Sandlin
Sanford
Sawyer
Saxton
Schaefer, Dan
Schumer
Scott
Serrano
Sessions
Shays
Sherman
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (OR)
Smith (TX)
Smith, Adam
Smith, Linda
Snyder
Solomon
Spence
Spratt
Stabenow
Stark
Stenholm
Strickland
Stump
Stupak
Tanner
Tauscher
Taylor (NC)
Thompson
Thornberry
Thune
Tierney
Torres
Towns
Traficant
Turner
Upton
Velazquez
Vento
Visclosky
Wamp
Waters
Watt (NC)
Waxman
Weldon (PA)
Wexler
Weygand
White
Wicker
Wise
Wolf
Woolsey
Wynn
Yates
Young (FL)

NAYS—94

Aderholt
Bachus
Bartlett
Bilbray
Bilirakis
Bishop
Blunt
Brown (FL)
Bunning
Burr
Canady
Cannon
Chambliss
Chenoweth
Christensen
Coburn
Collins
Condit
Cook
Cox
Cubin
Cunningham
Danner
Davis (FL)
Deal
Deutsch
Evans
Ewing
Filner
Forbes
Fowler
Gekas
Gibbons
Goodling
Green
Gutknecht
Hansen
Hastings (FL)
Hefley
Hostettler
Hunter
Jefferson
Johnson (CT)
Jones
King (NY)
Kingston
Klink
Largent
Lewis (CA)
Lucas
McCarthy (NY)
McHugh
McIntyre
McKeon
Miller (FL)
Moran (KS)
Myrick
Ney
Norwood
Pappas
Pease
Pickering
Redmond
Regula
Riley
Roemer
Rogers
Royce
Ryun
Salmon
Scarborough
Schaffer, Bob
Sensenbrenner
Shadegg
Shaw
Shimkus
Smith (MI)
Smith (NJ)
Snowbarger
Souder
Stearns
Sununu
Talent
Tauzin
Taylor (MS)
Thomas
Thurman
Tiahrt
Walsh
Watkins
Watts (OK)
Weldon (FL)
Weller
Young (AK)

NOT VOTING—11

DeGette
English
Istook
Lipinski
Miller (CA)
Pombo
Pomeroy
Reyes
Schiff
Stokes
Whitfield

□ 1402

Mr. GREEN, Mr. LARGENT, Mrs. CHENOWETH, Mr. WELDON of Florida, and Mr. SHADEGG changed their vote from ''yea'' to ''nay.''

Mr. LINDER, Mrs. CLAYTON, Mrs. MEEK of Florida, Ms. EDDIE BERNICE JOHNSON of Texas, and Messrs. KOLBE, FOLEY, THOMPSON, and BAESLER changed their vote from ''nay'' to ''yea.''

So the amendment was agreed to.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. GILCHREST). The question is on the resolution, as amended.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mrs. FOWLER. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 322, noes 101, not voting 11, as follows:

[Roll No.213]

AYES—322

Abercrombie
Ackerman
Allen
Andrews
Archer
Armey
Baker
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barton
Bass
Bateman
Becerra
Bentsen
Bereuter
Berman
Berry
Bilbray
Bilirakis
Blagojevich
Bliley
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Boyd
Brady
Brown (CA)
Brown (OH)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Capps
Carson
Castle
Chabot
Clement
Coble
Combest
Costello
Coyne
Cramer
Crane
Cubin
Cummings
Cunningham
Danner
Davis (VA)
Delahunt
DeLauro
DeLay
Dellums
Diaz-Balart
Dickey
Dicks
Dixon
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
Ensign
Eshoo
Everett
Ewing
Farr
Fattah
Fawell
Fazio
Flake
Foley
Ford
Fox
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Ganske
Gejdenson
Gekas
Gephardt
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Gordon
Goss
Graham
Granger
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hamilton
Harman
Hastert
Hastings (WA)
Hayworth
Hefley
Herger
Hill
Hilleary
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Hooley
Horn
Houghton
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Jackson (IL)
Jefferson
Jenkins
John
Johnson (WI)
Johnson, E.B.
Johnson, Sam
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kim
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Lantos
Latham
LaTourette
Lazio
Leach
Levin
Lewis (CA)
Lewis (KY)
Linder
Livingston
LoBiondo
Lowey
Luther
Maloney (CT)
Manton
Manzullo
Martinez
Mascara
Matsui
McCarthy (MO)
McCollum
McCrery
McDade
McGovern
McHale
McHugh
McInnis
McIntosh
McKinney
McNulty
Meehan
Meek
Menendez
Metcalf
Mica
Miller (FL)
Minge
Mink
Moakley
Molinari
Mollohan
Morella
Murtha
Neal
Nethercutt
Neumann
Ney
Northup
Nussle
Oberstar
Obey
Olver
Owens
Oxley
Packard
Pappas
Parker
Pascrell
Pastor
Paul
Paxon
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pitts
Porter
Portman
Poshard
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Redmond
Regula
Reyes
Riggs
Rivers
Rodriguez
Rogan
Rogers
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce
Ryun
Sabo
Sanchez
Sanford
Sawyer
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Schumer
Scott
Serrano
Sessions
Shadegg
Shays
Sherman
Shuster
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Adam
Smith, Linda
Snyder
Solomon
Souder
Spence
Spratt
Stabenow
Stark
Stenholm
Strickland
Stump
Stupak
Tanner
Tauscher
Tauzin
Taylor (NC)
Thomas
Thornberry
Thune
Tierney
Torres
Traficant
Turner
Upton
Velázquez
Visclosky
Walsh
Wamp
Watt (NC)
Waxman
Weldon (FL)
Weldon (PA)
Wexler
Weygand
Wicker
Wise
Wolf
Woolsey
Young (FL)

NOES—101

Aderholt
Bachus
Baesler
Barrett (WI)
Bartlett
Bishop
Blumenauer
Blunt
Brown (FL)
Cannon
Cardin
Chambliss
Chenoweth
Christensen
Clay
Clayton
Clyburn
Coburn
Collins
Condit
Conyers
Cook
Cooksey
Cox
Crapo
Davis (FL)
Davis (IL)
Deal
DeFazio
Deutsch
Dingell
Etheridge
Evans
Filner
Forbes
Fowler
Furse
Gibbons
Goodling
Green
Hall (TX)
Hansen
Hastings (FL)
Hefner
Hilliard
Hostettler
Hoyer
Jackson-Lee (TX)
Johnson (CT)
Jones
Klug
Largent
Lewis (GA)
Lofgren
Lucas
Maloney (NY)
Markey
McCarthy (NY)
McDermott
McIntyre
McKeon
Millender-McDonald
Moran (KS)
Moran (VA)
Myrick
Nadler
Norwood
Ortiz
Pallone
Payne
Pickett
Rangel
Riley
Roemer
Rohrabacher
Rush
Salmon
Sanders
Sandlin
Sensenbrenner
Shaw
Shimkus
Sisisky
Snowbarger
Stearns
Sununu
Talent
Taylor (MS)
Thompson
Thurman
Tiahrt
Towns
Vento
Waters
Watkins
Watts (OK)
Weller
White
Wynn
Yates
Young (AK)

NOT VOTING—11

DeGette
English
Foglietta
Istook
Lipinski
Miller (CA)
Pombo
Pomeroy
Schiff
Stokes
Whitfield

□ 1421

Ms. MILLENDER-MCDONALD, Mr. HALL of Texas and Mr. SISISKY changed their vote from ''aye'' to ''no.''

So the resolution, as amended, was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore (Mr. GILCHREST). Pursuant to House Resolution 169, House Resolutions 161, 162 and 165 are laid on the table.

GENERAL LEAVE

Mr. SOLOMON. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous material on H.R. 169, the resolution just adopted.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1998

The SPEAKER pro tempore. Pursuant to House Resolution 169 and rule

XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 1119.

□ 1424

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 1119) to authorize appropriations for fiscal years 1998 and 1999 for military activities of the Department of Defense, to prescribe military personnel strengths for fiscal years 1998 and 1999, and for other purposes, with Mr. YOUNG of Florida in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from South Carolina [Mr. SPENCE] and the gentleman from California [Mr. DELLUMS] each will control 1 hour.

The Chair recognizes the gentleman from South Carolina (Mr. SPENCE).

Mr. SPENCE. Mr. Chairman, I yield myself such time as I may consume.

(Mr. SPENCE asked and was given permission to revise and extend his remarks.)

Mr. SPENCE. Mr. Chairman, once again the Committee on National Security has reported a bipartisan bill that attempts to address many of the problems facing our Nation's military. H.R. 1119 also reflects the committee's deep concern over the difficulty in managing the risks posed by continued forced downsizing and budget reductions.

The fundamental dilemma facing the Department of Defense remains the same: how to maintain a viable all-volunteer force in an environment where the number, scope, and duration of military missions, especially peacekeeping and humanitarian missions, continue to grow while military forces and defense budgets continue to decline. A long-standing gap between the U.S. military strategy and resources persists. In fact, it is widening.

In looking at the challenges to our national security interests over the past year, the committee has continued to focus on China, an emerging power, and Russia, a once and perhaps future power. While neither nation is currently an enemy of the United States, they do represent the nations most likely and able to amass military power sufficient to challenge our vital interests.

I support efforts to bolster the democratic process in Russia. However, Russia's future will be shaped less by our policy than by its own internal decisionmaking over whether to remain independent and driven by its own history and character or to form working partnerships with the United States and the West.

But history has demonstrated that the transition to democracy is often tumultuous and violent. Russia is a vast yet collapsed empire, governed by a weak central authority, and armed with an arsenal of nuclear weaponry. It provides cause for both concern and caution.

China is an emerging power and poses a different problem. I agree with the Department of Defense's recent report concluding that China's goal is to become one of the world's great powers. Whether or not an emerging China becomes an enemy of our country remains to be seen, but China's strategic goals would appear to be at odds with our Nation's role and influence in East Asia.

Yet, I believe that the surest way to optimize the chances of an American strategic partnership with either Russia or China is for us to continue to be the world's most powerful force for peace and stability in the world. It would be dangerous and shortsighted to base the United States' security strategy on the assumption that either Russia or China will acquiesce to American global leadership indefinitely.

In the post-cold war environment of shrinking military forces and constrained defense budgets, the imperative to maintain strategic priorities grows while the margin for error gets smaller. The Committee on National Security's efforts to begin revitalizing our military forces will take longer and will involve acceptance of higher risk in light of constrained resources.

But in truth, the making of strategy has always been a process of managing risk. The projected real decline in future defense budgets, assumed by the Quadrennial Defense Review and ratified in the defense budget agreement, adds to this risk. The QDR has not eased my skepticism regarding the administration's commitment to a defense program that properly prioritizes and balances the critical elements of readiness, quality of life, and modernization.

Secretary Cohen has admitted that the defense posture outlined in the QDR will allow United States' forces to execute the national military strategy, but at increased risk. And I pause for emphasis. But at increased risk. The Secretary also quantified the budgetary risk, the amount of defense spending required to close the strategy-resources gap, at approximately $15 billion per year.

While I believe that the annual shortfall is greater than $15 billion a year, what is most striking to me is the relatively small size of the shortfall in comparison to the tremendous strategic risk associated with a failure to address it; $15 billion represents one-tenth of 1 percent of the Federal budget, yet the military's strategic and political risk of not addressing it are monumental. The risk of inaction or failure far outweigh the cost of addressing such budgetary shortfalls.

The Nation's military strategy demands that we maintain forces sufficient to fight and win two major regional conflicts nearly simultaneously, for instance, a Persian Gulf-like conflict and a conflict on the Korean peninsula.

□ 1430

Yet while the Nation maintains an expansive military strategy, we continue to cut back on our force structure and reduce our defense budgets to the point where I personally doubt that we could today execute another operation like Desert Storm as quickly, effectively, or with the relatively small loss of life as we did just 6 short years ago.

We have cut from an 18–Army division since then down to 10, from 57 reserve component brigades down to 42, from 546 naval battle force ships down to 346, from 16 aircraft carriers down to 12, and from 36 Air Force fighter wings down to 20.

In 1990, the Nation built 20 more ships, while this year we will build only 4. In 1990 we bought 511 tactical aircraft, but we will buy only 53 this year. And 7 years ago we approved construction of 448 tanks, while today we are authorizing zero, none.

We will not always be able to count on the backing of allied coalitions as we did in the gulf when it comes to protecting our vital national interests, nor should we assume that our next adversary will allow us time to build up our forces in a benign environment for 6 months before the outbreak of hostilities.

As our forces and resources decline, the Nation's risk still grows. We would all prefer to be raising and maintaining military forces capable of an unquestioned response to challenges anywhere in the world, rather than struggling to manage budgetary, military, and strategic risk with no margin for error. In this context, H.R. 1119 reflects the attempt of the Committee on National Security to address serious shortfalls in the effort to mitigate risk in a resource-constrained environment.

Mr. Chairman, H.R. 1119 provides $268.2 billion in budget authority for Department of Defense and Energy programs for fiscal year 1998. This figure is consistent with the fiscal year 1998 budget resolution and represents an increase of $2.6 billion over the President's request. The bill provides $3.3 billion more than the current fiscal year 1997 spending which, when adjusted for inflation, represents a real decline of 1.3 percent. This is not an increase in spending.

I will leave discussion of the many important initiatives in the bill to my colleagues on the Committee on National Security, who have worked hard since February to get us to this point in the process.

In particular, I would like to recognize the hard work of the subcommittee and panel chairmen and ranking members. Putting this bill together requires a lot of coordination and teamwork, which I have consistently been able to rely on.

I would like to also personally thank the gentleman from California [Mr.

DELLUMS], the committee's ranking Democrat, for his contributions. He is a strong advocate not only for his personal position, but for the role of the minority in a process that continues to produce a bipartisan bill.

Mr. Chairman, this bill, I might add, was reported out of the committee by a bipartisan vote, 51 to 3.

Finally, Mr. Chairman, I would like to thank the staff. We have a small staff relative to the size of the committee and the magnitude of our oversight responsibilities. The work gets done only through great expertise, dedication, and effort.

Mr. Chairman, I urge strong bipartisan support for this bipartisan bill.

Mr. Chairman, I reserve the balance of my time.

Mr. DELLUMS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman and Members of the House, as the ranking Democrat of the House Committee on National Security, I rise to offer the following observations on the bill, H.R. 1119, and the process that brought this bill to the floor for consideration today.

First, Mr. Chairman, let me congratulate the distinguished gentleman from South Carolina [Mr. SPENCE], the chairman, who returned the committee to its bipartisan moorings. Not only did he and I work cooperatively on a number of issues within the committee, but the staff that serves the minority party were included in much more deliberative deliberations that led to the crafting of the committee consideration and recommendation and the report.

I have appreciated the gentleman's openness to my discussions, both substantive and procedural, Mr. Chairman, as well as the receptivity of the majority staff to inputs that our side made on important issues contained in this bill and in this report.

Despite, Mr. Chairman, the successful resolution this morning on the question of the rule, and for that I would like to thank the gentleman from New York [Mr. SOLOMON] and the leadership for working with this gentleman and this side of the aisle, I remain concerned that we are moving forward much too rapidly on the consideration of the bill, H.R. 1119.

There are numerous issues, Mr. Chairman, in this bill, ones deserving much more study before we proceed to consideration, and ones deserving of more time for debate than the rule has provided. Given the time, this gentleman will work as diligently as possible to ensure that as much explanation and illumination of these issues as is possible will indeed occur.

On procedure, Mr. Chairman, let me also note for the RECORD, and it is not unusual, that I did not and cannot support the committee report. As the gentleman from South Carolina [Mr. SPENCE] noted, a broad bipartisan vote reports this bill from the Committee on National Security. Therefore, I do not claim at this moment to speak for all the Members on our side of the aisle regarding their support of this bill.

Despite this caveat, we will have the opportunity to hear from my colleagues on this side of the aisle, the ranking members of the subcommittees, on their views as to what transpired within their subcommittee jurisdiction that led to the bill being reported from the full committee.

Mr. Chairman, some Members may have read my dissenting views in the committee report. For those who have not, let me offer my thoughts in an effort to frame the debate from the perspective of those who think we have failed, Mr. Chairman, to completely align our military structure and its operations with the new requirements and opportunities that are emerging into the next century.

I have said on more than one occasion, Mr. Chairman, that we are now in a new era, an era so special that we have no real name for it. We call it the post-cold war era, an era fraught with the need for changes and transition and uncertainty, fraught with great challenges but yet with great opportunities.

One of my frustrations with the rule was its failure to include my amendment proposing that the Congress express its sense that the national security strategy of the United States contains elements far beyond and equally important to the funding of the departments charged with executing the military portion of this strategy.

Mr. Chairman, I believe that this post-cold-war era has ushered in an opportunity for us to redefine a new national security agenda. Let me propose the following question: If we took whatever resources necessary to develop the most powerful military force that the human mind could conceive, and our society simultaneously was deteriorating culturally, socially, politically and economically, question: What are we defending?

Therefore, Mr. Chairman, one of the extraordinarily vital national security interests must be a healthy, vibrant economy and a well-educated, well-informed, well-trained citizenry capable of engaging the economic and social institutions of our society. That has implications for what we spend to educate our children, retrain our dislocated people, house our people, protect and preserve the environment, provide for health care.

If our Nation is not a vital national security interest, what are we out there building this extraordinary military apparatus for? This is a moment in the context of change and challenge that we can redefine. That is one element.

A second element, Mr. Chairman, is an engaged foreign policy. Martin Luther King probably said it best when he said that peace is more than simply the absence of war; it is the absence of conditions that create war, that give rise to war.

And what gives rise to war? It is hunger, malnutrition, violation of human rights, denial of democratic principles, lack of sustainable economics, regional instability, brought on by man's inhumanity to man.

So, our foreign policy must engage the world. We are a major superpower. We are the last superpower standing, and our foreign policy should engage the world, commit it to democratic principles, human rights, economic development, stability in regions around the world. We should stand for something. And our foreign policy and our foreign assistance act should engage, and that account should be adequately funded.

