Alamos, NM	15,000	15,000	15,000		15,000
94-D-102 Nuclear weapons research, development					

Fiscal Year 1997 Department of Energy National Security Programs

(Dollars in Thousands)

	FY 1997 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
and testing facilities revitalization, Phase V, various locations	7,787	7,787	7,787		7,787
Total, Construction	88,337	88,337	88,337	0	88,337
Total, Core stockpile stewardship	1,150,907	1,250,907	1,200,907	85,000	1,235,907
Inertial fusion					
Operation and maintenance	234,560	234,560	234,560		234,560
Construction:					
96-D-111 National ignition facility Site, TBD	131,900	131,900	131,900		131,900
Total, Inertial fusion	366,460	366,460	366,460	0	366,460
Technology transfer/education					
Technology transfer	49,400	49,400	59,400		49,400
Education	10,000	10,000	10,000		10,000
Total, Technology transfer/education	59,400	59,400	69,400	0	59,400
Marshall island/Dose reconstruction					
Total, Stockpile stewardship	1,576,767	1,676,767	1,636,767	85,000	1,661,767
Stockpile management					
Operation and maintenance	1,704,470	1,829,470	1,894,470	164,000	1,868,470
Construction:					
Stockpile support facilities					

Fiscal Year 1997 Department of Energy National Security Programs

(Dollars in Thousands)

	FY 1997 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
88-D-122 Facilities capability assurance program (FCAP), various locations	21,940	21,940	21,940		21,940
Total, Production base	21,940	21,940	21,940	0	21,940
Environmental, safety and health					
97-D-121 Consolidated pit packaging system, Pantex plant, Amarillo, TX	870	870	870		870
97-D-122 Nuclear materials storage facility renovation, LANL, Los Alamos, NM	4,000	4,000	4,000		4,000
97-D-123 Structural upgrades, Kansas City plant, Kansas City, KS	1,400	1,400	1,400		1,400
97-D-124 Steam plant waste water treatment facility upgrade, Y-12 plant, Oak Ridge, TN	600	600	600		600
96-D-122 Sewage treatment quality upgrade (STQU), Pantex plant, Amarillo, TX	100	100	100		100
96-D-123 Retrofit HVAC and chillers for ozone protection, Y-12 plant, Oak Ridge, TN	7,000	7,000	7,000		7,000

Fiscal Year 1997 Department of Energy National Security Programs

(Dollars in Thousands)

	FY 1997 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
95-D-122 Sanitary sewer upgrade, Y-12 plant, Oak Ridge, TN	10,900	10,900	10,900		10,900
94-D-124 Hydrogen fluoride supply system, Y-12 plant, Oak Ridge TN	4,900	4,900	4,900		4,900
94-D-125 Upgrade life safety, Kansas City plant, Kansas City, MO	5,200	5,200	5,200		5,200
94-D-127 Emergency notification system, Pantex plant, Amarillo, TX	2,200	2,200	2,200		2,200
93-D-122 Life safety upgrades, Y-12 plant, Oak Ridge, TN	7,200	7,200	7,200		7,200
Total, Environmental, safety and health	44,370	44,370	44,370	0	44,370
Safeguards and security					
88-D-123 Security enhancement, Pantex plant, Amarillo, TX	9,739	9,739	9,739		9,739
Nuclear weapons incident response					

Fiscal Year 1997 Department of Energy National Security Programs

(Dollars in Thousands)

	FY 1997 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
96-D-125 Washington aerial measurements operations facility, Andrews Air Force Base, Camp Springs, MD	3,825	3,825	3,825		3,825
Reconfiguration					
93-D-123 Non-nuclear reconfiguration, Complex-21, various locations	14,487	14,487	14,487		14,487
Total, Construction	94,361	94,361	94,361	0	94,361
Total, Stockpile management	1,798,831	1,923,831	1,988,831	164,000	1,962,831
Program direction	334,404	334,404	323,404	-21,000	313,404
Subtotal, Weapons activities	3,710,002	3,935,002	3,949,002	228,000	3,938,002
Use of prior year balances	0		0	-20,000	-20,000
Total, Weapons Activities	**3,710,002**	**3,935,002**	**3,949,002**	**208,000**	**3,918,002**
Defense Environmental Restoration And Waste Mgmt.					
Environmental restoration					
Operating expenses	1,762,194	1,812,194	1,777,194		1,762,194
Waste management					
Operation and maintenance	1,448,326	1,448,326	1,513,326	42,000	1,490,326
WIPP Road improvement project					

Fiscal Year 1997 Department of Energy National Security Programs

(Dollars in Thousands)

	FY 1997 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
General reduction					
Construction:					
97-D-402 Tank farm restoration and safe operations, Richland, WA	7,584	7,584	7,584		7,584
96-D-408 Waste management upgrades, various locations	11,246	11,246	11,246		11,246
95-D-402 Install permanent electrical service, WIPP, AL	752	752	752		752
95-D-405 Industrial landfill V and construction/ demolition landfill VII, Y-12 Plant, Oak Ridge, TN	200	200	200		200
94-D-404 Melton Valley storage tank capacity increase, ORNL	6,345	6,345	6,345		6,345
94-D-407 Initial tank retrieval systems, Richland, WA	12,600	12,600	12,600		12,600
93-D-182 Replacement of cross-site transfer					

Fiscal Year 1997 Department of Energy National Security Programs

(Dollars in Thousands)

	FY 1997 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
system, Richland, WA	8,100	8,100	8,100		8,100
93-D-187 High-level waste removal from filled waste tanks, Savannah River, SC	20,000	20,000	20,000		20,000
89-D-174 Replacement high level waste evaporator, Savannah River, SC	11,500	11,500	11,500		11,500
86-D-103 Decontamination and waste treatment facility, LLNL, Livermore, CA	10,000	10,000	10,000		10,000
Total, Construction	88,327	88,327	88,327	0	88,327
Total, Waste management	1,536,653	1,536,653	1,601,653	42,000	1,578,653
Technology development					
Operation and maintenance	303,771	303,771	328,771		303,771
Total, Technology development	303,771	303,771	328,771	0	303,771
Program direction	446,511	375,511	436,511	-35,000	411,511
Nuclear materials and facilities stabilization					
Operation and maintenance	818,664	1,151,718	909,664	355,054	1,173,718

Fiscal Year 1997 Department of Energy National Security Programs

(Dollars in Thousands)

	FY 1997 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
Construction:					
97-D-450 Actinide packaging and storage facility, Savannah River Site, Aiken, SC	7,900	7,900	7,900		7,900
97-D-451 B-Plant safety class ventilation upgrades, Richland, WA	1,500	1,500	1,500		1,500
97-D-470 Environmental monitoring laboratory, Savannah River, Aiken, SC	0	2,500		2,500	2,500
97-D-473 Health physics site support facility, Savannah River, Aiken, SC	0	2,000		2,000	2,000
96-D-406 Spent nuclear fuels canister storage and stabilization facility, Richland, WA	60,672	60,672	60,672		60,672
96-D-461 Electrical distribution upgrade, Idaho National Engineering Laboratory, ID	0	6,790		6,790	6,790
96-D-464 Electrical & utility systems upgrade, Idaho Chemical Processing Plant, Idaho National Engineering Laboratory, ID	10,440	10,440	10,440		10,440

Fiscal Year 1997 Department of Energy National Security Programs

(Dollars in Thousands)

	FY 1997 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
96-D-471 CFC HVAC/chiller retrofit, Savannah River Site, Aiken, SC	0	8,541		8,541	8,541
95-E-600 Hazardous materials management and emergency response training center, Richland, WA	0	7,900		7,900	7,900
95-D-155 Upgrade site road infrastructure, Savannah River, Aiken, SC	0	4,137		4,137	4,137
95-D-456 Security facilities consolidation, Idaho Chemical Processing Plant, INEL, ID	4,645	4,645	4,645		4,645
94-D-401 Emergency reponse facility, INEL, ID	0	547		547	547
Total, Construction	85,157	117,572	85,157	32,415	117,572
Total, Nuclear materials & facilities stabilization.	903,821	1,269,290	994,821	387,469	1,291,290
Policy and management	48,155	23,155	26,155	-25,000	23,155
Site operations					
Operation and maintenance	297,054	0	331,054	-297,054	0

Fiscal Year 1997 Department of Energy National Security Programs

(Dollars in Thousands)

	FY 1997 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
Construction:					
96-D-461 Electrical distribution upgrade, Idaho National Engineering Laboratory, ID	6,790	0	6,790	-6,790	0
96-D-470 Environmental monitoring laboratory, Savannah River, Aiken, SC	2,500	0	2,500	-2,500	0
96-D-471 CFC HVAC/chiller retrofit, Savannah River Site, Aiken, SC	8,541	0	8,541	-8,541	0
96-D-473 Health physics site support facility, Savannah river, Aiken, SC	2,000	0	2,000	-2,000	0
95-E-600 Hazardous materials management and emergency response traning center, Richland, WA	7,900	0	7,900	-7,900	0
95-D-155 Upgrade site road infrastructure, Savannah River, South Carolina	4,137	0	4,137	-4,137	0
94-D-401 Emergency response facility, INEL, ID	547	0	547	-547	0
Total, Construction	32,415	0	32,415	-32,415	0

Fiscal Year 1997 Department of Energy National Security Programs

(Dollars in Thousands)

	FY 1997 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
Total, Site operations	329,469	0	363,469	-329,469	0
Environmental science program	52,136	62,136	52,136	10,000	62,136
Environmental management privatization	185,000	185,000	185,000		185,000
Environmental management closure-acceleration program	0	0	0	50,000	50,000
Subtotal, Defense environmental management	5,567,710	5,567,710	5,765,710	100,000	5,667,710
Savannah river pension refund	-8,000	-8,000	-8,000		-8,000
Use of prior year balances	-150,400	-150,400	-150,400		-150,400
Total, Defense Environmental Restoration & Waste Mgmt.	**5,409,310**	**5,409,310**	**5,607,310**	**100,000**	**5,509,310**
Full Funding for Fixed Assets	182,000	182,000	182,000		182,000
Other Defense Activities					
Other national security programs					
Verification and control technology					
Nonproliferation and verification R&D	194,919	194,919	204,919	10,000	204,919
Arms control	181,244	169,544	216,244	35,000	216,244
Intelligence	29,185	35,185	35,185	6,000	35,185
Total, Verification and control technology	405,348	399,648	456,348	51,000	456,348
Nuclear safeguards and security	47,208	47,208	47,208		47,208
Security investigations	22,000	22,000	22,000		22,000

Fiscal Year 1997 Department of Energy National Security Programs

(Dollars in Thousands)

	FY 1997 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
Office of environment, safety and health (defense)	53,094	53,094	53,094		53,094
Security evaluations	0	0	0		0
Nuclear safety	0	0	0		0
Program direction - EH	10,706	10,706	10,706		10,706
Worker and community transition	62,659	62,659	62,659		62,659
Program direction - WT	4,341	4,341	4,341		4,341
Fissile materials control and disposition					
Operation and maintenance	73,163	73,163	73,163		73,163
Construction					
97-D-140 Consolidated special nuclear materials storage plant, site TBD	17,000	17,000	17,000		17,000
Program direction - MD	3,633	3,633	3,633		3,633
Total, Fissile materials control and disposition	93,796	93,796	93,796	0	93,796
Emergency management	16,794	16,794	16,794		16,794
Program direction - NN	95,622	95,622	90,622	-7,500	88,122
International nuclear safety	66,200	0	15,200	-51,000	15,200
Nuclear security	6,000	0	6,000		6,000
Use of prior year balances	0	0	0	-25,500	-25,500
Total, Other national security programs	883,768	805,868	878,768	-33,000	850,768

Fiscal Year 1997 Department of Energy National Security Programs

(Dollars in Thousands)

	FY 1997 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
Use of prior year balances					
Naval reactors					
Naval reactors development					
Operation and maintenance	631,330	649,330	649,330	18,000	649,330
Construction:					
97-D-201 Advanced test reactor secondary coolant system refurbishment, INEL, ID	400	400	400		400
95-D-200 Laboratory systems and hot cell upgrades, various locations	4,800	4,800	4,800		4,800
95-D-201 Advanced test reactor radioactive waste system upgrades, Idaho National Engineering Laboratory, ID	500	500	500		500
90-N-102 Expended core facility dry cell project, Naval Reactors Facility, ID	8,000	8,000	8,000		8,000
Total, Construction	13,700	13,700	13,700	0	13,700

Fiscal Year 1997 Department of Energy National Security Programs

(Dollars in Thousands)

	FY 1997 Request	House Authorized	Senate Authorized	Conference Change	Conference Authorized
Total, Naval reactors development	645,030	663,030	663,030	18,000	663,030
Enriched materials	0		0		0
Program direction	18,902	18,902	18,902		18,902
Total, Naval reactors	663,932	681,932	681,932	18,000	681,932
Subtotal, Other defense activities	1,547,700	1,487,800	1,560,700	-15,000	1,532,700
Adjustments:					
Undistributed Reductions			-85,000		0
Correcting entry (OMB error in appropriations language)	531	0	531		531
Total, Adjustments	531	0	-84,469	0	531
Defense Against Weapons of Mass Destruction Act	0	0	85,000	57,000	57,000
Total, Other Defense Activities	**1,548,231**	**1,487,800**	**1,561,231**	**42,000**	**1,590,231**
Defense Nuclear Waste Disposal	200,000	200,000	200,000		200,000
Total, Atomic Energy Defense Activities	**11,049,543**	**11,214,112**	**11,499,543**	**350,000**	**11,399,543**

LEGISLATIVE PROVISIONS

Subtitle A—National Security Programs Authorizations

LEGISLATIVE PROVISIONS ADOPTED

Weapons Activities (sec. 3101)

The House bill contained a provision (sec. 3101) that would authorize $3,935.0 million for Department of Energy (DOE) weapons activities.

The Senate amendment contained a similar provision (sec. 3101) that would authorize $3,949.0 million for Department of Energy weapons activities.

The Senate recedes with an amendment that would authorize $3,918.0 million for weapons activities, an increase of $208.0 million above the requested amount, for the following activities: $1,661.8 million for stockpile stewardship activities; $1,962.8 million for stockpile management activities; $313.4 million for program direction. The authorization includes an undistributed reduction of $20.0 million to be offset by the availability of prior year funds that have not been obligated, or if obligated, have not been expended and would not be needed for the projects that were the basis for obligation.

In balancing the stockpile stewardship and stockpile management programs, the conferees continue to be concerned that the Department is placing an undue reliance on the long-term, unproven science-based stockpile stewardship program at the expense of modernizing the more traditional production, engineering, and surveillance approaches needed to maintain stockpile safety and reliability over the next ten to fifteen years. The conferees direct the Department to seek an appropriate balance between the two approaches to ensure that the United States can maintain the safety, effectiveness, and reliability of its nuclear stockpile.

Of the amount made available for technology transfer and education, the conferees recommend $13.0 million for the American Textiles Partnership project.

In the stockpile management program, the conferees believe that the United States must maintain viable weapons manufacturing capabilities and capacities to rebuild aging weapons and to retain the ability to reconstitute, if necessary, its nuclear forces, consistent with U.S. treaty obligations. In this regard, the conferees are concerned that the underlying rationale of the Department's Draft Programmatic Environmental Impact Statement for Stockpile Stewardship and Management could negatively impact production capabilities and capacities by needlessly downsizing the production plants (Y–12, Pantex, Kansas City, and Savannah River Site) and stripping those facilities of unique skills and expertise. The conferees also raised additional concerns regarding the Department's phased approach to restore tritium production elsewhere in this bill.

Of the amounts made available for stockpile management activities, the conferees authorize an additional $90.0 million for the four weapons production plants to begin a long-term modernization and upgrade programs; an additional $60.0 million for tritium production; an additional $5.0 million for a surety program to improve

waste minimization efforts in the new stockpile management modernization program; an additional $6.0 million for tritium recycling plant upgrades; and an additional $3.0 million for planning and construction of a tritium extraction facility.

Weapons activities program direction is authorized at $313.4 million, a reduction of $21.0 million. The conferees direct that this decrease be used to continue reductions in Federal employee staffing, foreign and domestic travel, and non-technical support service contracts. The conferees direct that reductions to the Federal workforce at DOE headquarters and the non-technical contract support services workforce at DOE headquarters be balanced. Further, the conferees direct the Secretary of Energy to submit a report to Congress identifying the frequency, destination, and cost of foreign travel funded by the Department through grants, cooperative agreements, and subcontracts.

The conferees note that the report required by section 3160 of the National Defense Authorization Act for Fiscal year 1996 has not been provided to the congressional defense committees. The conferees direct the Secretary to provide the required report not later than February 1, 1997. The conferees further require that the report include information relating to past instances in which safety or reliability issues in the stockpile have resulted in a requirement to conduct nuclear tests at yields above hydronuclear yields. The described data shall include the types of problems identified, the solutions to those problems, the type of nuclear test deemed necessary to assure the resolution of each problem, and the element of the stockpile stewardship program being undertaken as a substitute for testing that could provide the analytical capacity to understand, monitor, and make judgements regarding the impact such a problem or problems would have on the reliability of the stockpile. For each such instance, the report should indicate the methods that were available to address the identified problem which did not rely on nuclear testing, and the confidence the Department could have expected from those methods.

The conferees direct the Secretary to update the Warhead Master Plan report required under Section 3153 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106) on a biennial basis and to inform the congressional defense committees of noteworthy changes in the plan.

Environmental restoration and waste management (sec. 3102)

The House bill contained a provision (sec. 3102) that would authorize funds for Department of Energy (DOE) defense environmental restoration and waste management activities for fiscal year 1997 at $5,409.3 million, the level of the budget request.

The Senate amendment contained a provision (sec. 3102) that would authorize $5,607.3 million for DOE defense environmental restoration and waste management activities for fiscal year 1997.

The conferees agree to provide $5,509.3 for DOE defense environmental restoration and waste management activities for fiscal year 1997 for the following activities: $1,762.1 million for environmental restoration; $1,578.6 million for waste management; $1,291.2 million for nuclear material and facility stabilization; $411.5 million for program direction; $303.7 million for technology

development; $23.1 million for policy and management; $62.1 million for the environmental science program; $185.0 million for privatization; and $50.0 million for closure-acceleration activities. The conferees recommend approval of the Department's request for a reduction of $150.4 million for prior year balances and an $8.0 million offset for the Savannah River Site Pension Refund.

Of the funds authorized to be appropriated under section 3102(b), the conferees recommend: an additional $15.0 million to accelerate Defense Waste Processing Facility operations and associated high-level waste treatment; an additional $20.0 million for a one-time payment to the State of New Mexico pursuant to a provision contained elsewhere in this bill; and an additional $7.0 million for the Waste Isolation Pilot Plant to make preparations for receipt of waste shipments.

Of the funds authorized to be appropriated under section 3102(c), the conferees recommend an additional $43.0 million for nuclear material stabilization operations at the F- and H-canyon facilities and an additional $15.0 million for the National Spent Nuclear Fuel Program.

To provide additional resources for cleanup, the conferees recommend reducing the budget request for the office of policy and management (sec. 3102(f)) by $25.0 million. This reduction would result in an authorization for this subaccount that is comparable to that authorized and appropriated in fiscal year 1996. Approximately $4.0 to $7.0 million of this reduction would be derived by eliminating the requirement to submit to Congress, on an annual basis, the baseline environmental management report as required by the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–360). The conferees recommend elsewhere in this title that the annual reporting requirement be converted to a biennial requirement.