Third, we should have a properly sized, properly trained, properly equipped military to meet the realities of a changing world as we move into the next millennium. All I have argued for is that there be balance in these accounts. Let the debate go forward. What should be the investment in our society as a vital national security interest? What goes into creating a healthy, well-educated, well-trained citizenry? What goes into creating a vibrant economy? How much money should we invest and engage in foreign policy that ends up precluding war, which at the end of the day, Mr. Chairman, is much more cost-effective in terms of human life and economic resources than waging war. Preventing war.

And fourth, we ought to have an honest debate over what is a properly sized, properly trained, properly equipped military. I did not come here to guarantee that my point of view should necessarily prevail, but this is the people's house. This is a place where we should debate and deliberate openly, so we should have a discussion over these matters. These are significant issues here.

The American people are saying the world has changed. They know viscerally that the cold war is over. They know instinctively that there is no more Soviet Union and Warsaw Pact. They know intuitively that in this changing world we do not need to spend as much money on our military. But we need to be honest and open with them, not engage in 30-second scare tactics, but use the brilliance and the genius of our minds to talk about these issues substantively.

I do not have to win, but let us just make it all fair. But rushing this bill to the floor that spends $260-plus billion, that is an incredible amount of money at an extraordinary time when we can say to our children and our children's children that there is need to go in a different direction.

Some may agree or disagree with me, but I think we stand on the threshold much less of waging major war in the world than we are of engaging in peacekeeping, peacemaking, peace enforcement, humanitarian assistance, low-intensity conflicts.

But I have no locks on truth. Other people may have different points of

view, but let us engage each other in a debate that is dignified and respectful and thoughtful. But we rush to judgment.

□ 1445

''Let me buy your weapons system. You buy mine.''

Billions of dollars buying yesterday's technology, mortgaging into the future. We had a great discussion about mortgaging the children's future.

We will have an opportunity in the course of this debate, for example, to look at the B–2 bomber, a program that was not contemplated in this 5-year budget agreement that we marched to the microphones and told America we balanced the budget. In the 5-year budget agreement, we established the parameters of the budget for 5 years. Now people want to walk into that budget what the Congressional Budget Office has defined as a $27 billion program, of which nearly $14 billion will be spent in the 5 years.

One does not have to be a Ph.D. in economics to understand that if we signed onto a 5-year budget deal that did not contemplate a $27 billion weapons system and we are going to put that $27 billion dollar weapons system within the context of that 5-year budget agreement, something has got to go out. One does not have to be brilliant, no great genius. One can be a fool or a knave and come to that determination. We need to grapple over what is proper and what is appropriate.

I have been here now in my 27th year. It is fascinating, Mr. Chairman. This is the first time that my colleagues are going to be forced to have to choose which weapons system, which direction, what policy shall guide us at this moment. But in the past, you scratch my back, I scratch yours, I buy your plane, you buy my ship, you buy my this, you buy my that. Now the world is different, Mr. Chairman. I have been waiting almost 27 years for this moment to come when everybody has got to get honest, everybody has got to walk up to the table, and we have got to start looking at each other eyeball to eyeball to talk about where we are going. I am saying this is an opportunity for a new national security agenda and that ought to frame the nature of this debate. The only thing that is framing the debate now is the 5-year budget agreement. But we are charged with the opportunity of developing a new national security agenda.

Mr. Chairman, I applaud the committee in its retreat from an ABM Treaty busting approach to missile defenses. The last several years many of our colleagues were hell-bent to develop a national missile defense system that challenged the ABM system, the ABM Treaty. I have always argued that any time one moved to abrogate a treaty, when we are holding the public trust, when we have fiduciary responsibility for our children and our children's children, we ought to walk in a very fragile manner when we start to talk about moving beyond treaties. In this bill, I am pleased that we have sort of retreated from that.

I believe that it is implicit embraced, this bill, of the administration's beefed up 3-plus-3 missile program, seeks to accelerate a program for which the requirements, and, Mr. Chairman, as my colleagues well knows, and its capabilities have yet to be demonstrated. We have spent billions. Requirements have not been demonstrated. Capabilities have not been demonstrated. We stand on the verge of spending too much too fast in a quest for defenses against threats that remain remote and manageable by other strategies in the near future. If that is true, slow down the train and let us start to talk about these matters before we spend so much money.

How often do we go home in our town meetings and talk about wasting money, moving too fast, not throwing money after a problem? This bill is a classic example of this. We need to stop and America needs to pause from whatever it is doing and look at this and see what it is we are doing and become informed and engaged in a discussion that affects their lives and the lives of their children and their children's children. This is not just this gentleman. It is far beyond that.

Mr. Chairman, the committee report also raids environmental cleanup accounts in the Department of Energy designed for use to clean up the most critically contaminated sites in the United States. Do my colleagues know why? To finance the acquisition of this additional hardware. What a shortsighted approach. There is broad alarm at what this portends, as the additional views of the gentleman from South Carolina [Mr. SPRATT] illuminate eloquently in the committee report.

We cut $2.6 billion from the Department of Energy request, a big chunk of that the environmental cleanup. For what reason? To buy more hardware, to buy more planes, to have more money for more modernization, rather than grappling with what are the realities. Do my colleagues think the American people do not want these sites cleaned up that were contaminated with goodness knows what? But we took money from there. ''Well, that's enough. We're going to build more weapons systems.''

America needs to know that. We need to discuss this out in the open. And if the people want that, this is democracy, I stand with democracy, but at least let us have an open discussion on it. The reductions in the cooperative threat reduction funding, the whole pot of which is now threatened by the Solomon amendment made in order by the rule, pursue a strategy of being penny wise and pound foolish.

Mr. Chairman, as my colleagues know, the cooperative threat reduction funding program, euphemistically known as Nunn-Lugar funds, to date what has transpired as a result of spending these few dollars on cooperative threat reduction? The safe removal to secure facilities of more than 3,300 strategic nuclear warheads from missiles. Three thousand three hundred nuclear warheads in the context of the former Soviet Union have now been moved to safe facilities. We were spending $300 billion per year prepared to wage war with the Soviet Union. Yet for a handful of dollars with the Nunn-Lugar program we have removed 3,300 nuclear warheads.

I daresay most of our children do not know this. Many of the American people do not know this. In darkness and in areas where there is lack of knowledge, then we can do these things, we can make reductions, because people do not know. But maybe if they knew, they would say, ''Wait a minute. If there is one program you ought to fund fully, it is this program.'' If it is that cheap to remove nuclear weapons that threaten the lives of our children, then why would we want to cut that? For what reason? Build some more weapons.

Mr. Chairman, finally, I want to urge all of my freshman colleagues and my sophomore colleagues who make up a huge percentage of this institution, a big number, the freshman and sophomore Members, come, pay attention to this debate, engage. Because they are the future, the new Members of Congress here. Many of us old heads, Mr. Chairman, we have been knocking heads with each other for over a quarter of a century. Many of us know these issues backwards and forwards. We can say ditto to your last year's speech and vice versa. But the new Members must engage this process so that there is some healthy new energy into this debate.

I am prepared to be a man of change. The cold war is over. Let us move on and get ourselves out of the narrow confines of ideology and viewing the world through the narrow prism of ideology. Take off old paradigms, think fresh, think anew, think real, think young, think change. New people, engage. You have not had the repeated opportunities enjoyed by many of us to discuss and debate these issues.

These should be viewed as challenging matters because we are getting ready to commit half of the discretionary resources of the U.S. Government to programs that will be stabilizing or destabilizing, wasteful or required, redundant or critical. These are the decisions we have to make. Engage this process. Knowing the issues and voting in the best interests of all of the elements of our national security strategy will hopefully be the hallmark of the debate and votes yet to come.

A final comment. Out of all of these things I have said, Mr. Chairman, first I appreciate the work of my distinguished colleague, the gentleman from South Carolina [Mr. SPENCE]. We have now returned to a sense of bipartisanship. We sort of lost our way there for a while. I appreciate that. We have worked together. There are politics that divide us, but as long as there is

an atmosphere that our national security agenda ought to be bipartisan, let us fight out the issues.

The second point that I simply make is that I think there is a rush to judgment to bring this bill to the floor to the tune of $260 some odd billion. If we cannot slow down when we are getting ready to spend $263 billion, what will make us slow down? $270 billion? $300 billion? $1.5 trillion? What makes you stop and think? We have had more debate on bills that contain a microscopic amount of money, but the issue was so controversial we talked for days. But when it comes to an issue that has such dramatic and profound impact, we move with great alacrity and great speed. Why? Because the faster we run it through, the less it gets looked at. And the less it gets looked at, the easier it can get worked on.

I get paid to be right here. I have been frustrated all year, Mr. Chairman. This is my one time when we can stop. I will take my vitamins and drink my tea and we can have at it and stay here for several days and debate this matter. Hopefully, the American people will turn off the drama programs, what have you, and the talk shows and focus in on the real talk show, the real drama, the real educational channel, the real place where we make life-and-death decisions, right here. Sometimes it is even the comedy station because we can get funny around here, too.

But this is a serious set of issues. Maybe if we took enough time and the American people started to focus, we could do it in such a manner that we could be educative.

Mr. Chairman, with those remarks, it is my hope that we can open this discussion with vitality and energy.

Mr. Chairman, I reserve the balance of my time.

Mr. SPENCE. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. HUNTER], chairman of the Subcommittee on Military Procurement.

Mr. HUNTER. Mr. Chairman, I want to thank the gentleman from South Carolina [Mr. SPENCE], the great chairman of our full committee, for his wonderful leadership. I want to compliment the gentleman from California [Mr. DELLUMS], the ranking member, for his tireless energy on the other side and his great attendance at our marathon hearings that went in some cases into 7, 8 o'clock at night. He had good endurance. And to my great friend the gentleman from Missouri from [Mr. SKELTON], I thank the gentleman for working as a partner on this very important committee and to all of my colleagues who are a part of this committee, I think it is the most bipartisan committee in the House, and I think we did good work.

Mr. Chairman, I want to engage with some of the propositions that the previous speaker put out. Let us review the bidding. Where are we on the big scale? This century we have undertaken a series of cycles that America, this great democracy, tends to go through.

After World War I, we referred to that war as the war to end all wars. We hear that phrase recurring now after the cold war is over. We call it the post cold war period. The implication is there is not going to be any more wars. But my colleague, the gentleman from California [Mr. DELLUMS], mentioned something that I think hits the heart of the matter. He said, ''These are uncertain times.'' If we follow history, we should meet uncertain times with preparedness.

It has been mentioned that every capital ship that was used in World War II had the keel laid before World War II, before the attack on Pearl Harbor. That means that we have to be prepared for war, and the best way to deter war is to be prepared for it, and the best way to win one when we have it is to be prepared for it. I do not think we are any smarter today in terms of intelligence than we were in the 1920's when we did not see World War II coming, than we were right after World War II, we had an army of 9.8 million people, and a few years later on the Korean peninsula we were pushed down the peninsula by a third-rate military. That is because we did not know what was going to happen.

I have reviewed the words of Louis Johnson, then Secretary of Defense, and they sound a lot like President Clinton's leadership in the military now. They talked about a small core, changing fat into muscle, getting people out of their desk jobs and into the field. Only Omar Bradley really told it like it was in 1950, 4 months before the Korean war started when he said that we could not win a major war with what we have right now.

Here is what we have done, Mr. Chairman. We have cut the Army since Desert Storm from 18 Army divisions to 10. We have cut our Air Force from 24 fighter air wings to 13. We have cut our air power almost in half. And we have cut the Navy from 546 Navy ships to 346 ships.

Even President Clinton says we have to modernize and increase the modernization budget to $60 billion. That is not the gentleman from South Carolina [Mr. SPENCE], the chairman, that is not me, that is not other members of the committee. That is the President of the United States.

□ 1500

And he had that on his blueprint; this year we were going to spend $60 billion giving good equipment to our troops. But we did not go into it.

As we walked down and got closer to and closer this fiscal year we went from $60 billion to about $55 billion. Then it was $48 billion, then $46, and when the rubber meets the road it is $42 billion, meaning that our men and women in the military do not have the right equipment, they do not have the best equipment they could possibly have because we have short changed them.

And, Mr. Chairman, let me tell my colleagues in 1985 we spent $404 billion in today's dollars, in 1997 dollars, on defense. Today we are spending about $258 billion. That means we have cut on an annual basis $140 billion out of the defense budget. That is where most of the cuts have come for the Clinton administration.

But we did the best we could do with very little resources to try to bolster the military. We asked military leaders, we asked President Clinton's leaders to come in and tell us what their unfunded priorities were. They used to tell us that in private sessions in back rooms, but our great chairman, our great chairman, said we are not going to do that any more, we are not going to let editors call this pork and say it is stuff that the military did not want because it is not on the record. So he made them go on the record. He said ''You come tell us what you need in written form that's not funded,'' and they did that to the tune, this year, in excess of $10 billion that the President did not put in the budget for them and that the budget deal did not include.

So in fixed wing aircraft and helicopters and track vehicles and ammunition, in small arms, we have tried to provide more, about $2.9 billion more in the procurement budget, $3.9 billion more in the procurement budget than the President had. I think we did a pretty good job with limited resources, and our motto should be, be strong, be prepared, these are uncertain times.

This is a good bill, and I hope everybody will support it.

Mr. DELLUMS. Mr. Chairman, I yield 6 minutes to the distinguish gentleman from Missouri [Mr. SKELTON].

Mr. SKELTON. I thank my friend and colleague from California for yielding me this time. First let me compliment him on two fronts. The first is the framing of the debate so well regarding the three aspects of national security: domestic, foreign policy and the properly sized military, and, second, I would be remiss if I did not complement the gentleman on his eloquence because this Chamber through the years has seldom heard such persuasive and eloquent words as we hear from our friend from California, and I salute him for that.

Let us look at these elements very briefly in the time that we have. I think it is absolutely right; what are we defending?

Then, on the domestic front, we have the grandest civilization ever known in the history of mankind. That is what we are defending, and we have interests all over this world, whether they be moral interests, or whether they be trade interests or other economic interests. So we must maintain a strong domestic pattern in our life.

Second, the foreign policy. As my friend from California says, we must be engaging in the world, and we engaging in the world. I think we are doing a fair job of that, whether it be by diplomacy, or whether it be by military,

whether it be by economics, whether it be by trade. We are the sole surviving superpower, and our foreign policy has brought us to that point.

I might say that regarding diplomacy the need for the third element is very apparent. To back up diplomacy from time to time it is necessary to have an adequate and strong military. Otherwise the words spoken are empty.

Third, and this is the primary reason we are here today, on having a proper sized military. Now of course everyone looks at it, I suppose, through our own individual eyes and through the eyes of the people we represent. Maybe the installations are the factories that we have in our own part of the country. But it is a broader issue than that. We must have a properly sized military that is capable of protecting this country and capable of protecting our interests throughout the world.

Our interests throughout the world, of course, include precluding war, keeping the peace, because we know so full and well that small conflicts develop into major conflicts. I think the QDR, the quadrennial defense review, has the strategy right, and it looks at shaping and responding and preparing. Actually it is a broader strategy than that put forth by our late friend, Les Aspin, which was limited to two major regional contingencies. This one, I think, is more on balance.

So I suggest in using the words of my California colleague, let the debate go forward.

Had this debate taken place in this Chamber, had this debate taken place in the French Parliament, had this debate taken place in the Parliament of the United Kingdom in the 1920's, the second world war might well have been averted because we know from history that all three of those countries, particularly the United Kingdom and France, allowed their military to slip drastically. It was the late George C. Marshal as a major in the Army, gave a speech here in Washington to a small education group one day, 1923 when he decried the doing and undoing of those things for national defense, and he put the finger right on the Congress of the United States. And, my colleagues, under the constitution the buck stops with us in Harry Truman's words. We under article I section 8 are charged with raising and maintaining the military and charged with establishing the rules by which they shall live. That is our job.

So I welcome this debate, and I compliment my friend for engaging in it. Looking into the future is like a kaleidoscope, we do not know what the next pattern is going to be, but we know the pieces of which it is made. I think our major challenge in the military is keeping good people. We have operational tempo that is high on keeping families happy and keeping a stability. A stability means a stable budget. We are blessed with the weapons systems that others do not have when they be satellite GPS's, global positioning systems, smart weapons or stealth technology which is so very important as reflected by the B–2 bomber and by the F–117 which did so well in the gulf war.

We must look to the future in the light of what our friend has said, to protect the grandest civilization we have, to develop and keep that engaging foreign policy that is successful and to have a properly sized military that George Marshal did not have, that France did not have, that Great Britain did not have. So in the days ahead we will have a more peaceful and a better opportunity for those young people who grow and follow in our footsteps.

Mr. SPENCE. Mr. Chairman, I yield 5 minutes to the gentleman from Virginia [Mr. BATEMAN].

Mr. BATEMAN. Mr. Chairman, I thank the chairman of the Committee on National Security for yielding this time to me and appreciate the tremendous job that he has been doing.

I rise today in strong support of H.R. 1119, the National Defense Authorization Act for fiscal year 1998. After an extensive series of hearings here in Washington and in field, the Committee on National Security has reached the conclusion that positive action must be taken to arrest what we believe to be a decline in the readiness of our military forces. These concerns were also highlighted in a readiness report issued by Chairman SPENCE a few weeks ago, and then in the interests of time I will not go into specific details of the many readiness issues that we have brought to light by the committee's investigation and the chairman's report, but I would urge everyone to pay close attention to these concerns.

H.R. 1119 begins the process by which we address these readiness problems. To address many of the issues that I believe have a direct impact on readiness, H.R. 1119 includes several provisions that get to the heart of the problem which is how our military leaders report on readiness conditions of our forces and how our military leaders spend the funds Congress provides for readiness. To get at the problem of reporting on the readiness condition of the forces there is a provision that will expand the number of readiness indicators that must be reported on to give us a more accurate readiness picture.