The conferees recommend a reduction to the budget request for program direction (sec. 3102(d)) of $35.0 million. The conferees direct that the Department absorb this funding reduction by reducing the number of Federal employees assigned to the Department's headquarters, by reducing administrative overhead and travel expenses at DOE headquarters, and by reducing non-technical contract support services at DOE headquarters. The conferees direct that reductions to the Federal workforce at DOE headquarters and the non-technical contract support services workforce at DOE headquarters be balanced. The conferees encourage the Department to examine options for moving programmatic functions that currently reside at DOE headquarters to Department field offices. Further, the conferees direct the Secretary of Energy to submit a report to the congressional defense committees identifying the frequency, destination, and cost of foreign and domestic travel funded by the Department through grants, cooperative agreements, and subcontracts.

The conferees decline to accept the recommendation to create a separate budget account for the office of site operations. The conferees appreciate the role of this new office and have no objection to this activity being performed within the office of nuclear materials and facilities stabilization. The conferees recommend funding the construction projects associated with the office of site oper-

ations under the budget function for the office of nuclear materials and facilities stabilization. All of these projects have been funded in the past under the latter office's budget function.

The conferees encourage the Department to continue implementation of a viable stakeholder involvement program, such as site specific advisory boards and other public participation initiatives, at a level of activity equivalent to that in fiscal year 1996. As with section 3153, in which the conferees establish a requirement to develop future use plans, the conferees believe strongly that public participation is critical to the development of public trust and acceptance of cleanup plans and programs, and that the public can be an effective partner in helping the Department accelerate cleanup schedules and thereby reduce long-term cleanup costs. The conferees, therefore, urge the Secretary to work to preserve resources for public participation in DOE cleanup activities.

The conferees recommend the creation of a new initiative to be managed by the Assistant Secretary for Environmental Management to accelerate the closure of facilities or significantly reduce out year mortgage costs associated with management of radioactive and other hazardous materials. In doing so, the conferees direct that increased funding be applied to those sites in the field where actual remediation occurs. The conferees recommend that resources be applied to sites such as Rocky Flats, Hanford, Oak Ridge, Savannah River, and Idaho, where additional funding could be used to reduce life-cycle costs significantly through acceleration of existing activities, initiation of cost reducing deactivation and decommissioning activities, and the application of innovative cleanup technologies. Criteria for selection of projects under this closure acceleration program are contained elsewhere in this title.

The conferees recommend funding to establish a privatization program for the treatment of high and low level wastes at the Hanford facility. The conferees direct that the Department provide a report to the congressional defense committees no later than December 31, 1996, on the projected cost savings, the extent of commercial competition and participation in this initiative, and a recommendation on changes that should be made to Federal procurement regulations to make the program more effective.

The conferees encourage the Department to explore all available options, including alternative allocation processes, use of prior year balances, and other means, to ensure that fiscal year 1997 funding for the Hanford privatization program does not serve to slow the pace of cleanup at Hanford.

The conferees are aware that the Department will soon select a new lead contractor for the Hanford facility. New contract provisions should result in cost savings at this site. The conferees strongly encourage the Department, to the maximum extent possible, to allocate those savings that result from the new management contract to the privatization program discussed earlier. This approach should help to diminish any potential negative budgetary impacts resulting from the creation of the privatization fund in fiscal year 1997 and should eliminate any negative impact on current cleanup activities at the Hanford facility. Creation of a privatization fund is not intended to interfere with or impede on-going critical stabilization, maintenance, and cleanup operations at this site.

Finally, the conferees have been advised that a small number of current and former employees at the Hanford facility have failed to receive credit for the total years of service performed at this facility, because of changes in contractors on at least four occasions. While the four Hanford site pension plans have been consolidated into a single pension plan, apparently all of the service has not been included. The conferees direct that the Department examine this issue and provide a report to the congressional defense committees no later than December 31, 1996, with a recommendation on how to correct this problem or certifying that sufficient corrective action has been taken.

Defense fixed asset acquisition/privatization (sec. 3103)

The House bill contained a provision (sec. 3103) that would authorize $182.0 million to establish a new asset acquisition and privatization program for the Department of Energy's national security assets.

The Senate amendment contained no similar provision.

The Senate recedes.

The conferees recommend: $77.0 million for the advanced mixed waste treatment project, Idaho Falls, Idaho; $15.0 million for the advanced mixed waste treatment project, Oak Ridge, Tennessee; $70.0 million for the transuranic waste treatment project, Oak Ridge, Tennessee; and $20.0 million for other projects. No outlays are anticipated in fiscal year 1997 under this program. The conferees intend that pre-construction planning expenditures for each of these projects be funded from operating and maintenance funds authorized in section 3102 of this Act.

The conferees recommend $7.0 million in pre-construction funding for the advanced mixed waste treatment project. The conferees believe this project is important to fulfilling the Department's agreement with the State of Idaho and the Department of the Navy with respect to the interim storage of Naval nuclear spent fuel in Idaho.

Other defense activities (sec. 3104)

The budget request included $1.548 billion for Other Defense Activities of the Department of Energy (DOE) for the fiscal year 1997. The House bill contained a provision (sec. 3104) that would authorize $1.493 billion for Other Defense Activities, a reduction of $55.0 million to the budget request.

The Senate amendment contained a provision (sec. 3103) that would authorize $1.561 billion for the Other Defense Activities, an increase of $85.0 million to the budget request.

The conferees agree to a provision that would authorize $1.590 billion for these activities.

Verification and control technology

The conferees agree to authorize $513.3 million for verification and control technology, an increase of $57.0 million to the budget request. Of the funds available in nonproliferation and verification research and development, the conferees agree that $10.0 million shall be available to accelerate the Department's forensic analytical program to develop capabilities to address the prevention, detec-

tion, interception, and attribution of international nuclear smuggling events. Additionally, $1.5 million shall be available for the conduct of a joint DOE-National Defense study on nuclear smuggling.

The conferees agree to provide $17.0 million to carry out research and development of technical means for detecting the presence, transportation, production, and use of weapons of mass destruction and related technologies and materials. In addition, the conferees direct the Secretary of Energy to produce an annual evaluation of the expected powers and expected limits that define the extent to which science and technology can aid the nonproliferation effort. Additionally, the conferees agree to provide $10.0 million for continuing and expediting cooperative activities with the Government of Russia to develop: (1) technologies for improving verification of nuclear warhead dismantlement; (2) technologies for converting plutonium from weapons into forms that are better suited for long-term storage, to facilitate verification; and (3) technologies that promote openness in Russian production, storage, use, and final and interim disposition of weapons usable fissile material.

With regard to arms control and control technology, the budget request included $181.2 million. The conferees agree to provide $246.2 million, an increase to the budget request of $65.0 million for materials, protection and control activities. Of these funds, the conferees agree to a $35.0 million increase to the budget request for the Industrial Partnering Program (IPP) and $7.9 million shall be available to complete the canning of spent fuel rods in North Korea, pursuant to the Agreed Framework, and to initiate post-canning technical activities.

The conferees recommend an increase to the budget request of $9.0 million for Lab-to-Lab activities. It is the view of the conferees that DOE should seek to expand these activities in the former Soviet Union beyond nuclear activities in Russia, Ukraine, Kazakstan, and Belarus. While programs to date have appropriately focused on the most pressing, strategic concerns, critical work remains to be done in combating the threat of proliferation at a variety of sites in the other states of the former Soviet Union where nuclear, radiological, chemical, and biological weapons-related materials and technologies continue to be vulnerable to proliferation.

In addition, the conferees agree to provide $6.0 million for DOE to carry out cooperative activities with the government of Russia to improve the security of highly enriched uranium that is used for propulsion of Russian military and civilian ships. The Secretary of Energy is directed to develop and periodically update a plan for such cooperative activities, and shall coordinate the development and updating of this plan with the Secretary of Defense, who shall involve the Joint Chiefs of Staff in the coordination.

Intelligence

The conferees recommend an authorization of $35.2 million for the intelligence program, a $6.0 million increase to the budget request for fiscal year 1996 to expand counterintelligence activities at the nuclear weapons laboratories and at other high-risk facilities,

and for expanded analysis of the Russian and Chinese nuclear weapons programs.

International Nuclear Safety

In addition to the $6.0 million recommended by the conferees for core conversion activities at plutonium production reactors in Russia, the conferees agree that Department of Defense will transfer $10.0 million to DOE for the replacement of core reactors at Tomsk and Krasnoyarsk.

Naval Reactors

The conferees recommend an additional $18.0 million for the naval reactors program to allow the prototype plant inactivation plan endorsed by the Department's Office of Naval Reactors to proceed.

Defense nuclear waste disposal (sec. 3105)

The House bill contained a provision (sec. 3105) that would authorize $200.0 million for defense nuclear waste disposal activities of the Department for fiscal year 1997, the requested amount.

The Senate amendment contained a similar provision (sec. 3104).

The Senate recedes.

Subtitle B—Recurring General Provisions

LEGISLATIVE PROVISIONS ADOPTED

Reprogramming (sec. 3121)

The House bill contained a provision (sec. 3121) that would prohibit the reprogramming of funds in excess of 110 percent of the amount authorized for the program, or in excess of $1.0 million above the amount authorized for the program until the Secretary of Energy has notified the congressional defense committees and a period of 30 days has elapsed after the date on which the report is received. Should the Department demonstrate that it has improved its procedures for handling reprogramming requests, the committee would consider returning a more flexible reprogramming statute in the future.

The Senate amendment contained an identical provision (sec. 3121).

The conference agreement includes this provision.