To address our current concerns on how readiness funds are used there is a provision that will require the Department of Defense to report to Congress before large amounts of money is moved from critical readiness accounts to other accounts. I believe these and other provisions found in H.R. 1119 will provide the necessary information so that the situation continues to decline, we should be in a position to take action before the system breaks down.

Over the past 2 years this committee identified several areas for priority attention and provided additional funding. These areas included real property maintenance, maintenance, depot maintenance, base operation support and reserve readiness. For the second year in a row the President's fiscal year 1998 budget request cuts funding in all these areas to a level below what was provided last year. H.R. 1119 provides additional resources in these and other areas where the Department of Defense has failed to provide sufficient adequate funding.

Unlike the previous 2 years, the committee has not received any additional funding. Therefore to accomplish increases in the traditional readiness sensitive areas we will have to make some reductions in the budget request, particularly the accounts that reflect program growth in excess administrative support. I am convinced these reductions will not directly affect the readiness capabilities of our combat forces but will directly affect and improve the day to day readiness and quality of life for our service men and women.

I would like to thank the ranking member of the Subcommittee on Military Readiness, my colleague the gentleman from Virginia [Mr. SISISKY], for his outstanding cooperation, his knowledge, ability, and leadership through the years. The Subcommittee on Military Readiness has had to deal with several difficult issues that have transcended political lines which would have been more difficult if it were not for his expertise and assistance.

Mr. Chairman, H.R. 1119 is a responsible, meaningful bill that appropriately allocates limited resources for the continued readiness of our military forces. I urge my colleagues to vote ''yes'' on the bill.

Mr. DELLUMS. Mr. Chairman, I yield 5 minutes to my distinguished colleague the gentleman from Virginia [Mr. SISISKY].

Mr. SISISKY. Mr. Chairman, I thank my ranking member, and adviser and other things. Although we do not agree ail the time, I do agree with his opinions; at least not agree with them, but I do respect all of his opinions, and I want to thank the chairman of the committee for the many courtesies that he has shown me and other Members of the minority. Of course, the chairman of the subcommittee, not many people realize it, but the gentleman from Virginia [Mr. BATEMAN] has control over some $90 billion. That is a lot of money for a subcommittee, and I do respect what he is do doing.

The ranking member, Mr. DELLUMS, talked about the new national security agenda, and it just dawned on me, and right after him the gentleman from California talked about preparedness and talked about Secretary Lewis Johnson living in the Korean thing. Let me tell my colleagues an interesting story about myself:

I joined the Navy when I was 17, 1 day before I was 18, and I had lived through the depression, had not traveled very much, and I wanted to see the world, and that is why I joined the Navy. I went to a separation center in Bainbridge, MD. This was in the summer of 1946, and getting ready to get out of

boot camp and scheduled to go on a destroyer escort someplace in California and very excited. Guess what?

The war ended. V–J Day happened. I did not see the world. They put me back in the separation center at Bainbridge, discharged members who had come back from the Pacific, 4 and 5 years in the Pacific.

And what was my job and another group of us? Our job was to sign up these people for the inactive naval reserve, and we, as my colleagues know, I was a young guy. They just fed me information.

I said, ''We've fought the war to end all wars.'' We were the only one at that time with the atom bomb, we had almost 10 million people in uniform, all the equipment, the world is a disaster, do not worry about it, never be called up, inactive naval reserve.

□ 1515

I did not sign up, I did not sell myself. But I can assure my colleagues, in 4½ years, a lot of people that I signed up went back to a country that I did not even know existed, to be very honest, and that was Korea; and for a while we really got beat there.

The point I am making is, even though the agenda, and the gentleman is absolutely right, the agenda may be different, the agenda is still the same in the world, and that is be prepared and have insurance.

Now, having said that, in light of the many challenges facing this Congress, it really is exciting for those of us who have been focusing on military readiness and quality of life concerns, we had the opportunity to hear firsthand the views of the personnel who will be carrying out our military strategy. We received input from general flag officers, enlisted personnel and in some cases, from family members. Their responses were as diverse as the population they represented.

I have no doubt that they all had sincere interest in readiness and quality of life matters and expressed what they thought would be in the best interests of this Nation and the forces. The Congress and those military personnel and family members who shared their concerns with us can be assured that H.R. 1119 reflects their input to the degree that we could afford.

There is no doubt that our military forces are ready today to face the challenges that may confront them in the many parts of the world where the U.S. national interests might be threatened. But I remain concerned about tomorrow. What will they look like in 18 months or 2 years?

I also remained concerned about the readiness, believe it or not, of our civilian workers, those dedicated employees who have superbly served this Nation during times of crisis over the years while enduring personnel drawdowns and, even worse, continuous rumors about reductions. Simply stated, the department and we here in Congress have not given them the attention they deserve.

Notwithstanding their dedication, I am uncertain at this time about our ability to mobilize a crisis based on how we are managing them today. My feedback indicates that our civilian employees frequently feel abandoned because of the absence of security and, yes, predictability in their status.

Mr. Chairman, we all recognize the difficulty in addressing the readiness and associate quality of life issues and making tough choices in this severely budget-constrained environment. And we will talk about the other parts of the budget constraint with the other amendments, but we address a number of difficult issues; but in our subcommittee we could not solve them all. I wish we could have done more.

What we did, Mr. Chairman, was to begin to lay the foundation to sustain the military readiness we all agree is necessary for today and tomorrow.

I again express my support for H.R. 1119 and urge my colleagues to do the same.

Mr. SPENCE. Mr. Chairman, I yield 4 minutes to the gentleman from Pennsylvania [Mr. WELDON], the chairman of our Subcommittee on Military Research and Development.

(Mr. WELDON of Pennsylvania asked and was given permission to revise and extend his remarks.)

Mr. WELDON of Pennsylvania. Mr. Chairman, I rise in strong support of the legislation and applaud both the Chairman and the ranking member for their leadership and the cooperation of our subcommittee chairs and the ranking members.

There are those in this country who think that we have mistakenly increased defense spending dramatically. The facts are, if we compare to what we are spending today to John Kennedy's tenure, and I raise that point in time because we had relative peace, it was after Korea and before Vietnam; we were spending 9 percent of our country's gross national product in the military. We were spending 52 cents of every Federal tax dollar on defense.

In this year's budget, we are spending less than 3 percent of the GNP on the military. We are spending 16 cents of the Federal taxpayer dollar on the military.

Now, in spite of that dramatic decrease, we have to consider the fact that in John Kennedy's era we had a draft. All of our young people were drafted out of high school, they were paid less than the minimum wage, they served for 2 years, they were not married, they did not have higher education; and therefore, we did not have the quality of life costs that we have today.

Our troops today are all volunteer. They get better pay. Many of them are married. They have advanced degrees, they have children, we have housing, education, quality of life costs that we never had before. So in spite of reducing defense spending to this lower level, a much larger percentage of this smaller amount of money is going for quality of life issues. It is not going for sophisticated systems. And in fact, I have publicly said that we should cancel some major weapons systems. But the facts are that the bulk of our money is going to pay for the troops to take care of the family members who serve this country.

We are hurting right now, because on top of the increased quality of life costs, the fastest growing portion of our defense budget is in, guess what? Environmental mitigation. Almost $12 billion this year to clean up the environment. And on top of that, we have an OPTEMPO deployment rate that we have not seen for the last 50 years.

We have an internationalist foreign policy with an isolationist defense budget. We are committing our troops to more locations at higher costs and not planning for those expenditures, so are taking the money to pay for those operations out of the accounts to modernize our forces and to take care of our quality of life issues. And in fact, to add insult on top of injury, we are even paying the cost of our allies who come into these operations.

Mr. Chairman, we had a very difficult process. In my subcommittee we focused on three major 21st century threats that we see emerging, and we plussed up funding in each area above what the administration requested. First of all, dealing with weapons of mass destruction, missile proliferation is our No. 1 concern. In a bipartisan vote, we plussed it up significantly. We never wanted to see an incident occur like we saw over in Saudi Arabia where in 1991 we lost a number of our young kids to a low-class Scud missile.

Second, we increased significantly funds for antiterrorism. So yes, we can locate those attempts to bring in weapons, not necessarily from missiles, but sneaking them through our ports. Our committee increased funding for the third consecutive year in antiterrorism, both in technology and, more importantly this year, in training first responders all across the Nation.

Third, we put a new focus on information warfare. When a foreign adversary can electronically transfer illegally $100 million from one of our banks, when they can potentially shut down the information systems of this Nation, we as a Committee on National Security are coming to the forefront and saying yes, we want our military prepared for that eventuality as well.

We put $90 million of additional funding in this year's bill over what the President asked for so that we can help address the issues of encryption and protection of information systems that could bring down the economy of our country.

Mr. Chairman, we have done it all. We have done the best that we could with an impossible budget number. Unfortunately, it is not enough. I would have liked to have seen us had more money to meet these threats in a more robust manner. We talk about the cost-effectiveness of acquisition reform; and

while the administration talks about that, we drive up the costs of our program dramatically. But I ask our colleagues to vote in the affirmative on this very important bill.

Mr. DELLUMS. Mr. Chairman, I yield 5 minutes to my distinguished colleague from South Carolina [Mr. SPRATT].

Mr. SPRATT. Mr. Chairman, I thank the gentleman for yielding me this time, and to my colleague from South Carolina and my good friend, the gentleman from California [Mr. DELLUMS], I commend the gentleman on the work product he brought to the floor.

I want to address in the time allotted to me a common misperception now out in the public and a misstatement that is likely to be made a number of times before this debate is over, and that is that the reason this budget is stretched so tight that it is so difficult to come up with extra funds to do things we would like to do is that the Clinton administration has not asked for more money for national defense. In fact, the facts tell a different story.

Last year's budget resolution in the last Congress was the last blueprint we received from the Republicans on what they would spend on national defense. That resolution spelled out, budget function by budget function, what every different function would be funded at. And for the function we call 050, which is national defense comprehensively, the Pentagon and the Department of Energy both, the requests over 5 years, the amount of money allotted to national defense over 5 years in that budget resolution was $1 trillion 371 billion. That was the Republican budget resolution which passed the House last year, 1 trillion 371 billion for the period 1998 through 2002.

When the President sent his budget up this year for that same period of time, 1998 through 2002, the President requested and proposed spending $1 trillion 383 billion on national defense comprehensively over that same 5-year period of time. This is $12 billion more than the amount of money that was provided in the last budget resolution passed by the House, which was a Republican-sponsored plan.

This year, this was $12 billion ahead of where we left off. We then entered into negotiations which the administration fully supported, and as a result of those budget negotiations, we added $4.4 billion to function 050, national defense comprehensively.

So through this bipartisan budget resolution, which the Democrats and Republicans both have supported and the President has blessed and supported himself, we have added $17 billion more to defense spending than the Republican budget provided when we adjourned in the last Congress. That is a significant increment in spending.

The committee, and this is a matter of concern to me also, the committee has gone beyond that budget agreement and has taken $2.6 billion which were specifically provided for function 053, the Department of Energy, specifically earmarked to certain programs there that are necessary for cleaning up the environmental mess that was left over from 40 to 50 years of building nuclear weapons, taken that $2.6 billion and put it in the Department of Defense instead of the Department of Energy.

Now, I would be one of the last to say that the money is misspent. It is being spent on some good programs, on O&M, operations and maintenance, and on procuring some things that I think add to our national defense. But in fact, the requirement for these funds, this $2.6 billion in DOE, will not go away simply because we do not fund it this year. It is still there. It will come back next year. We have simply pushed it into the future.

In the meantime, by adding $2.6 billion to the procurement budget and to an R&D budget, we have started up programs which will not be fully completed and will not be fully sustained by that $2.6 billion. So we have generated more demands for funds to complete what we started this year in the outyears, and that is going to create fiscal problems in the outyears, as $2.6 billion that we moved out of DOE into DOD.

Frank Raines, the very distinguished and able Director of the Office of Management and Budget, warned the House in a letter on June 5 that this funding, taken from DOE and shifted to DOD, violates the bipartisan budget agreement. And it is bound to come up again in the conference that we will go to when this bill comes to the floor and in reconciliation, because we have not settled the problem of what to do in the future for the problems that are not addressed with this $2.6 billion.

So I say to my colleagues who have participated in bringing this to the floor, I think on the whole it is a job well done. I commend the Chairman and I commend the ranking member for working together, but not every problem has been resolved and some of the rabbits we have pulled out of the hat to satisfy all of our demands this year will not be there next year when we try to do the same thing.

Mr. SPENCE. Mr. Chairman, I yield 3 minutes to the gentleman from Colorado [Mr. HEFLEY], the chairman of our Subcommittee on Military Installations and Facilities.

Mr. HEFLEY. Mr. Chairman, I rise in strong support of this legislation, the National Defense Authorization Act. In the brief time that I have available, I want to discuss the key parts of this bill as they relate to the military construction and military family housing programs of the Department of Defense.

The Subcommittee on Military Installations and Facilities, which I have the honor of chairing, continues to be concerned about the serious shortfalls in basic infrastructure, military housing, and other facilities that affect the readiness of the armed forces and the quality of life of military personnel and their families.

□ 1530

The budget requested by the administration for fiscal year 1998 continued a pattern of significant deterioration in the funding program by the Department of Defense for military construction, in spite of the very clear and obvious shortfalls. The budget request submitted in February was 16 percent below current spending levels and, in constant dollars, the administration requested 25 percent less in funding for military construction for the coming fiscal year than it sought just 2 years ago.

More significant, despite all of the rhetoric we hear from the administration about the importance of improving the quality of life for military personnel and military families, the budget request again this year cut construction funding that directly affects the living conditions of the very soldiers, sailors, airmen, and marines that the President professes to support.

Military family housing construction, for example, would have been cut by one-third, $326 million, from current levels in spite of the fact that 64 percent of the housing is classified as unsuitable. Barracks construction would have been cut by over $130 million, or 17 percent.

We owe the young Americans and the young families who volunteer to serve the Nation and defend our freedoms more than that. Just a few months ago the Chairman of the Joint Chiefs testified before the Committee on National Security that with regard to housing for the troops and military families, no one can be satisfied with where we are today, no one, he said. He asked us to keep the pressure on, and in this legislation that is exactly what we are trying to do.

This bill puts an additional $750 million toward military construction. That amount would restore less than half of the administration's cut to the MILCON top line, but with those funds we have brought back nearly all of the President's cuts to quality of life construction.

This bill would authorize funding for 50 new barracks and dormitories, the construction or improvement of 8,400 family housing units, six new child development centers, and other quality of life improvements. It improves public safety and working conditions. This bill also provides additional funding for important operational readiness and training facilities for the active and the reserve components.

The House has always responded to the clear and compelling need of the military services. This bill reflects a bipartisan consensus on military construction. I urge the House to keep the faith with the men and women in uniform, and continue our efforts to improve their living and working conditions. I ask for the Members' support of this bill.

Mr. SKELTON. Mr. Chairman, I yield 5 minutes to the gentleman from Mississippi [Mr. TAYLOR].

Mr. TAYLOR of Mississippi. Mr. Chairman, I want to thank the gentleman from Missouri for yielding me this time.

Mr. Chairman, I want to encourage my fellow Members to support this measure. As many other people have pointed out, it does not do everything that we would like to do. But in a budget environment where, unfortunately, the only committee in Congress that has had its budget reduced in real dollars is the Department of Defense, I do believe that we have done as much good as we could with what we have.

There are certain disappointments that I would like to articulate, things that I hope that we can address during this session. I will start by talking about health care for military retirees. Since most of those people have spent at least 20 years serving their country in the military, I think they, better than most, understand the chain of command, who is responsible for what.

Unfortunately, this was not a decision that could be made alone by the Committee on Armed Services. Unfortunately, the funding for the program that they have told me they had the most interest in, which is Medicare subvention, flows through the Committee on Ways and Means, because the funding for that will have to come out of the Medicare budget. I am sorry that as of today that committee has chosen not to act upon this. What I mean by ''acting upon this'' is to create a program that would allow military retirees over 65 years of age to continue going to the base hospitals, and then have the base hospital bill Medicare for that service.

We will get a chance this year. I want to assure the retirees that when the Medicare portion of reconciliation reaches the House floor, this will be an effort that I will be a part of to see to it that Medicare subvention becomes the law of the land. I would hope the leadership would allow a straight up-or-down vote on this, it is that important. Because quite honestly, they were the only people in America who were promised health care, and they are the only people in America in that age group who are not getting it. That is simply not fair.

One of the other disappointments of this session, but something I hope we can address in future years, is the inequity of the way pay raises are granted. For about the past 25 years pay raises have been granted on a percentage basis, which, if you are a general or a colonel or an admiral is not so bad, because after all, 2.8 percent of a general or an admiral or colonel's pay is pretty good pay. If you happen to be an E–1, an E–2, an E–3, an E–4, and in particular one with a family, then 2.8 percent of your pay, even as a raise, amounts to only about $20 or $30 a month. That is not much money, and as a matter of fact, it would barely buy one box of Pampers for one of your children each month.

Mr. Chairman, I would hope in the future that we will, as a committee, seriously study an alternative to give those people at the lower ranks who occupy better than one-half of the U.S. Marine Corps a flat rate on the lower scale, to allow them to make a little bit more money and make a life in the military, a career in the military, a more attractive option.

Something I am very proud of, we were able to balance the budget this year in the Subcommittee on Military Personnel, and it was a bipartisan effort and could not even have been done without the help of many of my Republican colleagues, was the passage and retention of a very good program, in fact, the opportunity to expand a program, called Youth Challenge.

It is a program where at-risk youth, high school dropouts, people between the ages of 16 and 18 who have dropped out of school, and in many if not most instances have gotten into some trouble with the law, but have not yet been convicted of anything, where they are given the opportunity to get drug-free. They go through a boot camp type environment for 22 weeks. It is run, I believe, in 15 States, and it has a 96-percent success ratio.