Limits on general plant projects (sec. 3122)

The House bill contained a provision (sec. 3122) that would limit the initiation of "general plant projects" if the current estimated cost for any project exceeded $2.0 million. If the Secretary of Energy found that the estimated cost of any project would exceed $2.0 million, the appropriate committees of Congress would have to be notified of the reasons for the cost variation.

The Senate amendment contained a similar provision (sec. 3122) that would limit the initiation of "general plant projects" if the current estimated cost of the project exceeded $5.0 million dollars. The Senate amendment further required the Secretary of Energy to conduct a study on the establishment of a permanent au-

thorization formula for determining defense and civilian "general plant projects" limitations. Such a limitation would be adjusted periodically for inflation and other factors. The Senate provision would require the Secretary to report to Congress on the findings of the study not later than February 1, 1997.

The Senate recedes with an amendment that would require the Secretary of Energy to conduct a study and report to Congress on a permanent formula for "general plant projects" not later than February 1, 1997.

Limits on construction projects (sec. 3123)

The House bill contained a provision (sec. 3123) that would permit any construction project to be initiated and continued only if the estimated cost for the project does not exceed 125 percent of the higher of: (1) the amount authorized for the project; or (2) the most recent total estimated cost presented to the Congress as justification for such project. To exceed such limits, the Secretary of Energy must report in detail to the appropriate committees of Congress and the report must be before the committees for 30 legislative days. This provision would also specify that the 125 percent limitation would not apply to projects estimated to cost under $5.0 million.

The Senate amendment contained an identical provision (sec. 3123).

The conference agreement includes this provision.

Fund transfer authority (sec. 3124)

The House bill contained a provision (sec. 3124) that would permit the transfer of authorized funds to other agencies of the government for performance of work for which their funds were authorized. The provision would allow the transferred funds to be merged with the authorizations of the receiving agency. The provision would also establish a five percent limit for funds that may be transferred.

The Senate amendment contained an identical provision (sec. 3124).

The conference agreement includes this provision.

Authority for conceptual and construction design (sec. 3125)

The House bill contained a provision (sec. 3125) that would limit the Secretary of Energy's authority to a request construction funding until the Secretary has certified a conceptual design. This limitation would apply to construction projects with a total estimated cost in excess of $2.0 million. The provision would provide an exception in the case of emergencies.

The Senate amendment contained a similar provision (sec. 3125) that would limit that Secretary's authority to construction projects with a total estimated cost in excess of $5.0 million. The Senate amendment would also require the Secretary to provide a report on each conceptual design completed under this paragraph.

The House recedes with an amendment that would exempt construction project with a total estimated cost of less than $2.0 million.

Authority for emergency planning, design, and construction activities (sec. 3126)

The House bill contained a provision (sec. 3126) that would permit, in addition to any authorized advance planning and construction design, the Secretary of Energy to perform planning and design with available funds for any Department of Energy national security program construction project whenever the Secretary determines that the design must proceed expeditiously to protect the public health and safety, to meet the needs of national defense, or to protect property.

The Senate amendment contained an identical provision (sec. 3126).

The conference agreement includes this provision.

Funds available for all national security programs of the Department of Energy (sec. 3127)

The House bill contained a provision (sec. 3127) that would authorize amounts appropriated for management and support activities and for general plant projects to be made available for use, when necessary, in connection with all national security programs of the Department of Energy.

The Senate amendment contained an identical provision (sec. 3127).

The conference agreement includes this provision.

Availability of funds (sec. 3128)

The House bill contained a provision (sec. 3128) that would authorize amounts appropriated for operating expenses or for plant and capital equipment to remain available until expended.

The Senate amendment contained an identical provision (sec. 3128).

The conference agreement includes this provision.

Subtitle C—Program Authorizations, Restrictions, and Limitations

LEGISLATIVE PROVISIONS ADOPTED

Stockpile Stewardship Program (sec. 3131)

The House bill contained a provision (sec. 3131) that would authorize an additional $100.0 million for various stockpile stewardship activities.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would authorize an additional $85.0 million for stockpile stewardship and management activities.

The conferees direct that a portion of the additional funds be used for enhanced surveillance of the nuclear weapons stockpile, dual revalidation of the warheads in the nuclear weapons stockpile, stockpile life extension programs, production capability assurance programs for critical non-nuclear components, accelerating capability to produce prototype war reserve-quality plutonium pits, and conducting subcritical tests among other programs, as the Secretary shall determine.

The conferees note the postponement of subcritical experiments at the Nevada Test Site. As a result, the conferees direct the Secretary to report to the Congress within ninety days of enactment of this Act on the reasons for the postponement of the experiments planned to be conducted in fiscal year 1996. As part of this report, the conferees direct that the Secretary set out the basis for the requirement to undertake subcritical tests to include the use of the tests to baseline aspects of an aging stockpile, the date at which those aspects might be expected to manifest themselves in the stockpile, how the subcritical tests will add to the baseline data on the reliability of the stockpile, and any other information relevant to the decision to undertake subcritical tests or to further postpone tests. Such a report should be submitted both in classified and unclassified form.

Although the majority of additional funds authorized for stockpile stewardship would be spent at the nuclear weapons laboratories, the conferees strongly endorse and encourage a continued, close collaboration among the weapons laboratories and the production sites.

Manfacturing infrastructure for nuclear weapons stockpile (sec. 3132)

The House bill contained a provision (sec. 3132) that would authorize an additional $125.0 million for the stockpile manufacturing infrastructure program at the four Department of Energy (DOE) weapons production plants (Savannah River Site, South Carolina; Pantex Plant, Texas; Kansas City Plant, Missouri; and Y–12 Plant, Tennessee) established in section 3137 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106). The additional funds would be used to: establish and maintain the necessary capability and competencies fully to support the evaluation, surveillance, maintenance, repair, and dismantlement of the nuclear stockpile; provide flexibility to respond to new production requirements; maintain and improve the manufacturing technology necessary to support fully the stockpile; and achieve significant reductions in operating costs for the complex. This provision would also require the Secretary of Energy to submit a report to the congressional defense committees on obligations under the program.

The Senate amendment contained a similar provision (sec. 3133) that would require DOE to pursue modernization activities within the stockpile management program to assist in assuring near-term confidence in the nuclear stockpile.

The House recedes with an amendment that would provide $90.0 million above the budget request to pursue a modernization initiative within the stockpile management program.

The conferees find that the "technology capability alone" approach to the nuclear weapons infrastructure reconstitution requirement of the Nuclear Posture Review is insufficient to meet national security requirements. The conferees are troubled that the Department has not complied with congressional direction included in section 3137 of the National Defense Authorization Act for Fiscal Year 1996, and continue to believe that this directed initiative is not only prudent, but essential to maintaining nuclear weapons

core competence in order to repair and refabricate weapons at a START I or START II stockpile level.

The conferees agree that funds authorized under this section shall be divided approximately evenly among the four plants. Furthermore, the funds allocated for the Savannah River Site shall be used in part to: consolidate further the tritium capabilities, beginning in fiscal year 1997, a year earlier than the Department's current plans; accelerate the schedule for producing tritium; support a more robust and aggressive rapid reconstitution approach for plutonium pit manufacturing by initiating a pre-conceptual design study for a replacement pit fabrication facility; and increase core stockpile management operation and maintenance (O&M) activities. The funds allocated for the Y–12 Plant shall be used in part to: accelerate the consolidation of facilities to manufacture and disassemble secondaries; modernize production plant infrastructure elements required for long-term operations; and increase core stockpile management O&M activities. The funds allocated for the Pantex Plant shall be used in part for a consolidated pit packaging system and for increased core stockpile management O&M activities. The funds allocated for the Kansas City Plant shall be used in part to: upgrade current manufacturing technologies; replace aging processing equipment; invest in information systems upgrades to maintain compatibility with advancements at the DOE national laboratories; and increase core stockpile management O&M activities.

Tritium production (sec. 3133)

The Senate amendment contained a provision (sec. 3131) that would authorize $160.0 million for tritium production, an increase of $60.0 million to the budget request. Increases would be used to accelerate the Department of Energy's phased approach to restore tritium production, including proceeding in parallel with site preparation for new tritium production facility.

The House bill would authorize $100.0 million for tritium production (sec. 3101), the amount requested.

The House recedes.

The conferees note that the Department has established a tritium production program in response to congressional concerns about the lack of progress in this area. The conferees consider this program critical to maintaining the nation's nuclear deterrent capability.

The conferees believe that the tritium production program must be accelerated to meet the requirements of the Nuclear Weapons Stockpile Memorandum, which identified a new tritium production date of 2005 if a reactor option is selected, or 2007 if an accelerator option is chosen. The conferees continue to be concerned with the Department's failure to develop a technically sound data base sufficient to select a preferred option in fiscal year 1997, and its continuing underestimates of funding requirements in this area. On this basis, the conferees agree to recommend an increase of $50.0 million to the budget request for a total fiscal year 1997 program of $150.0 million.

The conferees direct the Department to accelerate its phased approach to restoring the tritium production needs of the United

States, including proceeding in parallel with site preparation for a new tritium production facility. The conferees recognize the need to enhance ongoing accelerator research and development and testing programs at the Los Alamos National Laboratory, in conjunction with Savannah River Site personnel. The conferees support these joint efforts and direct the Department to provide the congressional defense committees with a report on the planning and design of the accelerator.

The conferees also direct the continued test and development of tritium targets for the light water reactor program option by the Idaho National Engineering Laboratory, and the initiation of planning for construction of a tritium extraction facility that would be located at the selected site identified in the Secretary's Record of Decision relating to tritium production.

The conferees strongly support full consideration of all technically feasible tritium production options, including accelerator, existing commercial reactor, and multipurpose reactor options; among others.

Modernization and consolidation of tritium recycling facilities (sec. 3134)

The House bill contained a provision (sec. 3132) that referred to modernization and consolidation of tritium recycling facilities.