That means that 96 percent of the over 8,000 young people who participated in this program have gotten their GED and have gone on to go to work, further their education, or have joined the military. Some of them are doing all three by joining the National Guard, continuing their education, and getting a part-time job to help with their expenses.

Mr. Chairman, I cannot think of another program in the United States of America that has a 96-percent success ratio. We have funded this program at $50 million this year. We have called for an increased participation on the part of the States, with the understanding that this allows the Federal dollars to go further, and it is my hope that every single State in the Union will participate in this great program.

I want to compliment our subcommittee chairman, the gentleman from Indiana [Mr. BUYER], for taking some steps to lessen the financial blow to people who are on active duty who are sent away from their families for training. There have been a number of measures included in this bill that will lessen the financial blow that they have when they are separated from their families, because the last thing we want people to do is actually lose money while they are away from their families.

Mr. Chairman, I would close by saying I would encourage every Member to support this bill. I think it is the best we can do with the resources available.

Mr. SPENCE. Mr. Chairman, I yield 5 minutes to the gentleman from Utah [Mr. HANSEN], a very valuable member of our committee who would probably be a subcommittee chairman, were he not chairman of the Committee on Standards of Official Conduct.

(Mr. HANSEN asked and was given permission to revise and extend his remarks.)

Mr. HANSEN. Mr. Chairman, I thank the gentleman from South Carolina for his courtesy in yielding time to me.

Mr. Chairman, years ago I walked into this place, and every 2 years I put my arm in the air and I take an oath to obey the law of the land. I did that as a city councilman, I did that as a State legislator, and I notice even the President of the United States has to do that.

In the 1980's we passed a particular law and we called it the base closing law. In that particular law we said there would be certain rounds, and how that works is first the people in uniform say what they need to defend this Nation. Then they turn it over to the Secretary. He can add or take away. Then he turns that over to a base closing commission. They have from March to July to look at it. Then they turn their work over to the President of the United States. The President of the United States has 15 days.

What does the law say the President of the United States can do? He can say yes, I accept, or no, I do not accept. If he does not accept, it goes back to the BRAC Commission.

In this particular instance, in the last round of base closings in 1995, our President, it does not matter if it was Republican or Democrat, our President elected to add something that is not in the law. He added a provision that said, however, in two very popular States with a lot of votes, I will privatize in place. That is not in the law. In 45 days Congress then has the same right as the President, accept or reject. I am talking about what happened in the last go-around.

I have asked for a legal opinion from the Pentagon, tell us if the President can do that. The chairman signed a letter with me. So far, Secretary Perry neglected to do that. Secretary Cohen has neglected to do that. It is amazing, though, that last year Secretary Cohen talked in great, dramatic terms about how important it was that they do it right and they follow the law. Now he is in the funny building across the river, and we will hope that he will obey the law.

What do we have in the chairman's markup this time? We have provisions and language that will make the President of the United States obey the law. What is so wrong with obeying the law? I think we all have to do it.

That language, let me tell the Members briefly what that does. The language, contrary to what has been floating around this floor and in these halls of Congress, does not affect any current private contracts. It does not require work to be moved into the public sector. The language does not require any service to increase the percentage of depot workload. The language does not define which weapon systems and

equipment are core. The language does not preclude further downsizing.

What does it ask them to do? It asks that they bring the bases that are now operating at this low capacity, that are costing these big dollars up to the percent and capacity they should have. We asked the GAO, we said, let us know what this is costing the American taxpayers, all you folks in America, by this disobeying of the law.

The GAO came back with a figure of $468 million. Then we went to the Air Force and asked, what does it cost because a certain group of folks are disobeying the law? They came up with a figure of $689 million because they are not following the law.

Do we have to downsize? You bet we do, but when we close bases and we cannot because of political expediency, let us keep this one in California open, let us keep this one in Texas open, we have to come down and say, look, everybody has to square their shoulders and do this right.

The Navy had six depots, they closed three, and they lived with it. The Air Force should do the same thing, and so should the Army. But for political reasons, I think it is abhorrent to the American people that we do this.

Let me say, the people who will be arguing for a certain amendment around here are in effect saying, it is okay to obey the law if the benefits inure to me, but if they do not inure to me, you cannot. I think it is just a wee bit on the greedy side and extremely parochial when we all say we obey the law.

Let me say it one time, in the base that I represent, and incidentally I had four and three are closed now, but the last one, I stood in front of our committee and said, if we come out very last on the COBRA formula, I will stand up and say, close that base. I mean that from the bottom of my heart. Yet, when they came out number one, how come the people who are last now will not say the same thing? That really bothers me.

Mr. SKELTON. Mr. Chairman, I yield 3 minutes to the gentlewoman from California [Ms. HARMAN].

Ms. HARMAN. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I note that the gentleman from California [Mr. DELLUMS] is temporarily off the floor, but would like to take a second to commend his opening remarks and him. He always shows incredible professionalism, passion, and poetry which I believe are unmatched in this body.

Mr. Chairman, I rise in support of H.R. 1119, the National Defense Authorization Act of 1997. I support better defense forces prepared to fight the next war, not the last one. Unlike some colleagues, I think we can provide that for less money. We can do this if we make tough choices to fund weapons that make sense, and to cut weapons, forces, and infrastructure that do not make sense.

I am proud to have been part of the bipartisan effort to draft this bill, and want to publicly commend the leadership of the gentleman from California [Mr. DELLUMS] and the gentleman from South Carolina [Mr. SPENCE], the staff, and my committee colleagues.

Mr. Chairman, this bill does much to restore the balance between the readiness of America's forces, the quality of life of America's service men and women, and the need to modernize America's forces to deal with future threats. It supports our commitments to our allies, especially through joint programs such as the tactical high energy laser program they have with Israel, programs which are mutually beneficial, reduce the time required to develop systems, and conserve resources.

It encourages innovative approaches in R&D by rewarding partnerships between military and commercial enterprises which leverage cutting edge technologies and save scarce dollars.

□ 1545

Such cost-sharing partnerships are now routine in the private sector but the Pentagon, used to the cold war way of doing business, has been slow to utilize them.

As a member of the task force investigating sexual misconduct, I am pleased to note that the bill mandates serious study of improvements in the selection, training and on-the job assessment of all drill sergeants.

True, the bill does not go far enough in some areas such as instituting best business practices throughout the department to reduce infrastructure, ensuring the rights of service women to equal health care overseas or providing long lead funding for nine more B–2s.

If we are to have a revolution in military affairs that brings to the Pentagon the best technology, we must first have a revolution in business affairs to reduce the bloated overhead and help pay for recapitalization.

We owe it to our service women and the women who are dependents of service members to ensure that they have access to the same health care services that are available to CONUS civilian and military counterparts.

And, Mr. Chairman, we cannot achieve the objectives of the QDR to shape, respond and prepare without three wings or 30 B–2s, the only system that can fly great distances, penetrate hostile air space and deliver massive amounts of munitions on key targets with acceptable, even minimal risk. Amendments are going to be offered to correct these deficiencies. I will be offering one and will be supporting the others.

Mr. Chairman, this bill is the bridge between cold war military forces, cold war ways of doing business and the military of the future. This bill helps build a military that is less expensive, more effective and ready for the next war. I urge its support.

Mr. SPENCE. Mr. Chairman, I yield 3 minutes to the gentleman from Indiana [Mr. BUYER], the chairman of the Subcommittee on Military Personnel.

Mr. BUYER. Mr. Chairman, let me congratulate the gentleman from South Carolina [Mr. SPENCE] and the gentleman from California [Mr. DELLUMS] again for their fine work on this bill.

I rise in strong support of H.R. 1119, the National Defense Authorization Act for fiscal year 1998. My support stems in no small part to the fact that the bill addresses major personnel issues like manpower, pay, compensation, and health care that confront the military today.

Moreover, H.R. 1119's military personnel titles represent a bipartisan consensus and commitment to ensuring that the needs of the military members are addressed directly and effectively.

As the committee began looking at the needs of the people and quality of life in the fiscal year 1998 defense bill, several major challenges dominated our focus. Among those challenges were, insufficient military manpower for the required range of missions and a Quadrennial Defense Review that prescribed a cut of another 155,000 uniformed personnel; an enduring picture of distressing financial need being experienced by military men and women; also increasing difficulties by DOD in recruiting sufficient manpower of the requisite quality; the termination of military leave for more than 120,000 Federal employees who also have volunteered to serve as members of the Reserve components; and, for a second year in a row, a budget request that significantly underfunded defense health care programs.

To address these and other issues in this bill, we are working on the growing gap between military and civilian pay by mandating that military pay raises be based on a full employment cost index [ECI], and not the ECI minus a half percent.

We also are requiring the Secretary of Defense to implement a system of pay and allowance that would prevent the loss of income for military personnel when they are deployed and authorize $50 million to facilitate the initiative.

We also are increasing the housing allowance in high cost areas to ensure that military personnel experience the same amount of out-of-pocket costs regardless of location.

We also want to continue reducing the out-of-pocket housing costs toward the goal of having military personnel absorb no more than 15 percent of the cost of adequate housing.

We are retaining the statutory floors on end strength for each of the services and are also temporarily taking away the 15-year retirement for one year. We are increasing the funding for military recruiting and direct a series of reforms to improve recruiter performance and reduce recruit attrition.

We retain military leave for Federal civilians in the Selected Reserve and restore the $85 million cut by the President's budget from the Reserve component budgets. We restore $274

million to the Defense Health Program, and I appreciate the cooperation of the Comptroller of Defense on that issue.

We also direct the Secretary of Defense to report to Congress on the feasibility of extending a mail-order pharmacy program to all Medicare eligible beneficiaries who do not live near a military medical treatment facility.

In addition, we restore the POW–MIA provisions to the Missing Persons Act. We also address a range of issues that have emerged during the subcommittee's and full committee's examination of sexual misconduct in the military by providing a review of the ability of the military criminal investigative services to investigate crimes of sexual misconduct and mandate a series of reforms to drill sergeant selection and training.

H.R. 1119 would also require an independent panel to assess reforms to military basic training, including a determination of the merits of gender-integrated or gender-segregated basic training as a method to attain the training objectives established by each service.

Mr. Chairman, H.R. 1119 does many good things for the people who serve our Nation in uniform. For that reason, I urge my colleagues to support its adoption.

Mr. DELLUMS. Mr. Chairman, I yield 2½ minutes to my distinguished colleague, the gentleman from Texas [Mr. ORTIZ].

Mr. ORTIZ. Mr. Chairman, as the ranking member of the Subcommittee on Military Construction, I rise in support of the military construction provision in the national defense authorization bill, and I would like to express thanks for the leadership of the gentleman from South Carolina [Mr. SPENCE] and the gentleman from California [Mr. DELLUMS] that they have provided throughout the course of these hearings that we have held.

The bill has $267 million more for military family housing, a significant increase for the quality of life issues. Despite the fact that the military has seen significant downsizing, we are still very concerned about the men and women who serve us in the armed services. It also contains $117 million more for barracks and dormitories to house the men and women who protect our Nation including those stationed overseas.

We all take seriously the obligation to address the quality of life concerns of our military personnel. How and where they live has a direct effect on their lives and missions. In fact, of the $750 million that we added to the administration's numbers, 63 percent is to be spent on quality of life facilities.

Further funding of $88 million will be spent on facilities like child development centers, fitness centers and items of that nature.

I want to thank the gentleman from Colorado [Mr. HEFLEY], chairman of the subcommittee, who is one of the finest men in this Congress, and again the gentleman from South Carolina [Mr. SPENCE], and the gentleman from California [Mr. DELLUMS], thank them for their support. I urge support of the military construction authorization.

Mr. SPENCE. Mr. Chairman, I yield 3 minutes to the gentleman from New York [Mr. MCHUGH], the chairman of our Special Oversight Panel on Morale, Welfare and Recreation.

Mr. MCHUGH. Mr. Chairman, let me begin my adding my words of deep appreciation both to the gentleman from South Carolina [Mr. SPENCE], the chairman of the full committee, and the gentleman from California [Mr. DELLUMS], the ranking member, for their very diligent work on this particular piece of legislation.

As we have heard already, a matter as complex as this brings about some disagreement. I think it is a tribute to these two gentlemen particularly but also the entire committee that we have been able to craft such, I think, a fair and balanced piece of legislation in this particular bill.

I would like to spend my time, Mr. Chairman, on a portion of the bill on which I think and I hope we can all agree. That is the provision relating to morale, welfare, and recreation activities of the Department of Defense. Let me also add my words of appreciation to all of the members of the MWR panel, Democrat and Republican alike, particularly to the gentleman from Massachusetts [Mr. MEEHAN], the ranking member, for their constructive and always, always bipartisan participation in the panel's work on H.R. 1119.

The Special Oversight Panel on Morale, Welfare, and Recreation of the Committee on National Security considered several issues that year that have significant implications for the military resale system, for service MWR activities, and, most importantly, for service members and their families. The panel's goal this year, as it has been in the past, has been to ensure the health of the military resale system, the commissaries and exchanges, in such a way that we preserve the benefit and quality of life for our service men and women who make such great sacrifices in order to serve us and to serve our country.

Perhaps just as important at a time when we are, as we all know, under increased pressure to do more with less, the panel has tried to make the MWR system more efficient and at the same time more cost-effective. I believe the provisions in this particular bill represent a significant step in achieving these objectives. I certainly urge my colleagues on both sides of the aisle to support this bill for that reason.

Let me highlight, Mr. Chairman, very briefly some of the more significant MWR provisions in the bill. First, in partial response to some of the actions of the department over the last year, we have included a provision that would tighten up existing merchandise and pricing requirements at commissaries. Other provisions in the bill make more rigorous the requirements for brand-name commercial items sold at commissaries to be acquired noncompetitively and transfer administrative responsibility for MWR programs to the office of the Comptroller of the Department of Defense.

We have also increased the financial management flexibility of the Defense Commissary Agency by expanding the categories of revenues that may be deposited in that organization's operational account. Finally, Mr. Chairman, we have included provision giving the department the authority to go forward with public-private ventures as long as those activities will benefit MWR activities and its patrons.

By supporting this initiative, Mr. Chairman, all Members of this House can clearly demonstrate our commitment to the men and women in uniform. It is a good bill, good provisions. I strongly urge its acceptance.

Mr. DELLUMS. Mr. Chairman, I yield such time as he may consume to the gentleman from New Jersey [Mr. PALLONE].

(Mr. PALLONE asked and was given permission to revise and extend his remarks.)

Mr. PALLONE. Mr. Chairman, I rise in support of the bill.

Mr. Chairman, I want to commend the committee for producing what is an excellent bipartisan effort.

I share the committee's concern regarding the state of Nation's military infrastructure. The Committee's report on the fiscal year 1998 Defense Authorization bill, expressed concern that military construction projects at bases across the Nation have been underfunded.

Indeed, the committee was right to add an additional $750 million on top of the administration's request for military construction.

The committee has done an excellent job in making do with the limited resources. At Fort Monmouth in Monmouth County, NJ, for instance, the committee recognized the serious need to rebuild the fort's firehouse. The existing firehouse, Mr. Chairman, was severely damaged by fire in 1994. Currently, the firefighters who protect the fort's childcare center, family housing, and high-technology research centers. Live in and operate out of a housetrailer that does not provide minimum essential operational and living requirements.

The committee also recognized the need to upgrade some housing facilities at Fort Monmouth that had not, other than roof and window replacements, had any major modernizations in 50 years. The importance of such improvements really cannot be underestimated. Modernizing and preserving infrastructure must be done not only to ensure our military personnel live in safe environments, but to ensure they receive, in exchange for their service, the finest possible quality of life benefits—and along those lines I am pleased to see the committee included a 2.8-percent pay raise for military personnel.

Mr. Chairman, like the military construction and personnel sections, the other parts of the bill were well thought out and developed. Funding for the operations and maintenance section is at an appropriate level—a fact I know to be of importance to Fort Monmouth, where CECOM—the Communications and Electronics Command—the Army's leader in communications and electronics research, continues to do cutting edge work.

Mr. Chairman, I intend to vote for this bill and urge my colleagues to do the same.

Mr. SPENCE. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. MCKEON], a very valuable member of our committee.

Mr. MCKEON. Mr. Chairman, I rise in strong support of H.R. 1119, the National Defense Authorization Act. I thank the gentleman from South Carolina [Mr. SPENCE], the chairman, and the gentleman from California [Mr. DELLUMS], the ranking member, for their work in bringing this product to the floor.

I would like to use my time to discuss an issue of vital importance that we will be considering as part of this bill. This issue involves future production of the B–2 Stealth bomber. A lot of people think I am supportive of the B–2 because it is built in my district and simply is my responsibility to provide jobs for my constituents. While we all know that jobs are important, this is not my motivation. At one time it was, but the more I have learned about the B–2 and its importance to our defense, the more supportive I have become of this plane.

I think we need to look beyond the short term, beyond the issue of jobs in our districts, beyond the next election. We need to look down the road 30 or 40 years from now. What kind of world will our children and our grandchildren live in during the year 2020 or 2030? Who will our adversaries be? We can speculate on the answer to these questions, but we must also be prepared to defend our national security against whatever happens in the future.

The B–2 bomber is cutting-edge technology that is one of the cornerstones of our future national defense strategy. Could our future leaders depend on 70- or 80-year-old B–52's to defend our interests 30 years from now? I do not think so. Since World War I, every time we cut the defense budget, every time we cut back, we have had to rebuild again at a cost both financial and at great loss of human life. While the B–2 was conceived during the cold war, it is not a cold war weapon. Instead, it is a deterrent. And it is deterrence that helped us win the cold war and guard our Nation from the threat of outside aggression.

We will have ample opportunity to debate the B–2 as this bill is considered. We must remember, however, that we have already cut 18 Army divisions down to 10 and 24 fighter wings down to 13 since Desert Storm, and we are reducing the presence of U.S. forces overseas. Authorizing the production of additional B–2's will allow the United States to compensate for these and other reductions and deter future aggression.

I respectfully urge defeat of the Dellums amendment and passage of this Defense Authorization Act.