The Senate amendment contained a provision (sec. 3132) that would provide an additional $6.0 million to the budget request to upgrade existing tritium recycling plant facilities at the Savannah River Site.

The House recedes with an amendment that would also direct the Secretary of Energy to modernize the Savannah River tritium extraction facility.

The conferees direct that, of the amounts authorized to be appropriated in section 3101, $6.0 million shall be available for tritium recycling plant upgrades and $3.0 million shall be available for planning and designing a tritium extraction facility at the Savannah River Site.

Production of high explosives (sec. 3135)

The House bill contained a provision (sec. 3133) that would direct that the manufacture and fabrication of high explosives and energetic materials for use a components in nuclear weapons systems be carried out at the Pantex Plant, Amarillo, Texas. The provision would also prohibit the expenditure of funds to move, or prepare to move, the manufacture and fabrication of high explosives and energetic materials for use as components in nuclear weapons systems from the Pantex Plant to any other Department of Energy (DOE) site or facility.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would prohibit the obligation of expenditure of fiscal year 1997 or prior year funds to move, or prepare to move, the manufacture and fabrication of high explosives and energetic materials for use as components in nuclear weapons systems from the Pantex Plant to any other site or facility.

Nothing in this provision should be construed to limit ongoing research, development and testing activities involving high explosives and energetic materials at any Department of Energy national laboratory.

Limitation on use of funds for certain research and development purposes (sec. 3136)

The House bill contained a provision (sec. 3134) that would reduce beginning in fiscal year 1997 the funding percentage for Laboratory-Directed Research and Development (LDRD) activities to two percent. The House provision would prohibit expenditure of funds authorized for LDRD activities in fiscal year 1997 until 15 days after the Secretary of Energy issued a report on the manner in which such funds are planned to be used.

The Senate amendment contained a provision (sec. 3134) that would limit the use of LDRD and technology transfer program funds appropriated or otherwise made available to the Department in fiscal year 1997 under Section 3101 of this Act to activities that support the national security mission of the Department. This provision extends the limits described in section 3141 of the National Defense Authorization Act for Fiscal Year 1996 for another year.

The House recedes.

The conferees believe that the scientific and engineering challenges embodied in the emerging stockpile stewardship and stockpile management programs are sufficient to sustain the preeminence of the laboratories in the areas of science and engineering.

The conferees encourage the Department of Energy national laboratories to direct a significant portion of these funds to validating and implementing new technology for insertion in the Navy's submarine construction program for the four transition submarines to built between fiscal years 1998 and 2003. This effort should be a cooperative venture among the national laboratories, U.S. industry, and the Navy.

Prohibition on funding nuclear weapons activities with the People's Republic of China (sec. 3137)

The House bill contained a provision (sec. 3135) that would prohibit the obligation or expenditure of funds for any cooperative nuclear weapons technology programs, to include stockpile stewardship and safety programs with the People's Republic of China (PRC). The provision would also require the Department of Energy to report to Congress on past and planned discussions or activities between the United States and the PRC.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment making technical changes and changing the date on which the report shall be submitted.

The conferees note that it is possible that United States national security interests might warrant cooperation on nuclear weapons use controls. The conferees request that the Secretary of Defense and the Secretary of Energy report on whether having authority to undertake cooperative programs with regard to use con-

trols would be in the national security interest of the United States.

International cooperative stockpile stewardship programs (sec. 3138)

The House bill contained a provision (sec. 3136) that would prohibit the use of fiscal year 1997 and prior year funds to conduct activities associated with international cooperative stockpile stewardship programs, with the exception of activities conducted with the United Kingdom and France.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would make clear that the prohibition contained in subsection (a) does not apply to activities carried out under the Cooperative Threat Reduction (CTR) program as defined in this Act.

Temporary authority relating to transfers of defense environmental management funds (sec. 3139)

The House bill contained a provision (sec. 3137) that would direct the Secretary of Energy to grant authority to a site manager to transfer up to $5.0 million between program functions within his jurisdiction or to transfer a similar sum between projects within his area of operation. A site manager would only be authorized to conduct such a transfer one time in a fiscal year to or from each program or project. The provision would establish a limited expansion of the Department's current reprogramming authority and would allow a site manager to transfer money based on a finding that the transfer is necessary to reduce a risk to health, safety, or the environment, or to assure the most efficient use of site environmental management funds.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would direct the Secretary of Energy to report to Congress on the efficiency of the authority and whether the Secretary believes that the authority should be extended.

Management structure for nuclear weapons production facilities and nuclear weapons laboratories (sec. 3140)

The House bill contained a provision (sec. 3138) that would: impose a limitation on the delegation of authority; require consultations with area offices of the Department of Energy (DOE); require DOE area offices to report directly to DOE Headquarters; require the Secretary of Energy to provide a Defense Programs reorganization plan and report; and require establishment of a Defense Programs Management Council.

The Senate amendment contained no similar provision.

The Senate recedes.

Accelerated schedule for isolating high-level nuclear waste at the Defense Waste Processing Facility, Savannah River Site (sec. 3141)

The Senate amendment contained a provision (sec. 3135) that would require the Secretary of Energy to accelerate the schedule for the isolation of high-level nuclear waste in glass canisters at the Savannah River Site, if acceleration would result in long-term

savings to the Federal Government and if it would accelerate the removal and isolation of waste from long-term storage tanks at the site.

The House bill contained no similar provision.

The House recedes.

The conferees believe that accelerating the treatment and stabilization of high-level wastes will significantly reduce out-year waste management costs and that the Department of Energy should not restrict canister production capability and capacity because of limited funds within the overall Environmental Management budget. Therefore, the conferees authorize an additional $15.0 million for the Department to maximize canister production at Savannah River if the aforementioned criteria are met.

Processing and treatment of high-level nuclear waste and spent nuclear fuel rods (sec. 3142)

The Senate amendment contained a provision (sec. 3136) that would authorize an additional $43.0 million above the budget request for the Department of Energy (DOE), for the F-canyon and H-canyon facilities. The provision would also provide for the Implementation of the Department's plan to address the Defense Nuclear Facility Safety Board (DNFSB) Recommendation 94–1 concerning the processing of spent nuclear fuel rods and other nuclear material at the Savannah River Site. An additional $15.0 million above the budget request would be authorized for the DOE National Spent Fuel Program to support program planning, fuel characterization, transportation planning, waste acceptance criteria development, and technology development, that are necessary to move forward toward a permanent disposition of DOE-controlled spent fuel.

The House bill contained no similar provision.

The House recedes with an amendment that would require any funds made available under this section to the Idaho National Engineering Laboratory to be considered as partial fulfillment of the settlement agreement entered into by the United States with the State of Idaho on October 17, 1995.

The conferees also incorporated portions of the Senate amendment relating to "Plans for Activities to Process Nuclear Materials and Clean up Nuclear Waste at the Savannah River Site" (Sec. 3154). This provision would require the Secretary of Energy to prepare a near-term plan for the treatment, packaging, and disposal of spent nuclear fuel located at or anticipated to be shipped to the Savannah River Site. Such a plan would address any requirements for upgrading and improving the F-canyon and H-canyon material processing facilities necessary to meet DNFSB recommendations. The provision would require the Secretary of Energy to prepare a multi-year utilization plan for the F-canyon and H-canyon material processing facilities.

The multi-year program plan should address how the Department proposes to use these facilities for efficient management, stabilization, and disposition of nuclear materials such as surplus uranium and plutonium, domestic and foreign spent fuel, and any other nuclear materials requiring stabilization to be received at the Savannah River Site. The plan should provide options for chemical processing, reduction, and isolation of nuclear materials. The plan

should also identify how the Department proposes to ensure that any fissionable materials that may be separated or purified in the canyons will not be used for nuclear weapons activities.

The provision would further require the Secretary of Energy to continue operations and maintain a high state of readiness at the F-canyon and H-canyon facilities, as recommended by the DNFSB.

The conferees understand that a strategic goal of the DOE Environmental Management (EM) program is to manage or eliminate urgent risks in the EM system. The conferees believe that DOE created an urgent risk situation with the fiscal year 1995 consolidation decision regarding storage of DOE spent nuclear fuel rods at the Idaho National Engineering Laboratory (non-aluminum clad) and at the Savannah River Site (aluminum clad). The National Defense Authorization Act for Fiscal Year 1996 required the initiation of a specific program for the disposition of spent nuclear fuel rods. The conferees continue to be concerned with the Department's inadequate progress in establishing a credible program and with the under-utilization of the Department's resources. A clearly defined plan and commitment are necessary for the safe storage, processing, and ultimate disposition of these materials in a permanent repository.

The conferees agree with the DNFSB that both F-canyon and H-canyon facilities at the Savannah River Site have an important future role.

Projects to accelerate closure activities at defense nuclear facilities (sec. 3143)

The House bill contained a provision (sec. 3102) to provide additional funding to Department of Energy field sites for the purpose of accelerating clean up and facility closure activities.

The Senate amendment contained similar provisions in various sections.

The conferees agree to a provision that would provide more detailed guidance to the Department on the criteria to be used in implementing projects to accelerate the closure or decommissioning of defense nuclear facilities. The conferees recommend the creation of a new initiative and authorize additional funding for closure acceleration projects at sites such as Rocky Flats, Hanford, Oak Ridge, Savannah River, and Idaho, where additional funding could be used to reduce life-cycle costs significantly through the acceleration of existing activities, initiation of cost reducing deactivation and decommissioning activities, and the application of enhanced cleanup technologies.

The conferees note that the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106) required the Secretary of Energy to accelerate the schedule for remedial activities at sites where the accelerated schedule will achieve meaningful, long-term cost savings to the Federal Government and accelerate the release of land for local reuse. In reviewing the sites selected pursuant to the last year's program, the conferees are concerned that the additional funding provided was used on relatively small projects and that the long term impact on reducing life cycle costs throughout the defense nuclear complex will be minimal.