Mr. SPENCE. Mr. Chairman, I yield 2 minutes to the gentleman from Kansas [Mr. RYUN], world record holder in the mile event.

(Mr. RYUN asked and was given permission to revise and extend his remarks.)

Mr. RYUN. Mr. Chairman, as a freshman member of the Committee on National Security, I rise in strong support of H.R. 1119, the fiscal year 1998 National Defense Authorization Act. Although hampered by a limited budget, this bill funds quality of life initiatives, modernization efforts and reforms to increase efficiency, and cut waste in the Defense Department.

Unfortunately, the President's request for military construction, which includes family housing, was 16 percent below current spending levels. This bill, however, adds $750 million to his request. Fort Riley and Fort Leavenworth, which are in the Second District of Kansas, are historic posts that were built over 100 years ago to help open and expand the American frontier.

□ 1600

Unfortunately, many of the buildings at the post date from the era when General Custer left Fort Riley to ride off to the Little Big Horn battle. Corroding pipes, lead paint, aging plumbing and electrical systems are some of the problems plaguing these structures. It is simply not right to require our service men and women to live and work in these conditions. The Committee on National Security recognizes this situation and has made military construction a priority in the bill before us today.

Finally, the committee addressed an issue that I believe in, a very important one, and that is the issue of active duty end strength. It maintains our current force levels, and I believe these levels are necessary to carry out our national security requirements and to be able to fight two nearly simultaneous major theater wars.

I am strongly opposed to further cuts in the military personnel. Why am I so concerned about the number of soldiers in today's Army? Well, I hope these facts will have the impact on my colleagues that they have had on me.

Today's Army is the smallest active force since 1939. It is at the highest operations tempo since the Vietnam war. From 1950 through 1989 the United States has engaged in 10 deployments. Since 1990 we have deployed 27 times just in the Army.

We have asked the Army to do more with less over these past 7 years and their performance has been exceptional, but as deployments continue to go up and the size and funding continues to go down, I am concerned that we will reach a breaking point and that our readiness and retention will suffer.

I urge support. I believe this is a great measure for the country and I hope all my colleagues will vote for it.

Mr. SPENCE. Mr. Chairman, I yield 2 minutes to the gentlewoman from Texas, [Ms. GRANGER], a new Member of this body, the former mayor of Fort Worth, who is doing a great job.

Ms. GRANGER. Mr. Chairman, I rise today in strong support of H.R. 1119, the defense authorization bill. My support comes primarily because H.R. 1119 reverses the dangerous decline in defense spending that past Congresses have imposed on America's soldiers, sailors, airmen, and marines in recent years.

The United States still boasts the finest Armed Forces in the world, but in recent years we have made our military the bill payer for every other function of government. Over the past decade, domestic discretionary spending and entitlement spending have increased over 20 percent in today's dollars. Our Army, Navy, Air Force, and Marines have paid the price for this expansion.

As measured in 1998 dollars, defense spending has declined every year since 1985, so that we are spending 37 percent less on defense than we did that year. As measured as a percentage of gross domestic product, defense spending has fallen to its lowest level since Pearl Harbor.

This decrease in defense spending has also endangered vital procurement needs. We, as a nation, are spending only one third the amount on procurement as we did a decade ago. As our military has had to endure this forced procurement holiday, much-needed modernization has been constantly delayed.

The Air Force, for example, has been forced to rely on an air superiority fighter, the F–15, which features technology developed in the 1960's and 1970's. The rest of the world has been able to catch up with American air superiority, and the price which will ultimately be paid if we do not recapture our overwhelming edge, is the lives of our men and women in uniform, lives which will be spared if we in Congress make the courageous decision to invest in state-of-the-art technology.

I am a strong supporter of H.R. 1119 because it does begin to reverse the dangerous decline in military spending. H.R. 1119 recognizes that we need to continue to invest in state-of-the-art technology which will keep our superiority on the battlefield alive, state-of-the-art technology like the F–22 Raptor. Slated to replace the aging F–15, this fighter combines stealth, supercruise and advanced avionics into its design and will help preserve our overwhelming edge in the skies, an edge that has prevented the death by enemy aircraft of our ground troops.

Mr. SPENCE. Mr. Chairman, I yield 2 minutes to the gentleman from North Carolina [Mr. JONES].

Mr. JONES. Mr. Chairman, I would also like to thank the gentleman from South Carolina [Mr. SPENCE] and the gentleman from California [Mr. DELLUMS] for their leadership on H.R. 1119.

Mr. Chairman, I have the privilege of representing four military bases in eastern North Carolina. As a member of the Committee on National Security, I feel doubly responsible to make sure that our service men and women are well equipped and trained to fight the right fight.

But, Mr. Chairman, I have to question if after 3 years of United States troop involvement in Bosnia, if it is not time to bring our troops home. I do not believe that the fall of the Berlin Wall meant that the United States had to become the world's police force.

We have spent, Mr. Chairman, $7.5 billion to put out the fires of Bosnia. Our job is done, yet each time an exit strategy is planned, someone in the administration cries foul.

Mr. Chairman, enough is enough. The Constitution states that Congress alone shall raise and maintain the Nation's Armed Forces. Later today we will be debating the Hilleary amendment. By supporting the Hilleary amendment, Congress can finally take action to assure the safe and orderly withdrawal of United States troops from Bosnia.

America has met its commitment to Bosnia. It is time to bring our troops home.

Mr. SPENCE. Mr. Chairman, I yield 2 minutes to the gentleman from California, [Mr. CUNNINGHAM], our Top Gun fighter pilot.

Mr. CUNNINGHAM. Mr. Chairman, it was very difficult to leave the Committee on National Security to go on the Committee on Appropriations. While I served there, even though we differed in great amounts, I think there was only one time we came to clash, when I thought I was being dealt with unfairly, but we have since resolved that with my friend, the gentleman from California [Mr. DELLUMS], and the gentleman from South Carolina [Mr. SPENCE], a great chairman, and I think they have done just about everything they can do with a budget in a bipartisan way.

But I would say, Mr. Chairman, this budget today, we are going to get American men and women killed. Men and women are going to die on the battlefield. They will not be trained and they are not equipped properly because of this budget.

I am going to support this budget because I feel they have done everything they can with every ounce and every dollar that they can. Are they well equipped? No. Let me give my colleagues some examples.

Before we trained to go to Vietnam and Desert Storm we had F–16's to train us against Mig 29's, Mig 31's, SU–27's, SU–35's. We do not have those anymore. We do not have the dollars to invest in our adversary programs. They are gone.

We have post Vietnam A–4's and F–5's to compete with.

Captain O'Grady, when we talk about training, Captain O'Grady that was shot down in Bosnia, Mr. Chairman, he was not even trained in ACM, that is air combat maneuvering, because the money was not available to do that. That is a crime. We send our men and women to war and we do not even have the dollars to qualify them and train them.

When we say the cold war is over, look what the threat is. The SU–27 is far superior to our F–14's and F–15's. True. We do not have parity. Our last airplanes we bought, the F–14 and 15, are 25 years old. The AA–12 missile that the SU–27 carries is far superior to our AMRAAM. That puts our kids behind the power curve and is going to mean their death. The F–22, which is stealthy, the F–18, and, yes, the B–2 which is stealthy, will keep our men and women alive, but yet there are amendments to cut that.

We need to do more, Mr. Chairman.

Mr. DELLUMS. Mr. Chairman, I yield 5 minutes to the gentleman from Virginia [Mr. PICKETT], my distinguished colleague.

Mr. PICKETT. Mr. Chairman, I thank the gentleman for yielding me this time, and I rise in support of the bill.

The bill that is reported by the Committee on National Security is one that does a good job in balancing recognized necessary modernization, end strength and quality of life issues for our people.

As a member of the Subcommittee on Military Research and Development, I was very concerned about the technological effort that we are making to make sure that our forces have a technological edge in any battle that they might be called into. I think I can reassure everyone here that the investment accounts that we maintain to ensure those basic research and development activities have been fully funded.

We must remember that in this budget we are not providing money for any contingencies. So if our forces are called to go and carry out any activities outside of their normal training routine, then this has to come out of their training funds, and an unlevel funding stream is one of the things that is very disruptive for our military. I hope we can avoid this in the future, because we find that our military is taking money out of the maintenance and training accounts to do contingency operations, and they are not getting these monies reimbursed in time to keep a level stream of funding for their regular activities.

In the research and development area, Mr. Chairman, I believe that a great deal has been done in the missile defense program, particularly with the theater missile defense and also in bringing on line the required funding for our national missile defense.

Recapitalizing our forces is an absolute necessity. We have to modernize our weapon systems and make sure that we are prepared for the events of the future. Capital items like ships and submarines are expensive, but they are long-lead items. It takes a long time to get them repaired, built, and operational. We have to make certain that these are available and that we have the very latest models so that our forces can be successful on the field of battle in the future.

The tactical Air Force program is one that I believe we have done a great deal to straighten out in this bill, and I think that it will ensure air performance and air superiority for our forces.

Mr. Chairman, the most important thing that we have to think about are our people, and the people are the key to a successful military. There has been an undue amount of turbulence among our people in the military. They are concerned about health care, they are concerned about housing, they are concerned about other benefits like the military resale system. And with the increasing operations tempo and personnel tempo, we know that they are being called upon to do more and more with less and less.

So I think of all the things that we do here today, trying to make certain that we have adequate provision to make sure that our military people and their families are taken care of is one of the most important things that we will be doing.

I believe that the health care issue is one that we have to make certain that we fulfill our commitments on. The housing issue for our families is one that we may need to ensure that they have housing that is adequate and decent in the communities where they are required to live. And we should maintain all the other programs that are set up to supplement the income of our military members and to make their lives as nearly normal as can be with those of our other government employees.

Mr. Chairman, this bill is one that I think we can all live with in the future, one that will be a step in the right direction in providing a balanced program for our military, and I look forward to the other Members of our body here supporting this very reasonable bill that I think does a good job for our military people.

Mr. SPENCE. Mr. Chairman, I yield myself 4 minutes.

Mr. Chairman, it is difficult in times of peace, or what people perceive as a time of peace, to prepare for war. During the cold war and other times it was not difficult to point out to our people the perils we faced in a very hostile world, and so, therefore, it was not difficult to sustain a robust defense budget.

In times of peace, people naturally ask, what is the threat? Why do we need a robust? We need it because, as someone said a long time ago, if we fail to prepare, we prepare to fail. I think it was Benjamin Franklin.

History has shown that we continue to commit the same sins. After every war we always say, this is the end of conflict. The gentleman from Virginia [Mr. SISISKY] referred to it in his remarks earlier today. Around the end of World War II, we disbanded in a headlong way the greatest military that the world has ever known. We came back home, and tried to get on with our Nation's business.

But we cannot control conflict. Who would have predicted Korea at the end of World War II? We were caught unprepared for Korea. We were, as the gentleman from California [Mr. HUNTER] said, pushed all over the Korean peninsula.

And, incidentally, we did not win in Korea. We had an armistice. We drew a line and tried to recoup and let it go at that.

□ 1615

Then the same thing again, in Vietnam. It is not a matter of if we will have another war, it is just when it is going to be and where it is going to be. And our peril and the peril of all our citizens is great.

I might say that I believe the primary duty of any central Federal Government is to do those things for people they cannot do for themselves or that local government cannot do. And national defense is the Federal Government's primary responsibility. If we are not strong and do not have a defense that can protect our freedoms and they can be plundered away.

I am reminded of the gospel according to Mark, when Jesus admonished the crowd, that ''no one can enter a strong man's house and plunder his property without first tying up the strong man that indeed the house can be plundered.''

Mr. DELLUMS. Mr. Chairman, I yield 2 minutes to my distinguished colleague from Florida, [Mrs. THURMAN].

Mrs. THURMAN. Mr. Chairman, I thank the gentleman from California [Mr. DELLUMS] for yielding me the time.

I really stand here today because, Mr. Chairman, I really want to highlight and commend the gentleman from California [Mr. DELLUMS] and the gentleman from South Carolina [Mr. SPENCE] for including in this committee bill a study of a proposal that I introduced to expand the national mail-order pharmacy program to all Medicare-eligible military retirees. This mail-order program would ensure the availability of an eligible pharmacy benefit for all eligible beneficiaries regardless of their geographic location.

Unfortunately, the program today does not include the vast majority of our Nation's Medicare-eligible military retirees. That is why on June 3, I introduced legislation H.R. 1773 to expand the mail-order program to all our Nation's Medicare-eligible military retirees. This measure is supported by both the Air Force Sergeants Association and the Army Retirement Council.

Mr. Chairman, one of the greatest hardships Medicare-eligible military retirees face is the inability to obtain prescription drugs at reasonable prices. While Congress has authorized a mail-order pharmacy program and allowed retirees near designated base closure areas to participate, hundreds of thousands of other brave retired servicemen and women will be locked out unless action is taken.

In 1993, Congress unanimously affirmed in the National Defense Authorization Act that members and former members of the uniformed services should have access under the health care delivery system of the uniformed services regardless of age. I could not agree more. The DOD has an implied moral commitment to provide this care to all military beneficiaries.

Mr. Chairman, let us not just make this a study; let us make it a reality. By supporting the expansion of the mail-order program, we can send a clear message that the passage of time does not erase either the service that our military retirees gave nor our Government's obligation to their well-being.

Mr. SPENCE. Mr. Chairman, I yield 2 minutes to the gentleman from Colorado [Mr. HEFLEY].

Mr. HEFLEY. Mr. Chairman, just to continue to emphasize what I spoke to earlier, and that is that we have got young Americans in over 40 countries of the world housed, in many occasions, in quarters that are Third World conditions or in some cases worse than Third World conditions.

Now, we can say that we understand that when we deploy people in 40 nations of the world, when they are employed, it may not be the best living conditions. But when we have them in the United States, it is shameful, shameful for us not to provide decent living conditions for our young men and women in the services.

My colleague, the gentleman from California [Mr. DELLUMS] was a marine. The Marine Corps is 40 years behind in modernizing their living facilities, their dormitories, their barracks, and their family housing. Forty years. They are the worst of any of the services.

In fact, I had lunch the other day with the Commandant of the Marines; and I said, ''What is the matter with you guys? Don't you care about that aspect of this?'' And he said, ''Of course we do. But they struggle to get through the process over in the Pentagon.''

What we try to do in this bill is take care of this shame. What we try to do in this bill is to provide, and about 60 percent of all the money that we are putting into the adds that we are putting into this bill in military construction go to take care of the shamefulness of the way we are making some of these people live. We cannot get there from here just with MILCON dollars. We use maintenance dollars. We use initiative force, privatization, and all kinds of things. But if we do not have the MILCON dollars too, we never get there from here.

Mr. Chairman, the ranking member and the chairman have been awfully good to help us toward this goal because I think they see this as an important goal, too. But let us not forget this when we are dealing with this bill.

Mr. DELLUMS. Mr. Chairman, I yield 2 minutes to my distinguished colleague, the gentleman form Maryland [Mr. HOYER].

Mr. HOYER. Mr. Chairman, I thank the gentleman for yielding me the time.

I have been listening to this debate for about 1 hour and 45 minutes here on the floor, and I have some specifics that I can reference and I will revise and extend and include those.

But I rise, Mr. Chairman, because we talk about specific items. I want to follow up on the comments of the gentleman from South Carolina [Mr. SPENCE].

I am one of those who believes that both sides of the aisle are putting at risk defense. One side of the aisle argues that we need tax cuts. I would like to have tax cuts. The other side, my side, argues that we must pay attention to domestic priorities. My view is that our Nation will not be strong no matter how much defense we have if we do not pay attention to domestic priorities.

This Nation is the wealthiest nation on the face of the Earth. Yet, I tell my friends on both sides of the aisle that we are reducing the portion of our GDP that we spend on both defense and domestic priorities since the 1950's. I say to my friends that they ought to listen to the gentleman from South Carolina [Mr. SPRATT]. It is not the Democrats who are trying to undermine defense and, in my opinion, not the Republicans. But other priorities are driving us to not pay attention to one of the primary responsibilities the Nation has, and that is ensuring the defense of its people.

All of us know that the United States is unique in the world in that the rest of the world looks to us to maintain international security. Is that fair? Perhaps not. Is it reality? Quite obviously.

We will have some debates on withdrawing from Bosnia. I was one of those, as so many of my colleagues know, for deploying troops to Bosnia. Why? Because genocide was occurring in Bosnia. And we stood silent in the 1930's and we did not in the 1980's and the 1990's, and for that America is a better place and there is more security in the world.

I say to the chairman and I say to the ranking member that their priorities are right for America, both domestic and defense, we need to pursue those and stand up for those.

I rise in support of this bill to authorize $268 billion for critical defense needs in fiscal 1998.

The spending level in this bill mirrors the budget resolution. As a co-chair of the National Security Caucus, I believe this represents the minimum we should spend on our national defense.

I believe Chairman SPENCE was correct in his statement to the press that ''This bill maintains the committee's long-standing sense of urgency over restoring a proper balance among readiness, quality of life, modernization, innovation, and reform.''

I will speak later in opposition to the additional reform package that the committee leadership hopes to add that contains a misguided 40-percent cut in our acquisition work force.

But, at this time, I want to commend them for what is in the bill before us:

A 2.8-percent military pay raise.

The $1.3 billion for procurement of 12 FA–18 E/F's and $425 million for continued R and

D—however, I regret that the President's request for $2.1 billion for 20 planes was not fully funded.

The $2.6 billion for the first of four new attack submarines and $154 million to complete the third *Seawolf* submarine.

The $661 million for procurement of seven V–22 Ospreys.

Advance procurement funds for LPD–18, the second in this new class of amphibious ships.

As a member of the Military Construction Appropriations Subcommittee, I also want to commend Chairman HEFLEY for his work on authorizing $9.1 billion for military construction.

I commend the committee for funding these DOD and Navy priorities and for addressing important Maryland needs.

I hope that we will pass the bill without unwise amendments like the acquisition work force cut.