It is for this reason that the conferees established additional criteria to assure that the projects selected will achieve significant long-term cost savings to the Federal Government. The conferees believe that taxpayers must see real progress if they are to continue to support large expenditures in environmental management funds that have increased five-fold in just seven years.

To assure management discipline, the Secretary would be required to develop a plan that will: define clearly the delineated scope of work; demonstrate that, where required, regulatory agreements are in place with appropriate regulatory authorities that would allow for the successful completion of the project; and demonstrate support of State and local elected officials.

Contracts for the performance of these projects should be performance and incentive based and not the traditional cost plus contracts. While the conferees believe that contractors should bear the risk for non-performance of activities within their control, it is important that provisions be made to include traditional commercial *force majeure* and risk sharing concepts. All projects selected under this program must be completed within 10 years.

Finally, with respect to the selection of projects that meet the general eligibility requirements, the Secretary is required to select those projects that will result in the most significant long-term costs savings to the government and the most significant reduction of imminent risk. Multi-year contracting authority is granted to the Secretary to carry out projects selected under this section and funds appropriated would remain available until expended. The clear intent is to identify those projects that are capable of being accelerated using currently available technology and to reward those sites that are aggressively seeking closure or decommissioning of existing facilities. To encourage closure, the conferees have made it clear that the existing budget projections for sites are not to be reduced based on the award of funding under this section for cleanup and closure.

The conferees have included language to the effect that nothing in this section is to be construed as modifying applicable statutory or regulatory environmental restoration requirements. The conferees have included initial funding for this program as a separate line item in section 3102 of this title.

Payment of costs of operation and maintenance of infrastructure at Nevada Test Site (sec. 3144)

The Senate amendment contained a provision (sec. 3138) that would permit the Department of Energy to defer charging the Department of Defense site overhead costs for work-for-others activities carried out at the Nevada Test Site.

The House bill contained no similar provision.

The House recedes.

Subtitle D—Other Matters

LEGISLATIVE PROVISIONS ADOPTED

Report on plutonium pit production and remanufacturing plans (sec. 3151)

The House bill contained a provision (sec. 3142) that would require the Secretary to submit to the congressional defense committees a report on plans for achieving a capability to produce and remanufacture plutonium pits.

The Senate amendment contained no similar provision.

The Senate recedes.

Amendments relating to baseline environmental management reports (sec. 3152)

The House bill contained a provision (sec. 3143) that would amend section 3153 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 104–360) to authorize the submission of the Baseline Environmental Management Report on a biennial basis rather than an annual basis.

The Senate amendment contained no similar provision.

The Senate recedes.

Requirement to develop future use plans for environmental management program (sec. 3153)

The House bill contained a provision (sec. 3144) that would require the Secretary of Energy to develop and implement, as part of the Defense Environmental Restoration and Waste Management Program, a future land use plan at sites where the Secretary is planning or implementing environmental restoration activities. The provision would direct the creation of a future use advisory board at defense nuclear facilities where the Secretary of Energy intends to develop a future use plan and there is no existing advisory board.

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would replace references to future use advisory boards with site specific advisory boards.

Report on Department of Energy liability at Department Superfund sites (sec. 3154)

The Senate amendment contained a provision (sec. 3161) that would require the Secretary of Energy to carry out a study of sites controlled or operated by the Department of Energy to determine the extent, the valuation of the injury, the destruction, or loss of natural resources under section 107(a)(4)(c) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9607(a)(4)(c). The Secretary would then submit a report to Congress on the results of the study.

The House bill contained no similar provision.

The House recedes with an amendment that clarifies the scope and methodology of the study.

Requirement for annual five-year budget for the national security programs of the Department of Energy (sec. 3155)

The Senate amendment contained a provision (sec. 3151) that would require the Secretary of Energy to submit an annual National Security Five-Year Budget Plan to the congressional defense committees. The plan would be submitted no later than the day on which the President's annual budget request is submitted to Congress.

The House bill contained no similar provision.

The House recedes.

The Secretary shall obligate no more than ninety-five percent of the Department's annual appropriation for Atomic Energy Defense Activities until the plan is submitted to the congressional defense committees. The conferees direct the Secretary of Energy to submit the plan for fiscal years 1997–2001 as soon as possible, but no later than September 30, 1996.

Requirements for Department of Energy weapons activities budgets for fiscal years after fiscal year 1997 (sec. 3156)

The Senate amendment contained a provision (sec. 3152) that would require the Department of Energy to relate the elements of its nuclear weapons program budget submission to the specific requirements of the Nuclear Weapons Stockpile Memorandum and the Nuclear Posture Review. In the context of that submission, the Secretary of Energy would be required to provide a long-term program plan, and a near-term program plan for the certification and stewardship of the nuclear stockpile.

The House bill contained no similar provision.

The House recedes.

Repeal of requirement relating to accounting procedures for Department of Energy funds (sec. 3157)

The Senate amendment contained a provision (sec. 3153) that would repeal section 3151 of the National Defense Authorization Act for Fiscal Year 1995. In 1994, at the time this provision was enacted, the Department of Energy did not have adequate control of uncosted and unobligated balances in a number of areas. In many instances, the Department could not identify the original fiscal year for which uncosted balances were appropriated.

The House bill contained no similar provision.

The House recedes.

The conferees note that subsequent to the enactment of the National Defense Authorization Act for Fiscal Year 1995, the Department succeeded in significantly reducing its uncosted and unobligated balances. In addition, the Department has initiated a regular reporting methodology that allows the congressional defense committees to track unobligated and uncosted funds appropriated for national security activities. The conferees support the continued use of such reports as a cost effective substitute for section 3151.

Update of report on nuclear test readiness postures (sec. 3158)

The Senate amendment contained a provision (sec. 3155) that would require an update of the Nuclear Test Readiness Posture Report required by the National Defense Authorization Act for Fiscal

Year 1996. That report pertains to the readiness and maintenance of the requisite underground testing expertise at the Nevada Test Site and at the Nuclear Weapons Laboratories. The report would be due to the congressional defense committees no later than February 15, 1997.

The House bill contained no similar provision.

The House recedes with an amendment to change the due date of the report to June 1, 1997.

Reports on critical difficulties at nuclear weapons laboratories and nuclear weapons production plants (sec. 3159)

The Senate amendment contained a provision (sec. 3156) that would require the head of any nuclear weapons laboratory or nuclear weapons production plant to notify the Assistant Secretary for Defense Programs immediately if there is any difficulty associated with the nuclear weapons complex that would have a significant bearing on the confidence relating to the safety, surety, or reliability of a nuclear weapon within the nuclear stockpile. The provision would also require the Nuclear Weapons Council to notify Congress in the event that the Council become aware of any difficulties within the purview of the Council.

The House bill contained no similar provision.

The House recedes.

Extension of applicability of notice- and wait-required regarding proposed cooperation agreements (sec. 3160)

The Senate amendment contained a provision (sec. 3157) that would extend the date by which notice is to be made to Congress regarding the release of restricted data or formerly restricted data pursuant to a cooperative agreement with a foreign country by amending Section 3155(b) of the National Defense Authorization Act for Fiscal Year 1995.

The House bill contained no similar provision.

The House recedes with an amendment to extend until October 1, 1997, the authority of the Department of Energy and the Department of Defense to release data, as necessary, to further fissile material and other weapons material control and accountability program; to support atomic weapons control and accountability; to assist in treaty verification; and to assist in establishing a uniform international system of classification.

Sense of Senate relating to redesignation of Defense Environmental Restoration and Waste Management Program (sec. 3161)

The Senate amendment contained a provision (sec. 3158) that would express the sense of the Congress that the Department of Energy (DOE) redesignate the Defense Environmental Restoration and Waste Management Program (also known as the Environmental Management Program) as the Defense Nuclear Waste Management Program. The provision would further direct the Department of Energy to prepare and transmit to the congressional defense committees, no later than January 31, 1997, a report that describes any difficulties or problems that arise as a result of the name change, including any related costs.

The House bill contained no similar provision.

The House recedes with an amendment that would change the provision to a sense of the Senate.

Commission on Maintaining United States Nuclear Weapons Expertise (sec. 3162)

The Senate amendment contained a provision (sec. 3159) that would direct the Department of Energy to organize a high-level commission to address problems associated with attracting a new generation of nuclear weapons experts to ensure the safety and reliability of the U.S. nuclear stockpile.

The House bill contained no similar provision.

The House recedes with an amendment that would authorize the Secretary of Energy to appoint two members to the commission and would require that all commission appointments be made no later than 60 days after the date of enactment of this section.

Sense of the Congress regarding reliability and safety of remaining nuclear forces (sec. 3163)

The Senate amendment contained a provision (sec. 3160) that would express concerns about maintaining confidence in the nuclear stockpile and our Nation's commitment to ensuring the safety, security, reliability, and performance of U.S. nuclear forces.

The House bill contained no similar provision.

The House recedes.

The conferees remain concerned with the ability of the Department of Defense and the Department of Energy to maintain confidence in the safety and reliability of the strategic nuclear weapons stockpile in the absence of underground nuclear tests. As long as the United States continues to depend on a deterrent nuclear force, as articulated in the Nuclear Posture Review, it is necessary for both the Department of Defense and the Department of Energy to maintain the following: weapons production capabilities and capacities; adequate funding to maintain the remaining stockpile at a state of full readiness; ability to meet full fabrication and tritium production requirements; capabilities for tritium recycling and pit manufacturing; and, to replace underground nuclear testing, a successful science-based stockpile stewardship program.

Study on worker protection at the Mound facility in (sec. 3164)

The House bill contained a provision (sec. 3145) that would authorize, out of existing funds, $5.0 million to be used to enhance worker health and safety at the Department of Energy's (DOE) Mound facility near Miamisburg, Ohio.