Mr. SPENCE. Mr. Chairman, I yield 3 minutes to the gentleman from Pennsylvania [Mr. WELDON].

(Mr. WELDON of Pennsylvania asked and was given permission to revise and extend his remarks.)

Mr. WELDON of Pennsylvania. Mr. Chairman, I rise again to pay tribute to both the chairman and the ranking member and the appropriate subcommittee leaders and also to follow up on the comments of my good friend, the gentleman from Maryland [Mr. HOYER].

My colleague makes a good statement that defense has always been a bipartisan issue in this city, and it still is today. We have all acknowledged that the success of enduring what has been a very difficult pattern of cuts over the past 5 years has basically been provided by both Democrats and Republicans. It is not something that we on the Republican side take credit for. In fact, I think many of our disagreements are more between this institution and the White House than it is between Republicans and Democrats in this body.

Now we are criticized the last several years for our add-ons. We are told that we were putting money that was not needed by the troops, by the chiefs. What we heard this year, Mr. Chairman, were requests by the chiefs for $20 billion of additional program needs that were not requested by the administration.

Every one of us who serves as a chairman of a subcommittee or ranking member was visited by all the services saying these are absolute priorities. But Mr. Chairman, it was not limited to the service chiefs. We had the administration come back to us, the President, after criticizing us for increasing funding for national missile defense for 3 straight years, and say to us this year, we made a mistake, we want you to provide $2.3 billion of additional money for national missile defense.

We had to find $474 million this year above what the President asked for because the President said we need more money for missile defense. The President said we had needed to fund a high energy laser program for Israel's protection called THEL. Yet the President never gave us a dollar amount.

We had to beg the Army on the day of the markup to give us a figure. We are finally able to arrive at a $38 million figure even though the administration had told us last year it was their No. 1 priority when, in fact, the facts did not bear out the rhetoric.

Mr. Chairman, our bill is based on the threat. We are not saying we want to recreate the cold war, but we know what is happening in Russia. We see the demise of the conventional forces in Russia; and with that demise, we see a heightened reliance on strategic offensive weapons.

Just a year ago, in January, the Russian long-range ICBM's were out on full alert. Boris Yeltsin himself announced publicly that he had activated the black box because of a Norwegian rocket launch to detect weather conditions.

Now, Mr. Chairman, that is reality. There have been numerous records of threats from Russia of missile material. We have the evidence of accelerometers and gyroscopes going from Russia to Iraq which were used for long-range ICBM's. We were told by the intelligence community that no one would deploy a system that would threaten our troops because we would see it tested first.

Yet just 1 month ago, as reported in every major international media, North Korea fully deployed the No Dong missile system after one test. That No Dong missile system, with the range of 1,300 kilometers, now poses a real risk that we cannot defend against to every one of our troops in Japan, South Korea, and Okinawa. That is what this bill is about.

Mr. DELLUMS. Mr. Chairman, I yield myself the balance of my time.

The CHAIRMAN. The gentleman from California is recognized for 5½ minutes.

Mr. DELLUMS. Mr. Chairman, we come to the end of general debate on a very important and substantive matter, the defense authorization for fiscal year 1998. I listened carefully during the general debate, and I would like to make a couple of comments, first to my distinguished colleague from South Carolina, [Mr. SPENCE]. I listened very carefully to his most recent remarks.

I would suggest that, Mr. Chairman, when one argues that our national defense is the most important or the only responsibility of the Federal Government, I would challenge that assertion. My reading of the Preamble to the Constitution is as follows:

> We, the people of the United States, in order to form a more perfect Union, establish justice, ensure domestic tranquility, provide for the common defense, promote the general welfare, and secure the blessings of liberty for ourselves and our posterity, do ordain and establish this Constitution for the United States of America.

□ 1600

My read of that is that the founding persons of this country establishing this Constitution did not say national defense was the No. 1 or most important. It gave equal weight to all of these functions, which is precisely why I argue that in the context of this post cold war environment, we must now begin to shape the parameters of the debate to move us to a new national security agenda that brings equal weight to what the founding persons envisioned and established in the Constitution.

That is why a vibrant and healthy economy is important. We do not fight battles simply with military capability. We fight battles also with our economy. The extent to which it is healthy and vibrant is an integral part of our national security strategy.

An enlightened and informed, well-trained, well-educated citizenry capable of engaging the economic and civic institutions of our Nation is what makes us different, is what makes us a democracy. Informed and enlightened citizens who can engage makes this country a democracy. It is not just about national defense as part of the national security strategy. The people and the children and the children's children are an integral part of that.

Mr. Chairman, when I talked about an engaged foreign policy, an enlightened society should be attempting to prevent war. Only a fool wants to march off to war if it is not necessary. The way we prevent war is to address the issues that create war. People become violent and angry when we violate their personhood, when we violate their capacity to function, impact their Government, when they are victims of human rights violations, when they are hungry and malnourished, when there is no economic development. That is what generates wars.

So our foreign policy is also a part of our national security strategy.

A number of times I heard the quote, ''If you don't understand the past, you're doomed to repeat the failures of the past.''

Mr. Chairman, as we downsize this budget in the context of the post cold war, I would assert that we have learned from the past. Our military fighters who come before the committee are not asserting that we have a hollow force. We learned from the past. We are now gradually downsizing. None of the CINCs who came before us, none of the Joint Chiefs of Staff, none of the Secretaries of Defense have suggested that we have a hollow force. I would suggest that no person credibly can assert that at this moment.

Every one of our military people have come before us and said we have the greatest fighting force in history on the Planet Earth. When this country went to war in the context of the Persian Gulf, what did the President of the United States then say? We were going to fight the fourth largest army on the face of the Earth, and within hours we annihilated them with our incredible military and technological superiority and capability. The American

people watched us wage war on CNN with smart missiles and smart bombs that went down Broadway, turned left and dropped into 1052. People may not know it, but we have even greater technology at this moment than we had when we fought in the Persian Gulf.

When we talk about history, that sounds good as a 30-second soundbite, but the reality is we are not in a hollow force, we are not repeating the past. Remembering the past in World War I, World War II, we failed in the League of Nations, we failed in the international arena, but at this point, the last times we have gone to war, how did we go to war? We went to war with coalitions, we went to war with alliances. We have learned from the past. It is counterintuitive to everything we know that we will go it alone in the world. The world has changed, Mr. Chairman, and that is the reality.

I just wanted to assert that, to put it in the RECORD. Maybe over the next 4 days we can elaborate. I look forward to a vigorous and intelligent and informed debate.

Mr. SPENCE. Mr. Chairman, I yield myself the balance of my time.

The CHAIRMAN. The gentleman from South Carolina is recognized for 5 minutes.

Mr. SPENCE. Mr. Chairman, it never ceases to amaze me that our Maker endowed us as human beings with minds that can look at the same set of facts or view history and arrive at conclusions 180 degrees apart from one another. As a fact of life, I guess people have been debating since the very beginning of time. This is one of the most amazing things that we deal with, here, and it makes our interchanges back and forth here all the more interesting every day.

I happen to be a person with a more conservative viewpoint on life. Those of more liberal mind come to much different conclusions on many issues than this gentleman. The fact is that this country of ours has provided our people with more of the material things in life and other freedoms in life, too, than any nation in the history of mankind. People in other parts of the world cannot believe what we have. That is why we see other people around the world now shedding their shackles and trying to adopt our way of life.

As I travel around the world and meet other people in other places, they are always asking me, how we can do these things for our people? They are amazed at what we do. Our domestic spending has increased while the defense budget has been steadily going down, to its lowest levels since the Korean war.

I repeat that I am not saying that we should increase defense at the expense of providing our people with other things. Those things are important. In fact, that is why I want to defend this country. What good is it to have our freedoms we if we are not free or alive to enjoy them? That is the only point I am making.

As Jesus referred to in the parable I mentioned earlier, your House gets plundered when you tie up a strong man. I do not want to tie up this strong man.

Mr. GEPHARDT. Mr. Chairman, I rise today to urge my colleagues to support this burdensharing amendment, which I am proud to have co-authored. This amendment seeks to continue the progress we made last year in embarking on a comprehensive approach to achieving more participation by our allies in our common defense. A virtually identical amendment was adopted by the House last year by a vote of 353 to 62; I hope that we can again demonstrate our resolve this year in obtaining greater burdensharing by our allies.

Since the beginning of the cold war, the United States has contributed trillions of dollars to the defense of the West. As we all know, the people of the United States accepted this burden willingly, because we understood after two world wars that the defense of Europe was essential to the stability of the West and the security of America.

Since the end of the cold war, many of us have called on our allies to accept a greater share of the burden toward our mutual defense. With the demise of the Soviet Union, we knew that our military infrastructure in Europe could be reduced and our allies could be expected to perform more significant roles in their own—and our common—defense.

Beginning in 1992, I joined others in Congress in offering the first burdensharing amendments of the post-cold war period. We called for a reduction in the number of U.S. troops stationed overseas, and urged the administration to seek greater financial contributions from our allies to support the U.S. presence. And we achieved some success, particularly with our Asian allies.

But burdensharing by our allies should not simply consist of digging deeper into their treasuries to pay for a U.S. troop presence, for American soldiers are not mercenaries. Instead, we must demand that our allies bear more of the roles, risks and responsibilities of full partners in regional security, whether it be in Europe, Asia or elsewhere. With the likelihood of global nuclear confrontation declining and the risks to the United States itself reduced, Americans should no longer be expected to bear an inordinate share of the defense burden.

To achieve this goal, last year my colleagues and I altered our strategy to achieve increased allied burdensharing. For the first time, we sought a comprehensive, long-range approach with the view that other nations should take more concrete actions, and that the administration can work harder to achieve our objectives.

First, our legislation called on the President to seek increases in allied burdensharing in four areas: additional host nation financial support, increased defense expenditures to support the common defense, greater participation in multinational military operations like United Nations peacekeeping or the NATO Bosnia operation, and a larger share of foreign assistance worldwide. It also provided the President with certain authorities to use as leverage in seeking these increases.

Second, it broadened U.S. burdensharing efforts by seeking allied actions beyond simply providing contributions to the payment of costs incurred by the U.S. Government for stationing personnel overseas. This will contribute substantially to a more far-reaching, long-term goal of promoting responsibility-sharing rather than just cash payments, by our allies.

Third, it avoided the limited approach of previous legislation which required reductions in U.S. forces stationed overseas if our allies failed to increase their burdensharing contributions. Instead, it provided proper incentives to achieve greater burdensharing by our allies, and it initiated the necessary and substantive analysis that will enable Congress to take unilateral action—if necessary—in the future.

In promoting greater burdensharing, this amendment also sought to save taxpayer dollars. That's why several citizens groups, including Citizens Against Government Waste, Taxpayers for Common Sense, and The Concord Coalition, heartily endorsed our initiative.

With agreement by the Senate and enactment by the President, our burdensharing provision became law last September and we received the Defense Department's first burdensharing report required by the legislation in March of this year. The report notes that our allies are performing well in one of the areas of the areas of concern specified in the measure—increased foreign assistance spending—but notes that serious deficiencies remain in others. For example, the report states that:

> We are concerned about current and prospective levels of defense spending in Europe, and continue to urge our allies to maintain defense budgets at appropriate levels and reverse negative trends in spending.

As the Defense Department has acknowledged, our comprehensive burdensharing agenda is making progress in achieving greater efforts by our allies. But we must do more. That's why I believe we must renew our comprehensive approach again this year—and demonstrate to both our allies and the administration that we are serious about getting other nations to contribute their fair share to our common defense. Vote for this important amendment.

Mr. VENTO. Mr. Chairman, I rise today in opposition to the defense authorization bill and the rule under which it is being considered. There was a time when this Chambers' walls rang with debate on the important issues facing our great Nation. Not long ago, the defense authorization bill, the source of nearly half of all the discretionary spending in the Federal budget, was considered under an open rule. The present rule fails to offer much of any opportunity for Members of Congress outside of the National Security Committee and the defense appropriators to influence and impact the defense authorization process. The committee has asked for $2.6 billion beyond the President's request for a total defense authorization of $268.2 billion. Yet, discourse today has disappointedly been reduced to essentially a rubber stamp. Curtailing debate to preapproved topics guarantees that the pressing issues before us are not discussed, much less resolved. We are squandering the opportunity to restructure our military during a period in which the United States faces no credible threat or military equal. We should be engaging in the comprehensive discussion of defense strategy and force structure necessary to prepare us for the uncertain challenges of tomorrow.

Change seems to be the buzzword of the upcoming century. Wherever one turns,

change is emphasized. Unfortunately, the bill offered by the House National Security Committee neither reflects nor embraces change. This bill focuses on keeping what existed rather than addressing in a serious manner, how U.S. military policy should move forward. The committee simply decided to retain as much of the cold war assumptions within the context of the authorization measure, as much at least as this military budget will allow. For example, H.R. 1119 continues funding for major weapons programs that were specifically designed for use against a military configuration and challenge that collapsed with the dissolution of the Soviet Union. Yet, it keeps us in the race to design and fund weapons systems, which responds to a measuring stick which continues to be whether or not our weapons can outperform their Russian counterparts. No one, including Pentagon officials, holds privileged insight into the security and political landscape of tomorrow, but I would advance that the world will not require the identical military capabilities that characterized cold war strategies. H.R. 1119 dangerously and wastefully assumes that our long term future will resemble our recent past.

H.R. 1119 includes an additional $331 million for advance procurement of the B–2 stealth bomber beyond the 21 aircraft previously authorized. Yet, the Department of Defense's [DOD] 1995 heavy bomber force study concluded that a fleet of only 20 B–2 stealth bombers would be adequate to meet any current or future threats against the United States. And both the Secretary of Defense and the Chairman of the Joint Chiefs of Staff support this conclusion, adding that the high cost of additional B–2 bombers will require the retirement of forces with greater overall capability and the misuse of funds to achieve this purpose. Secretary Cohen stated that ''the disadvantages far outweigh the advantages of additional B–2s.'' Arguments in favor of additional B–2 bombers stress that there will be no substitute for long-range air power in the security environment of tomorrow. I wholeheartedly disagree, and would submit that we are entering an era in which the value of an education and the investment in people has assumed as much or more importance than a weapon. What would make the American people feel safer? Knowing that their government is building additional B–2 bombers and constructing a national defense missile system to thwart an unlikely attack, or knowing that their children will be able to attend college and that their parents will receive the Social Security and Medicare benefits they tirelessly worked for over the years? This bill may increase the likelihood of victory on the battlefields of the 21st century, but is it worth handicapping our chances for success in the classroom? H.R. 1119 simply does not defend our genuine vital interests.

The winners in this bill are clearly the weapons manufacturers, whose programs the Pentagon will continue to be forced fed. Weapons manufacturers furthermore will continue to benefit from and receive taxpayer financed subsidies for merger-related costs which results in laid off workers and shut down plants. Although, the DOD itself has admitted that it can not directly attribute any savings to military related industries restructuring, the Rules Committee rejected an amendment I supported that would have ensured that taxpayers realize actual cost savings in the form of reduced contract prices before defense contractors are awarded subsidies. Apparently, accountability and smart investment of taxpayer dollars are not viewed as a required policy path to the Rules Committee, which denied the House the opportunity to discuss this questionable program and practice of misusing taxpayer dollars.

By realizing that our national defense requires investment in people and not only the weapons they operate, I am encouraged by some provisions included in H.R. 1119. Capable weapons do not guarantee victory in and of themselves; investment in personnel and maintenance is equally important. Since 1989, we have appropriately downsized the uniformed services by 25 percent while stepping up the pace of operations abroad. The net result, familiar to so many Federal employees these days, is that service members are asked to do much more with less. By addressing shortfalls in compensation, housing, and health care, H.R. 1119 takes giant steps toward improving the quality of life for U.S. service members. Furthermore, these provisions will also improve our ability to recruit high quality personnel and enhance retention levels. All new initiatives are intimately linked to readiness and therefore bolster the safety of our Nation.

National security in the next century will not be confined to the national security establishment per se. Accordingly, we must incorporate other elements, such as diplomacy, sound trade policies, and foreign assistance programs in any national security strategy. By pursuing other policies outside the traditional realm of military programs, we can proactively shape our international environment to protect our vital interests. More resources should be diverted to minimizing the risks of the uncertain security environment of the future. Yet, despite the remarkable achievements of the Nunn-Lugar program that has greatly accelerated the safe dismantling, destruction, and storage of thousands of nuclear warheads once pointed at the United States, H.R. 1119 shamefully decreases program funding by $97.5 million.

We must also make a concerted effort to call on others around the globe that benefit from our military's presence to take on greater responsibility in matters of their own national defense. American citizens are eager to reap the rewards of the peace dividend they were promised after the end of the cold war. With so many domestic programs—quality housing, affordable education, environmental protection, and job training—suffering from inadequate funding, it is necessary that we hold the defense budget to the same level of scrutiny, accountability, and constraint that govern the appropriations of other Federal programs. Our Federal budget must adequately reflect the integral components of a national security strategy—namely economic, educational, and environmental security. I intend to vote no if this measure H.R. 1119 is not substantially modified—it isn't just the dollar figure but the programs and policy path it commits us to—this policy persists within the time warp of the cold war when we need a military and defense policy for the 21st century.

Mr. LAZIO of New York. Mr. Chairman, today, as part of the Defense Authorization Act, we are honoring those Americans who served during the cold war.

With the collapse of the Soviet Union in 1991, a 46-year conflict between the Free World and Soviet totalitarianism ended. Yet little was said to acknowledge the close of this momentous struggle. Perhaps because the cold war was like no other conflict in our Nation's history, we have seemed slow to recognize our debt to those who made victory possible.

We have passed a supreme test of our national character. This 46-year-long struggle placed unprecedented burdens on our Nation. We lived with the threat of a nuclear war that could shatter the Earth's environment and destroy civilization. We shouldered the awesome responsibilities of standard-bearer for the Free World. We sent our military personnel to the far corners of the globe.

During the cold war, dedicated Americans, in and out of uniform, rose to the long-term challenge of protecting their democratic institutions and the future of the Free World. Some 24 million soldiers, sailors, airmen, and marines served around the world. More than 100,000 lost their lives fighting communism in Korea, Vietnam, and other foreign battlegrounds.

Our intelligence personnel vigilantly monitored our adversaries. Our diplomats held alliances together, defused crises, and negotiated treaties to limit the risk of nuclear war. Our scientists, engineers, and technicians brought America's overwhelming technological capabilities to our defense. And Americans of all walks of life accepted the responsibilities of world leadership and the risks of nuclear war—and kept our economy growing and our democratic institutions strong.

It is now time to recognize all Americans who served during the long, demanding years of the cold war. Because of them, our country and the world can look ahead to a brighter future, unclouded by fears of a nuclear holocaust or the triumph of totalitarianism.

Mr. UNDERWOOD. Mr. Chairman, I rise today in support of H.R. 1119. This is an important measure that makes positive steps toward balancing budgetary constraints with defense needs. I would like to thank Chairman SPENCE and Congressman DELLUMS for their assistance in dealing with issues of concern to me and the people of Guam. I would also like to thank Chairmen HEFLEY, BUYER, and BATEMAN for their leadership in the subcommittees as we dealt with issues surrounding the bill. Though I have some minor reservations regarding certain provisions of the authorization, I am encouraged by the balance struck financially and within Defense Department priorities.

As members of the House National Security Committee, we and other Members of Congress have realized, the quality of life for our service men and women must be protected. I am encouraged by measures in this bill that serve to improve the quality of life for our Armed Forces. First, a 2.8-percent pay raise shows our commitment to the men and women in uniform. The pay raise is badly needed and will help to alleviate the disparity between military and private sector pay. Second, this measure recommends the use of a portion of funding allocated for family housing improvements by the Air Force to be used at Andersen AFB, Guam. As is the case with other bases across the country and overseas, family housing at Andersen is below standards. This important quality of life issue for families stationed at Andersen can now be addressed.

I am grateful for the assistance of members of the committee and their staff in including two other important provisions. I have long been concerned that my district, and other U.S. territories, have not been given serious consideration during Theater Missile Defense planning and ultimately, National Missile Defense planning. I am encouraged by the cooperation I received from Chairman WELDON to ensure that this does not continue. While Guam may be an unlikely target for any nation that developed the capabilities and possessed the will, the time to ensure proper protection for the territories is now, during the development phase, not when the United States is deploying a system.

I also thank the members of the committee for accepting my amendment concerning the use of foreign workers for A–76 base operating contracting. This measure will help ensure that American citizens are not displaced by foreign workers in the execution of this competitive contracting assessment.

Mr. Chairman, I do have to express some concern regarding a few items within the authorization. First, I am sure I am not alone in expressing disappointment that the bill does not authorize funding for the construction of a National Guard Readiness Center. This is of grave concern to me. The Guam Army National Guard is the only guard unit that does not have an armory. The Guam Guard uses formerly abandoned construction company barracks. The National Guard borrows space from the Navy. The Navy Armory is over 10 miles from the guard training site. This causes continually training delays and problems. Unfortunately, this type of situation does not seem to be of concern to the National Guard Bureau. I find it shocking that we broaden our dependence on the guard yet cannot properly equip them for training. Second, I am concerned about misguided, jingoistic measures which prohibit property from being conveyed to a State-owned shipping company. This has broad implications beyond the narrow concerns of competitiveness between ports. In my district, the local community has worked hard to recover from the impacts of BRAC and this action would be a further impediment to the right of local determination of reuse plans best for the community and their progress toward full economic recovery.

Mr. Chairman, though there may be individual concerns for each Member of this House, I urge my colleagues to support this measure and vote for H.R. 1119.

Mr. SPENCE. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. All time for general debate has expired.

Pursuant to House Resolution 169, the committee amendment in the nature of a substitute printed in the bill is considered as an original bill for the purpose of amendment and is considered as having been read.

The text of the committee amendment in the nature of a substitute is as follows:

H.R. 1119

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''National Defense Authorization Act for Fiscal Year 1998''.

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.
Sec. 109. Defense Export Loan Guarantee Program.

Subtitle B—Other Matters

Sec. 121. Limitation on obligation of funds for the Seawolf Submarine program.
Sec. 122. Report on annual budget submission regarding the reserve components.

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 program.

Subtitle B—Program Requirements, Restrictions, and Limitations

Sec. 211. Manufacturing technology program.
Sec. 212. Report on Strategic Environmental Research and Development Program.
Sec. 213. Tactical unmanned aerial vehicles.
Sec. 214. Revisions to membership of and appointment authority for National Ocean Research Leadership Council.
Sec. 215. Maintenance and repair of real property at Air Force installations.
Sec. 216. Expansion of eligibility for Defense Experimental Program to Stimulate Competitive Research.
Sec. 217. Limitation on use of funds for adaption of Integrated Defensive Electronic Countermeasures (IDECM) program to F/A–18E/F aircraft and A/V–8B aircraft.
Sec. 218. Bioassay testing of veterans exposed to ionizing radiation during military service.

Subtitle C—Ballistic Missile Defense Programs

Sec. 231. Budgetary treatment of amounts requested for procurement for Ballistic Missile Defense programs.
Sec. 232. Cooperative ballistic missile defense program.
Sec. 233. Deployment dates for core theater missile defense programs
Sec. 234. Annual report on threat posed to the United States by weapons of mass destruction, ballistic missiles, and cruise missiles.
Sec. 235. Director of Ballistic Missile Defense Organization.
Sec. 236. Tactical high energy laser program.

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. Refurbishment and installation of air search radar.
Sec. 306. Refurbishment of M1–A1 tanks.
Sec. 307. Procurement and electronic commerce technical assistance program.
Sec. 308. Availability of funds for separation pay for defense acquisition personnel.

Subtitle B—Military Readiness Issues

Sec. 311. Expansion of scope of quarterly readiness reports.
Sec. 312. Limitation on reallocation of funds within operation and maintenance appropriations.
Sec. 313. Operation of prepositioned fleet, National Training Center, Fort Irwin, California.
Sec. 314. Prohibition of implementation of tiered readiness system.
Sec. 315. Reports on transfers from high-priority readiness appropriations.
Sec. 316. Report on Chairman, Joint Chiefs of Staff Exercise Program and Partnership for Peace program.
Sec. 317. Quarterly reports on execution of operation and maintenance appropriations.

Subtitle C—Civilian Personnel

Sec. 321. Pay practices when overseas teachers transfer to general schedule positions.
Sec. 322. Use of approved fire-safe accommodations by Government employees on official business.

Subtitle D—Depot-Level Activities

Sec. 331. Extension of authority for aviation depots and naval shipyards to engage in defense-related production and services.
Sec. 332. Exclusion of certain large maintenance and repair projects from percentage limitation on contracting for depot-level maintenance.
Sec. 333. Restrictions on contracts for performance of depot-level maintenance and repair at certain facilities.
Sec. 334. Core logistics functions of Department of Defense.
Sec. 335. Centers of Industrial and Technical Excellence.
Sec. 336. Personnel reductions, Army depots participating in Army Workload and Performance System.

Subtitle E—Environmental Provisions

Sec. 341. Revision of membership terms for Strategic Environmental Research and Development Program scientific advisory board.
Sec. 342. Amendments to authority to enter into agreements with other agencies in support of environmental technology certification.
Sec. 343. Authorization to pay negotiated settlement for environmental cleanup at former Department of Defense sites in Canada.
Sec. 344. Modifications of authority to store and dispose of nondefense toxic and hazardous materials.
Sec. 345. Revision of report requirement for Navy program to monitor ecological effects of organotin.
Sec. 346. Partnerships for investment in innovative environmental technologies.
Sec. 347. Pilot program to test an alternative technology for eliminating solid and liquid waste emissions during ship operations.

Subtitle F—Commissaries and Nonappropriated Fund Instrumentalities

Sec. 361. Reorganization of laws regarding commissaries and exchanges and other morale, welfare, and recreation activities.

Sec. 362. Merchandise and pricing requirements for commissary stores.
Sec. 363. Limitation on noncompetitive procurement of brand-name commercial items for resale in commissary stores.
Sec. 364. Transfer of jurisdiction over exchange, commissary, and morale, welfare, and recreation activities to Under Secretary of Defense (Comptroller).
Sec. 365. Public and private partnerships to benefit morale, welfare, and recreation activities.
Sec. 366. Treatment of certain amounts received by Defense Commissary Agency.
Sec. 367. Authorized use of appropriated funds for relocation of Navy Exchange Service Command.

Subtitle G—Other Matters

Sec. 371. Assistance to local educational agencies that benefit dependents of members of the Armed Forces and Department of Defense civilian employees.
Sec. 372. Continuation of Operation Mongoose.
Sec. 373. Inclusion of Air Force depot maintenance as operation and maintenance budget activity group.
Sec. 374. Programs to commemorate 50th anniversary of Marshall Plan and Korean conflict.
Sec. 375. Prohibition on use of Special Operations Command budget for base operation support.
Sec. 376. Continuation and expansion of demonstration program to identify overpayments made to vendors.
Sec. 377. Applicability of Federal printing requirements to Defense Automated Printing Service.
Sec. 378. Base operations support for military installations on Guam.

TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS

Subtitle A—Active Forces

Sec. 401. End strengths for active forces.

Subtitle B—Reserve Forces

Sec. 411. End strengths for Selected Reserve.
Sec. 412. End strengths for reserves on active duty in support of the Reserves.
Sec. 413. End strengths for military technicians (dual status).
Sec. 414. Increase in number of members in certain grades authorized to serve on active duty in support of the reserves.

Subtitle C—Authorization of Appropriations

Sec. 421. Authorization of appropriations for military personnel.

TITLE V—MILITARY PERSONNEL POLICY

Subtitle A—Officer Personnel Policy

Sec. 501. Limitation on number of general and flag officers who may serve in positions outside their own service.
Sec. 502. Exclusion of certain retired officers from limitation on period of recall to active duty.
Sec. 503. Clarification of officers eligible for consideration by selection boards.
Sec. 504. Authority to defer mandatory retirement for age of officers serving as chaplains.

Subtitle B—Reserve Component Matters

Sec. 511. Individual Ready Reserve activation authority.
Sec. 512. Termination of Mobilization Income Insurance Program.
Sec. 513. Correction of inequities in medical and dental care and death and disability benefits for reserve members who incur or aggravate an illness in the line of duty.
Sec. 514. Time-in-grade requirements for reserve commissioned officers retired during force drawdown period.
Sec. 515. Authority to permit non-unit assigned officers to be considered by vacancy promotion board to general officer grades.
Sec. 516. Grade requirement for officers eligible to serve on involuntary separation boards.
Sec. 517. Limitation on use of Air Force Reserve AGR personnel for Air Force base security functions.

Subtitle C—Military Technicians

Sec. 521. Authority to retain on the reserve active-status list until age 60 military technicians in the grade of brigadier general.
Sec. 522. Military technicians (dual status).
Sec. 523. Non-dual status military technicians.

Subtitle D—Measures To Improve Recruit Quality and Reduce Recruit Attrition

Sec. 531. Reform of military recruiting systems.
Sec. 532. Improvements in medical prescreening of applicants for military service.
Sec. 533. Improvements in physical fitness of recruits.

Subtitle E—Military Education and Training

Sec. 541. Independent panel to review military basic training.
Sec. 542. Reform of Army drill sergeant selection and training process.
Sec. 543. Requirement for candidates for admission to United States Naval Academy to take oath of allegiance.
Sec. 544. Reimbursement of expenses incurred for instruction at service academies of persons from foreign countries.
Sec. 545. United States Naval Postgraduate School.
Sec. 546. Air Force Academy cadet foreign exchange program.
Sec. 547. Training in human relations matters for Army drill sergeant trainees.
Sec. 548. Study of feasibility of gender-segregated basic training.

Subtitle F—Military Decorations and Awards

Sec. 551. Study of new decorations for injury or death in line of duty.
Sec. 552. Purple heart to be awarded only to members of the armed forces.
Sec. 553. Eligibility for Armed Forces Expeditionary Medal for participation in Operation Joint Endeavor or Operation Joint Guard.
Sec. 554. Waiver of time limitations for award of certain decorations to specified persons.

Subtitle G—Other Matters

Sec. 561. Suspension of temporary early retirement authority.
Sec. 562. Treatment of educational accomplishments of National Guard Challenge Program participants.
Sec. 563. Authority for personnel to participate in management of certain non-Federal entities.
Sec. 564. Crew requirements of WC–130J aircraft.
Sec. 565. Comptroller General study of Department of Defense civil military programs.
Sec. 566. Treatment of participation of members in Department of Defense civil military programs.
Sec. 567. Continuation of support to senior military colleges.
Sec. 568. Restoration of missing persons authorities applicable to Department of Defense as in effect before enactment of National Defense Authorization Act for Fiscal Year 1997.
Sec. 569. Establishment of sentence of confinement for life without eligibility for parole.
Sec. 570. Limitation on appeal of denial of parole for offenders serving life sentence.
Sec. 571. Establishment of Public Affairs Branch in the Army.

TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

Subtitle A—Pay and Allowances

Sec. 601. Increase in basic pay for fiscal year 1998.
Sec. 602. Annual adjustment of basic pay and protection of member's total compensation while performing certain duty.
Sec. 603. Use of food cost information to determine basic allowance for subsistence.
Sec. 604. Consolidation of basic allowance for quarters, variable housing allowance, and overseas housing 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. Increase in minimum monthly rate of hazardous duty incentive pay for certain members.
Sec. 615. Availability of multiyear retention bonus for dental officers.
Sec. 616. Increase in variable and additional special pays for certain dental officers.
Sec. 617. Special pay for duty at designated hardship duty locations.
Sec. 618. Selected Reserve reenlistment bonus.
Sec. 619. Selected Reserve enlistment bonus for former enlisted members.
Sec. 620. Special pay or bonuses for enlisted members extending tours of duty overseas.
Sec. 621. Increase in amount of family separation allowance.
Sec. 622. Change in requirements for Ready Reserve muster duty allowance.

Subtitle C—Travel and Transportation Allowances

Sec. 631. Travel and transportation allowances for dependents of member sentenced by court-martial.
Sec. 632. Dislocation allowance.

Subtitle D—Retired Pay, Survivor Benefits, and Related Matters

Sec. 641. Time in which certain changes in beneficiary under survivor benefit plan may be made.

Subtitle E—Other Matters

Sec. 651. Definition of sea duty for purposes of career sea pay.
Sec. 652. Loan repayment program for commissioned officers in certain health professions.
Sec. 653. Conformance of NOAA commissioned officers separation pay to separation pay for members of other uniformed services.
Sec. 654. Reimbursement of Public Health Service officers for adoption expenses.
Sec. 655. Payment of back quarters and subsistence allowances to World War II veterans who served as guerrilla fighters in the Philippines.
Sec. 656. Space available travel for members of selected reserve.
Sec. 657. Study on military personnel at, near, or below the poverty line.
Sec. 658. Implementation of Department of Defense supplemental food program for military personnel outside the United States.

TITLE VII—HEALTH CARE PROVISIONS

Subtitle A—Health Care Services

Sec. 701. Expansion of retiree dental insurance plan to include surviving spouse and child dependents of certain deceased members.
Sec. 702. Provision of prosthetic devices to covered beneficiaries.

Subtitle B—TRICARE Program

Sec. 711. Addition of definition of TRICARE program to title 10.
Sec. 712. Plan for expansion of managed care option of TRICARE program.

Subtitle C—Uniformed Services Treatment Facilities

Sec. 721. Implementation of designated provider agreements for Uniformed Services Treatment Facilities.
Sec. 722. Limitation on total payments.
Sec. 723. Continued acquisition of reduced-cost drugs.

Subtitle D—Other Changes to Existing Laws Regarding Health Care Management

Sec. 731. Waiver or reduction of copayments under overseas dental program.
Sec. 732. Premium collection requirements for medical and dental insurance programs.
Sec. 733. Consistency between CHAMPUS and medicare in payment rates for services.
Sec. 734. Use of personal services contracts for provision of health care services and legal protection for providers.
Sec. 735. Portability of State licenses for Department of Defense health care professionals.
Sec. 736. Standard form and requirements regarding claims for payment for services.
Sec. 737. Medical personnel conscience clause.

Subtitle E—Other Matters

Sec. 741. Continued admission of civilians as students in physician assistant training program of Army Medical Department.
Sec. 742. Emergency health care in connection with overseas activities of On-Site Inspection Agency of Department of Defense.
Sec. 743. Comptroller General study of adequacy and effect of maximum allowable charges for physicians under CHAMPUS.
Sec. 744. Comptroller General study of Department of Defense pharmacy programs.
Sec. 745. Comptroller General study of Navy graduate medical education program.
Sec. 746. Study of expansion of pharmaceuticals by mail program to include additional medicare-eligible covered beneficiaries.

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

Subtitle A—Acquisition Policy

Sec. 801. Case-by-case waivers of domestic source limitations.
Sec. 802. Expansion of authority to enter into contracts crossing fiscal years to all severable services contracts not exceeding a year.
Sec. 803. Clarification of vesting of title under contracts.
Sec. 804. Exclusion of disaster relief, humanitarian, and peacekeeping operations from restrictions on use of undefinitized contract actions.
Sec. 805. Limitation and report on payment of restructuring costs under defense contracts.
Sec. 806. Authority relating to purchase of certain vehicles.
Sec. 807. Multiyear procurement contracts.
Sec. 808. Domestic source limitation amendments.
Sec. 809. Repeal of expiration of domestic source limitation for certain naval vessel propellers.

Subtitle B—Other Matters

Sec. 821. Repeal of certain acquisition reports and requirements.
Sec. 822. Extension of authority for use of test and evaluation installations by commercial entities.
Sec. 823. Requirement to develop and maintain list of firms not eligible for defense contracts.