The Senate amendment contained a similar provision (sec. 3166) that would require DOE to prepare a report on programs and projects undertaken to protect worker health and safety at the DOE Mound facility.

The House recedes.

Fiscal year 1998 funding for Greenville Road Improvement Project, Livermore, California (sec. 3165)

The Senate amendment contained a provision (sec. 3162) that would require the Secretary of Energy to include in the fiscal year 1998 budget a request for sufficient funds to pay the United States

portion of the cost of transportation improvements under the Greenville Road Improvement Project, Livermore, California.

The House bill contained no similar provision.

The House recedes.

Fellowship program for development of skills critical to Department of Energy nuclear weapons complex (sec. 3166)

The Senate amendment contained a provision (sec. 3137) that would require the Department of Energy (DOE) to initiate a university fellowship program for recruiting engineers and other technical experts at nuclear weapons plants. The Department would be authorized to use up to $5.0 million of the amount authorized for Stockpile Management activities to carry out the plant fellowship program.

The house bill contained no similar provision.

The House recedes.

In the National Defense Authorization Act for fiscal Year 1996, the Department was directed to initiate a university fellowship program for recruiting the next generation of engineers and technical experts for the modernized nuclear weapons repair and refabrication plants. The Department was directed to fund the program through authorized appropriations within the stockpile management program. The Department has not complied with this congressional direction.

Testimony before the Senate Armed Services Committee has suggested that DOE's skilled workforce for nuclear weapons design, fabrication, and remanufacturing is eroding, due both to worker aging and limited near-term challenges. The conferees do not propose a massive remanufacturing approach, but they do expect that DOE will take the steps necessary to attract, mentor and retain the next generation of nuclear weapons refabrication experts. The absence of such a program could accentuate the negative impacts of the progressing "brain drain," identified in testimony before the Senate Armed Services Committee and could undermine long-term efforts to repair and rebuild aging nuclear weapons in the stockpile.

Subtitle E—Defense Nuclear Environmental Cleanup and Management

LEGISLATIVE PROVISIONS ADOPTED

Defense nuclear environmental cleanup and management (sec. 3171–3180)

The House bill contained a series of provisions (secs. 3151–3157) that would establish cost-effective management mechanisms and innovative technologies for the purpose of improving the Department of Energy (DOE) Defense Environmental Restoration and Waste Management Program. These provisions would apply to any DOE defense nuclear facility with a fiscal year 1996 Environmental Management (EM) budget of $350.0 million or more. The Secretary of Energy would delegate oversight authority to the site manager and encourage the site manager to promote deployment of innovative remediation technologies. The House bill also would direct the Secretary to develop and implement a program to encourage the

use of performance-based contracts, as opposed to cost-plus contracts.

The Senate amendment contained a series of similar provisions (secs. 3171–3179) that would provide for a pilot program at the Hanford Reservation that would demonstrate cost-effective management mechanisms and innovative technologies to be used in environmental restoration and remediation at other defense nuclear facilities. Upon request by a State, the Secretary of Energy would have the discretion to include other defense nuclear facilities in the pilot program. The Secretary would delegate oversight authority to the site manager and the site manager would have the direct authority to promote the demonstration, certification, and implementation of innovative remediation technologies. The Senate provision also included a congressional reporting requirement and a sunset provision.

The Senate recedes with an amendment that would adopt the following elements for the cost-effective management and innovative technologies demonstration program: delegation of direct oversight authority to the site manager; automatic applicability to DOE facilities with a fiscal year 1996 EM budget of $350.0 million or more and applicability to other facilities upon application by the governor of a State and approval by the Secretary of Energy; Secretarial development and implementation of performance-based contracts program; site manager promotion and deployment of innovative remediation technologies; a congressional reporting requirement; and a program termination date.

Subtitle F—Waste Isolation Pilot Plant Land Withdrawal Act Amendments

LEGISLATIVE PROVISIONS ADOPTED

Waste Isolation Pilot Plant Land Withdrawal Act amendments (secs. 3181–3191)

The Senate amendment contained a series of provisions (secs. 3181–3191) that would modify the Waste Isolation Pilot Plant (WIPP) Land Withdrawal Act (Public Law 102–579). Requirements of the WIPP Land Withdrawal Act associated with the now-canceled WIPP "test phase" would be eliminated. The prerequisites to opening WIPP would be clarified and the 180-day congressional notification requirement would be reduced to 30 days. The requirement that WIPP meet land disposal restrictions of the Solid Waste Disposal Act (42 U.S.C. 6901 et seq.) would be eliminated. DOE would be granted greater authority to determine whether engineered or natural barriers are sufficient to meet compliance with applicable environmental regulations. The Environmental Protection Agency would retain its ability to conduct timely reviews of DOE compliance applications. A sense of the Congress provision would encourage the Secretary to pursue all necessary actions to begin waste disposal operations not later than November 30, 1997. Finally, the Department of Energy would be authorized to make a one-time payment of $20.0 million to the State of New Mexico to begin road upgrades necessary to begin full scale shipping operations to WIPP. This payment would be considered an advance

payment of amounts due to the State of New Mexico pursuant to the provisions of section 15(a) of the WIPP Land Withdrawal Act.

The House bill contained no similar provision.

The House recedes with a clarifying amendment that would add a provision that would reduce by one the total number of payments due to the State of New Mexico under section 15(a) of the WIPP Land Withdrawal Act and clarify that all applicable health and safety regulations would be met prior to commencement of disposal operations.

LEGISLATIVE PROVISIONS NOT ADOPTED

Report on Nuclear Weapons Stockpile Memorandum

The House bill contained a provision (sec. 3141) that would require the President to submit to the congressional defense committees a copy of the Nuclear Weapons Stockpile Memorandum, and to submit reports on any future updates or changes to the Memorandum.

The Senate amendment contained no similar provision.

The House recedes.

The conferees direct the Department of Energy to continue to provide members of Congress and congressional staff (with the appropriate security clearance) with access to the Nuclear Weapons Stockpile Memorandum.

Plans for activities to process nuclear materials and clean up nuclear waste at the Savannah River Site

The Senate amendment contained a provision (sec. 3154) that would require the Secretary of Energy to develop a multi-year program plan to use the H-canyon and the F-canyon materials processing facilities for treating Department of Energy and foreign spent nuclear fuel rods. The provision would also require the Secretary of Energy to develop a near-term plan on F-canyon and H-canyon utilization. The Secretary would be required to continue operations and maintain a high state of readiness at the F-canyon and H-canyon facilities.

The House bill contained no similar provision.

The Senate recedes.

The conferees combined the elements of this provision with the provision regarding processing of high-level nuclear waste and spent nuclear fuel.

Opportunity for review and comment by State of Oregon regarding certain remedial actions at Hanford Reservation

The Senate amendment contained a provision (sec. 3163) that would, in consultation with the signatories to the Hanford Reservation, Washington, Tri-Party Agreement for site remediation, require the Site Manager to provide the State of Oregon with an opportunity to review and comment upon any information available to the State of Washington under the agreement. The provision also contained certain limitations related to the State of Oregon's access to information and participation in the site remediation process.

The House bill contained no similar provision.

The Senate recedes. The conferees determined that the provision would establish a bad precedent regarding a state's right to participate in remedial activities conducted at a site within a neighboring state.

Sense of Senate on Hanford memorandum of understanding

The Senate amendment contained a provision (sec. 3164) that would express the sense of Senate that the State of Oregon has the authority to enter into a memorandum of understanding with the State of Washington, or a memorandum of understanding with the State of Washington and the Site Manager of the Hanford Reservation, Washington, to address issues of mutual concerns at the site.

The House bill contained no similar provision.

The Senate recedes.

TITLE XXXII—DEFENSE NUCLEAR FACILITIES SAFETY BOARD

LEGISLATIVE PROVISIONS ADOPTED

TITLE XXXIII—NATIONAL DEFENSE STOCKPILE

LEGISLATIVE PROVISIONS

SUBTITLE A—AUTHORIZATION OF DISPOSALS AND USE OF FUNDS

LEGISLATIVE PROVISIONS ADOPTED

Overview

The budget request for fiscal year 1997 contained an authorization of $17.0 million for the Defense Nuclear Facilities Safety Board. The House bill would authorize $17.0 million. The Senate amendment would authorize $17.0 million. The conferees recommended an authorization of $17.0 million. Unless noted explicitly in the statement of managers, all changes are made without prejudice.

Stockpile definitions (sec. 3301)

The House bill contained a provision (sec. 3301) that would define the National Defense Stockpile and the National Defense Stockpile Transaction Fund.

The Senate amendment contained no similar provision.

The Senate recedes.

Authorized uses of stockpile funds (sec. 3302)

The House bill contained a provision (sec. 3302) that would authorize the National Defense Stockpile Manager to obligate up to $60.0 million of the funds in the National Defense Stockpile Transaction Fund for the operation of the National Defense Stockpile.

The Senate amendment contained an identical provision.

The conference agreement includes this provision.

Additional authority to dispose of materials in National Defense Stockpile (sec. 3303)

The Senate amendment contained a provision (sec. 3303) that would authorize the Secretary of Defense to dispose of specific materials in the National Defense Stockpile in order to offset the lost

revenues resulting from the amendments made by subsection (a) of section 4303 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106).

The House bill contained no similar provision.

The House recedes with an amendment that would change the materials authorized for disposal and use the revenues to offset those lost due to amendments made by subsection (a) of section 4303 of the National Defense Authorization Act for Fiscal Year 1996 and other direct spending provisions in this bill.

Subtitle B—Programmatic Change

LEGISLATIVE PROVISIONS ADOPTED

Biennial report on stockpile requirements (sec. 3311)

The House bill contained a provision (sec. 3311) that would amend the Strategic and Critical Materials Stock Piling Act, section 3203 of the National Defense Authorization Act for Fiscal Year 1988 (Public Law 100–180), concerning the requirements addressed in the report provided to Congress every other year by the Department of Defense (DOD).

The Senate amendment contained no similar provision.

The Senate recedes with an amendment that would require the report to identify the amount of materials that would be necessary to replace the materiel and equipment that would be required after a military conflict.

Notification requirements (sec. 3312)

The House bill contained a provision (sec. 3312) that would update several sections of the Strategic and Critical Materials Stock Piling Act, section 3203 of the National Defense Authorization Act for Fiscal Year 1988 (Public Law 100–180), to standardize reporting requirements throughout the act. The provision would establish that all legislative reporting waiting periods are to be 45 days.

The Senate amendment contained no similar provision.

The Senate recedes.

Importation of strategic and critical materials (sec. 3313)

The House bill contained an amendment (sec. 3313) that would amend the Strategic and Critical Materials Stock Piling Act, section 3203 of the National Defense Authorization Act for Fiscal Year 1988 (Public Law 100–180), to remove reference to "communist-dominated country or area."

The Senate amendment contained no similar provision.

The Senate recedes.

LEGISLATIVE PROVISIONS NOT ADOPTED

Disposal of certain materials in National Defense Stockpile

The Senate amendment contained a provision (sec. 3302) that would authorize the Secretary of Defense to dispose of specific materials currently in the National Defense Stockpile.

The House bill contained no similar provision.

The Senate recedes.

TITLE XXXIV—NAVAL PETROLEUM RESERVES

LEGISLATIVE PROVISIONS ADOPTED

Authorization of appropriations (sec. 3401)

The House bill contained a provision (sec. 3401) that would authorize the appropriation of $149.5 million for fiscal year 1997 for the Department of Energy for the operation of the Naval Petroleum Reserves.

The Senate amendment contained a similar provision (sec. 3401).

The Senate recedes.

Price requirement on sale of certain petroleum during fiscal year 1997 (sec. 3402)

The House bill contained a provision (sec. 3402) that would require the Secretary of Energy to sell petroleum produced for the Naval Petroleum Reserves at not less than 90 percent of the price of comparable oil.

The Senate amendment contained no similar provision.

The Senate recedes.

TITLE XXXV—PANAMA CANAL COMMISSION

LEGISLATIVE PROVISIONS

LEGISLATIVE PROVISIONS ADOPTED

Panama Canal Commission (secs. 3501–3549)

The House bill contained several provisions (secs. 3501–3504) that would authorize expenditure of funds by the Panama Canal Commission to cover its operating, maintenance, administrative, and capital improvement expenses, and to purchase vehicles built in the United States.

The Senate amendment contained similar provisions (secs. 3501–3504).

The Senate recedes with respect to the House provisions authorizing expenditure of funds to cover expenses (secs. 3501, 3502, and 3504). The House recedes with respect to the Senate provision (sec. 3503) that would authorize the purchase of vehicles without the requirement that they be built in the United States. The conferees note, however, that the Commission has in the past purchased only vehicles built in the United States and encourage the continuation of that practice.

The House bill also included provisions (secs. 3521–3550), not in the Senate amendment, that would give the Commission greater autonomy to facilitate the transition of the Canal to Panamanian control in December 1999. Most of these provisions would expand the Commission's discretion in tailoring government employee regulations to the unique needs of Commission personnel.

The Senate recedes with respect to these House provisions, with an amendment that would give the Commission the authority to contract with Panamanian carriers for the official travel of its Panamanian employees (sec. 3528) and an amendment that specifies that U.S. Government agencies in Panama may elect to dis-

continue the applicability of provisions of the Panama Canal Employment System, a system which is changing to reflect the transition to Panamanian control, to their civilian employees (sec. 3530).

From the Committee on National Security, for consideration of the House bill and the Senate amendment, and modifications committed to conference:

FLOYD SPENCE,
BOB STUMP,
DUNCAN HUNTER,
JOHN R. KASICH,
HERBERT H. BATEMAN,
JAMES V. HANSEN,
CURT WELDON,
JOEL HEFLEY,
JIM SAXTON,
RANDY "DUKE" CUNNINGHAM,
STEVE BUYER,
PETER G. TORKILDSEN,
TILLIE K. FOWLER,
JOHN M. MCHUGH,
J.C. WATTS, Jr.,
JOHN N. HOSTETTLER,
SAXBY CHAMBLISS,
VAN HILLEARY,
DOC HASTINGS,
G.V. MONTGOMERY,
IKE SKELTON,
JOHN M. SPRATT, Jr.,
SOLOMON P. ORTIZ,
OWEN PICKETT,
GLEN BROWDER,
GENE TAYLOR,
FRANK TEJEDA,
PAUL MCHALE,
PATRICK J. KENNEDY,
ROSA L. DELAURO,

As additional conferees from the Permanent Select Committee on Intelligence, for consideration of matters within the jurisdiction of that committee under clause 2 of rule XLVIII:

LARRY COMBEST,
JERRY LEWIS,
NORM DICKS,

As additional conferees from the Committee on Banking and Financial Services, for consideration of sections 1085 and 1089 of the Senate amendment, and modifications committed to conference:

MICHAEL N. CASTLE,
SPENCER BACHUS,
HENRY GONZALEZ,

As additional conferees from the Committee on Commerce, for consideration of sections 601, 741, 742, 2863, 3154, and 3402 of the House bill, and sections 345–47, 561, 562, 601,

1080, 2827, 3174, 3175, and 3181–91 of the Senate amendment, and modifications committed to conference:

THOMAS BLILEY,
MICHAEL BILIRAKIS,

Provided that Mr. Richardson is appointed in lieu of Mr. Dingell and Mr. Schaefer is appointed in lieu of Mr. Bilirakis for consideration of sections 3181–91 of the Senate amendment:

DAN SCHAEFER,

Provided that Mr. Oxley is appointed in lieu of Mr. Bilirakis for the consideration of section 3154 of the House bill, and sections 345–47, 3174, and 3175 of the Senate amendment:

MICHAEL G. OXLEY,

Provided that Mr. Schaefer is appointed in lieu of Mr. Bilirakis for the consideration of sections 2863 and 3402 of the House bill, and section 2827 of the Senate amendment:

DAN SCHAEFER,

As additional conferees from the Committee on Government Reform and Oversight, for consideration of sections 332–36, 362, 366, 807, 821–25, 1047, 3523–39, 3542, and 3548 of the House bill, and sections 636, 809(b), 921, 924, 925, 1081, 1082, 1101, 1102, 1104, 1105, 1109–34, 1401–34, and 2826 of the Senate amendment, and modifications committed to conference:

W.F. CLINGER,

Provided that Mr. Horn is appointed in lieu of Mr. Mica for consideration of sections 362, 366, 807, and 821–25 of the House bill, and sections 809(b), 1081, 1401–34, and 2826 of the Senate amendment:

STEPHEN HORN,

Provided that Mr. Zeliff is appointed in lieu of Mr. Mica for consideration of section 1082 of the Senate amendment:

BILL ZELIFF,

As additional conferees from the Committee on International Relations, for consideration of sections 233–34, 237, 1041, 1043, 1052, 1101–05, 1301, 1307, and 1501–53 of the House bill, and sections 234, 1005, 1021, 1031, 1041–43, 1045, 1323, 1332–35, 1337, 1341–44, and 1352–54 of the Senate amendment, and modifications committed to conference:

BENJAMIN A. GILMAN,
DOUG BEREUTER,

As additional conferees from the Committee on the Judiciary, for consideration of sections 537, 543, 1066, 1080, 1088, 1201–16, and 1313 of the Senate amendment, and modifications committed to conference:

HENRY HYDE,
BILL MCCOLLUM,
JOHN CONYERS Jr.,

Provided that Mr. Moorhead is appointed in lieu of Mr. McCollum for consideration of sections 537 and 1080 of the Senate amendment:

CARLOS J. MOORHEAD,

Provided that Mr. Smith of Texas is appointed in lieu of Mr. McCollum for consideration of sections 1066 and 1201–16 of the Senate amendment:

LAMAR SMITH,

As additional conferees from the Committee on Resources, for consideration of sections 247, 601, 2821, 1401–14, 2901–13, and 2921–31 of the House bill, and sections 251–52, 351, 601, 1074, 2821, 2836, and 2837 of the Senate amendment, and modifications committed to conference:

JAMES V. HANSEN,
JIM SAXTON,

As additional conferees from the Committee on Science, for consideration of sections 203, 211, 245, and 247 of the House bill, and sections 211, 251–52, and 1044 of the Senate amendment, and modifications committed to conference:

ROBERT S. WALKER,
JAMES SENSENBRENNER Jr.,
JANE HARMAN,

As additional conferees from the Committee on Transportation and Infrastructure, for consideration of sections 324, 327, 501, and 601 of the House bill, and sections 345–48, 536, 601, 641, 1004, 1009, 1010, 1311, 1314, and 3162 of the Senate amendment, and modifications committed to conference:

BUD SHUSTER,

As additional conferees from the Committee on Veterans' Affairs, for consideration of sections 556, 638, and 2821 of the House bill, and sections 538 and 2828 of the Senate amendment, and modifications committed to conference:

BOB STUMP,
CHRISTOPHER H. SMITH,
G.V. MONTGOMERY,
Managers on the Part of the House.

STROM THURMOND,
JOHN WARNER,
BILL COHEN,
JOHN MCCAIN,
DAN COATS,
BOB SMITH,
DIRK KEMPTHORNE,
JIM INHOFE,
RICK SANTORUM,
SHEILA FRAHM,
SAM NUNN,
ROBERT C. BYRD,
CHUCK ROBB,
J. LIEBERMAN,
RICHARD H. BRYAN,
Managers on the Part of the Senate.

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