TITLE IX—DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT

Sec. 901. Limitation on operation and support funds for the Office of the Secretary of Defense.
Sec. 902. Components of National Defense University.
Sec. 903. Authorization for the Marine Corps University to employ civilian professors.
Sec. 904. Center for the Study of Chinese Military Affairs.
Sec. 905. White House Communications Agency.
Sec. 906. Revision to required frequency for provision of policy guidance for contingency plans.
Sec. 907. Termination of the Defense Airborne Reconnaissance Office.

TITLE X—GENERAL PROVISIONS

Subtitle A—Financial Matters

Sec. 1001. Transfer authority.
Sec. 1002. Incorporation of classified annex.
Sec. 1003. Authority for obligation of unauthorized fiscal year 1997 defense appropriations.
Sec. 1004. Authorization of supplemental appropriations for fiscal year 1997.
Sec. 1005. Increase in fiscal year 1996 transfer authority.
Sec. 1006. Fisher House trust funds.
Sec. 1007. Flexibility in financing closure of certain outstanding contracts for which a small final payment is due.

Subtitle B—Naval Vessels and Shipyards

Sec. 1021. Relationship of certain laws to disposal of vessels for export from the Naval Vessel Register and the National Defense Reserve Fleet.
Sec. 1022. Authority to enter into a long-term charter for a vessel in support of the Surveillance Towed-Array Sensor (SURTASS) program.
Sec. 1023. Transfer of two specified obsolete tugboats of the Army.
Sec. 1024. Naming of a DDG–51 class destroyer the U.S.S. Thomas F. Connolly.
Sec. 1025. Congressional review period with respect to transfer of the ex-U.S.S. Midway (CV–41).

Subtitle C—Counter-Drug Activities

Sec. 1031. Prohibition on use of National Guard for civil-military activities under State drug interdiction and counter-drug activities plan.

Subtitle D—Miscellaneous Report Requirements and Repeals

Sec. 1041. Repeal of miscellaneous obsolete reports required by prior defense authorization Acts.
Sec. 1042. Repeal of annual report requirement relating to training of special operations forces with friendly foreign forces.

Subtitle E—Other Matters

Sec. 1051. Authority for special agents of the Defense Criminal Investigative Service to execute warrants and make arrests.
Sec. 1052. Study of investigative practices of military criminal investigative organizations relating to sex crimes.
Sec. 1053. Technical and clerical amendments.
Sec. 1054. Display of POW/MIA flag.
Sec. 1055. Certification required before observance of moratorium on use by Armed Forces of antipersonnel landmines.
Sec. 1056. Protection of safety-related information voluntarily provided by air carriers.
Sec. 1057. National Guard Challenge Program to create opportunities for civilian youth.
Sec. 1058. Lease of non-excess personal property of the military departments.
Sec. 1059. Commendation of members of the Armed Forces and Government civilian personnel who served during the Cold War.

TITLE XI—COOPERATIVE THREAT REDUCTION WITH STATES OF FORMER SOVIET UNION

Sec. 1101. Specification of Cooperative Threat Reduction programs.
Sec. 1102. Fiscal year 1998 funding allocations.
Sec. 1103. Prohibition on use of funds for specified purposes.
Sec. 1104. Limitation on use of funds until specified reports are submitted.
Sec. 1105. Limitation on use of funds until submission of certification.
Sec. 1106. Use of funds for chemical weapons destruction facility.
Sec. 1107. Limitation on use of funds for storage facility for Russian fissile material.
Sec. 1108. Limitation on use of funds for weapons storage security.
Sec. 1109. Report to Congress on issues regarding payment of taxes or duties on assistance provided to Russia under Cooperative Threat Reduction programs.
Sec. 1110. Limitation on obligation of funds for a specified period.
Sec. 1111. Availability of funds.

TITLE XII—MATTERS RELATING TO OTHER NATIONS

Sec. 1201. Reports to Congress relating to United States forces in Bosnia.
Sec. 1202. One-year extension of counterproliferation authorities.
Sec. 1203. Report on future military capabilities and strategy of the People's Republic of China.
Sec. 1204. Temporary use of general purpose vehicles and nonlethal military equipment under acquisition and cross servicing agreements.

DIVISION B—MILITARY CONSTRUCTION AUTHORIZATIONS

Sec. 2001. Short title.

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. Correction in authorized uses of funds, Fort Irwin, California.

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. Authorization of military construction project at Naval Air Station, Pascagoula, Mississippi, for which funds have been appropriated.

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. Authorization of military construction project at McConnell Air Force Base, Kansas, for which funds have been appropriated.

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. Energy conservation projects.
Sec. 2405. Authorization of appropriations, Defense Agencies.
Sec. 2406. Correction in authorized uses of funds, McClellan Air Force Base, California.
Sec. 2407. Modification of authority to carry out fiscal year 1995 projects.

TITLE XXV—NORTH ATLANTIC TREATY ORGANIZATION SECURITY INVESTMENT PROGRAM

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

TITLE XXVI—GUARD AND RESERVE FORCES FACILITIES

Sec. 2601. Authorized Guard and Reserve construction and land acquisition projects.
Sec. 2602. Authorization of military construction projects for which funds have been appropriated.
Sec. 2603. Army Reserve construction project, Salt Lake City, Utah.

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 1995 projects.
Sec. 2703. Extension of authorizations of certain fiscal year 1994 projects.
Sec. 2704. Extension of authorizations of certain fiscal year 1993 projects.
Sec. 2705. Extension of authorizations of certain fiscal year 1992 projects.
Sec. 2706. Extension of availability of funds for construction of Over-the-Horizon Radar in Puerto Rico.
Sec. 2707. Effective date.

TITLE XXVIII—GENERAL PROVISIONS

Subtitle A—Military Construction Program and Military Family Housing Changes

Sec. 2801. Use of mobility enhancement funds for unspecified minor construction.
Sec. 2802. Limitation on use of operation and maintenance funds for facility repair projects.
Sec. 2803. Leasing of military family housing, United States Southern Command, Miami, Florida.
Sec. 2804. Use of financial incentives provided as part of energy savings and water conservation activities.
Sec. 2805. Congressional notification requirements regarding use of Department of Defense housing funds for investments in nongovernmental entities.

Subtitle B—Real Property And Facilities Administration

Sec. 2811. Increase in ceiling for minor land acquisition projects.
Sec. 2812. Administrative expenses for certain real property transactions.
Sec. 2813. Disposition of proceeds from sale of Air Force Plant 78, Brigham City, Utah.

Subtitle C—Defense Base Closure and Realignment

Sec. 2821. Consideration of military installations as sites for new Federal facilities.
Sec. 2822. Prohibition against conveyance of property at military installations to State-owned shipping companies.

Subtitle D—Land Conveyances

PART I—ARMY CONVEYANCES

Sec. 2831. Land conveyance, James T. Coker Army Reserve Center, Durant, Oklahoma.
Sec. 2832. Land conveyance, Fort A. P. Hill, Virginia.
Sec. 2833. Expansion of land conveyance, Indiana Army Ammunition Plant, Charlestown, Indiana.
Sec. 2834. Modification of land conveyance, Lompoc, California.
Sec. 2835. Modification of land conveyance, Rocky Mountain Arsenal, Colorado.
Sec. 2836. Correction of land conveyance authority, Army Reserve Center, Anderson, South Carolina.
Sec. 2837. Land conveyance, Fort Bragg, North Carolina.
Sec. 2838. Land conveyance, Gibson Army Reserve Center, Chicago, Illinois.
Sec. 2839. Land conveyance, Fort Dix, New Jersey.

PART II—NAVY CONVEYANCES

Sec. 2851. Correction of lease authority, Naval Air Station, Meridian, Mississippi.

PART III—AIR FORCE CONVEYANCES

Sec. 2861. Land transfer, Eglin Air Force Base, Florida.
Sec. 2862. Study of land exchange options, Shaw Air Force Base, South Carolina.
Sec. 2863. Land conveyance, March Air Force Base, California.

Subtitle E—Other Matters

Sec. 2881. Repeal of requirement to operate Naval Academy dairy farm.
Sec. 2882. Long-term lease of property, Naples Italy.
Sec. 2883. Designation of military family housing at Lackland Air Force Base, Texas, in honor of Frank Tejeda, a former Member of the House of Representatives.

TITLE XXIX—SIKES ACT IMPROVEMENT

Sec. 2901. Short title.
Sec. 2902. Definition of Sikes Act for purposes of amendments.
Sec. 2903. Codification of short title of Act.
Sec. 2904. Integrated natural resource management plans.
Sec. 2905. Review for preparation of integrated natural resource management plans.
Sec. 2906. Annual reviews and reports.
Sec. 2907. Transfer of wildlife conservation fees from closed military installations.
Sec. 2908. Federal enforcement of integrated natural resource management plans and enforcement of other laws.
Sec. 2909. Natural resource management services.
Sec. 2910. Definitions.
Sec. 2911. Cooperative agreements.
Sec. 2912. Repeal of superseded provision.
Sec. 2913. Clerical amendments.
Sec. 2914. Authorizations of appropriations.

DIVISION C—DEPARTMENT OF ENERGY NATIONAL SECURITY AUTHORIZATIONS AND OTHER AUTHORIZATIONS

TITLE XXXI—DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS

Subtitle A—National Security Programs Authorizations

Sec. 3101. Weapons activities.
Sec. 3102. Environmental restoration and waste management.
Sec. 3103. Other defense activities.
Sec. 3104. Defense nuclear waste disposal.

Subtitle B—Recurring General Provisions

Sec. 3121. Reprogramming.
Sec. 3122. Limits on general plant projects.
Sec. 3123. Limits on construction projects.
Sec. 3124. Fund transfer authority.
Sec. 3125. Authority for conceptual and construction design.
Sec. 3126. Authority for emergency planning, design, and construction activities.
Sec. 3127. Funds available for all national security programs of the Department of Energy.
Sec. 3128. Authority relating to transfers of defense environmental management funds.

Subtitle C—Program Authorizations, Restrictions, and Limitations

Sec. 3131. Ballistic Missile Defense National Laboratory Program.

Subtitle D—Other Matters

Sec. 3141. Plan for stewardship, management, and certification of warheads in the nuclear weapons stockpile.
Sec. 3142. Repeal of obsolete reporting requirements.
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Sec. 3145. Report on proposed contract for Hanford Tank Waste Vitrification project.
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TITLE XXXII—DEFENSE NUCLEAR FACILITIES SAFETY BOARD

Sec. 3201. Authorization.
Sec. 3202. Plan for transfer of facilities from jurisdiction of Defense Nuclear Facilities Safety Board to jurisdiction of Nuclear Regulatory Commission.

TITLE XXXIII—NATIONAL DEFENSE STOCKPILE

Sec. 3301. Authorized uses of stockpile funds.
Sec. 3302. Disposal of beryllium copper master alloy in National Defense Stockpile.
Sec. 3303. Disposal of titanium sponge in National Defense Stockpile.
Sec. 3304. Conditions on transfer of stockpiled platinum reserves for Treasury use.
Sec. 3305. Restrictions on disposal of certain manganese ferro.
Sec. 3306. Required procedures for disposal of strategic and critical materials.

TITLE XXXIV—NAVAL PETROLEUM RESERVES

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Sec. 3601. Authorization of appropriations for fiscal year 1998.
Sec. 3602. Repeal of obsolete annual report requirement concerning relative cost of shipbuilding in the various coastal districts of the United States.
Sec. 3603. Provisions relating to maritime security fleet program.
Sec. 3604. Authority to utilize replacement vessels and capacity.
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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

Subtitle A—Authorization of Appropriations

SEC. 101. ARMY.

Funds are hereby authorized to be appropriated for fiscal year 1998 for procurement for the Army as follows:

(1) For aircraft, $1,535,264,000.

(2) For missiles, $1,176,516,000.

(3) For weapons and tracked combat vehicles, $1,519,527,000.

(4) For ammunition, $1,093,802,000.

(5) For other procurement, $2,640,277,000.

SEC. 102. NAVY AND MARINE CORPS.

(a) NAVY.—Funds are hereby authorized to be appropriated for fiscal year 1998 for procurement for the Navy as follows:

(1) For aircraft, $6,172,950,000.

(2) For weapons, including missiles and torpedoes, $1,214,687,000.

(3) For shipbuilding and conversion, $7,654,977,000.

(4) For other procurement, $3,073,432,000.

(b) MARINE CORPS.—Funds are hereby authorized to be appropriated for fiscal year 1998 for procurement for the Marine Corps in the amount of $442,807,000.

(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 $470,355,000.

SEC. 103. AIR FORCE.

Funds are hereby authorized to be appropriated for fiscal year 1998 for procurement for the Air Force as follows:

(1) For aircraft, $6,770,900,000.

(2) For missiles, $2,389,183,000.

(3) For ammunition, $436,984,000.

(4) For other procurement, $6,574,096,000.

SEC. 104. DEFENSE-WIDE ACTIVITIES.

Funds are hereby authorized to be appropriated for fiscal year 1998 for Defense-wide procurement in the amount of $1,836,989,000.

SEC. 105. RESERVE COMPONENTS.

Funds are hereby authorized to be appropriated for fiscal year 1998 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, $102,700,000.

(2) For the Air National Guard, $117,775,000.

(3) For the Army Reserve, $90,400,000.

(4) For the Naval Reserve, $118,000,000.

(5) For the Air Force Reserve, $167,630,000.

(6) For the Marine Corps Reserve, $98,600,000.

(7) For the Coast Guard Reserve, $5,250,000.

SEC. 106. DEFENSE INSPECTOR GENERAL.

Funds are hereby authorized to be appropriated for fiscal year 1998 for procurement for the Inspector General of the Department of Defense in the amount of $1,800,000.

SEC. 107. CHEMICAL DEMILITARIZATION PROGRAM.

There is hereby authorized to be appropriated for fiscal year 1998 the amount of $610,700,000 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 1998 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 $279,068,000.

SEC. 109. DEFENSE EXPORT LOAN GUARANTEE PROGRAM.

Funds are hereby authorized to be appropriated for fiscal year 1998 for the Department of Defense for carrying out the Defense Export Loan Guarantee Program in the total amount of $1,231,000.

Subtitle B—Other Matters

SEC. 121. LIMITATION ON OBLIGATION OF FUNDS FOR THE SEAWOLF SUBMARINE PROGRAM.

(a) LIMITATION.—The Secretary of the Navy may not obligate more than 50 percent of the funds appropriated for fiscal year 1998 for Shipbuilding and Conversion for the Navy that are specified as being available for the Seawolf submarine program until the Secretary certifies to the congressional defense committees that the Secretary will include in the future-years defense program accompanying the fiscal year 1999 budget for the Department of Defense not less than 50 percent of the amount necessary to fully fund incorporation into each of the first four vessels in the New Attack Submarine program the technology insertion opportunities specified in subsection (b).

(b) TECHNOLOGY INSERTION OPPORTUNITIES.—The technology insertion opportunities referred to in subsection (a) are those technology insertion opportunities available for the first four vessels in the New Attack Submarine program that were presented by the Assistant Secretary of the Navy (Research, Development, and Acquisition) in testimony before the Procurement Subcommittee of the Committee on National Security of the House of Representatives on March 18, 1997.

SEC. 122. REPORT ON ANNUAL BUDGET SUBMISSION REGARDING THE RESERVE COMPONENTS.

(a) IN GENERAL.—Chapter 1013 of title 10, United States Code, is amended by adding at the end the following new section:

''§10544. Budget information

''(a) REPORT.—The Secretary of Defense shall submit to the congressional committees specified in subsection (d), at the same time that the President submits the budget for a fiscal year under section 1105(a) of title 31, United States Code, a report on amounts requested in that budget for the reserve components.

''(b) CONTENT.—The report shall include the following:

''(1) A description of the anticipated effect that the amounts requested (if approved by Congress) will have to enhance the capabilities of each of the reserve components.

''(2) A listing, with respect to each such component, of each of the following:

''(A) The amount requested for each major weapon system for which funds are requested in the budget for that component.

''(B) The amount requested for each item of equipment (other than a major weapon system) for which funds are requested in the budget for that component.

''(c) INCLUSION OF INFORMATION IN NEXT FYDP.—The Secretary of Defense shall specifically display in the each future-years defense program (or program revision) submitted to Congress under section 221 of this title the amounts programmed for procurement of equipment for each of the reserve components.

''(d) CONGRESSIONAL COMMITTEES SPECIFIED.—The congressional committees referred to in subsection (a) are the following:

''(1) The Committee on Armed Services and the Committee on Appropriations of the Senate.

''(2) The Committee on National Security and the Committee on Appropriations of the House of Representatives.

''(e) EXCLUSION OF COAST GUARD RESERVE.—In this section, the term 'reserve components' does not include the Coast Guard Reserve.''.

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

''10544. Budget information.''.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

Subtitle A—Authorization of Appropriations

SEC. 201. AUTHORIZATION OF APPROPRIATIONS.

Funds are hereby authorized to be appropriated for fiscal year 1998 for the use of the Department of Defense for research, development, test, and evaluation as follows:

(1) For the Army, $4,752,913,000.

(2) For the Navy, $7,946,996,000.

(3) For the Air Force, $14,659,736,000.

(4) For Defense-wide activities, $9,914,080,000, of which—

(A) $279,683,000 is authorized for the activities of the Director, Test and Evaluation; and

(B) $23,384,000 is authorized for the Director of Operational Test and Evaluation.

SEC. 202. AMOUNT FOR BASIC AND APPLIED RESEARCH.

(a) FISCAL YEAR 1998.—Of the amounts authorized to be appropriated by section 201, $4,131,871,000 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) FUNDING REQUIREMENT.—Of the amounts appropriated pursuant to the authorizations in section 201 for the Department of Defense for science and technology programs for each of fiscal years 1998 through 2001, at least the following percentages of such amounts shall be available in the applicable fiscal year only for dual-use projects of the Department of Defense:

(1) For fiscal year 1998, 5 percent.

(2) For fiscal year 1999, 7 percent.

(3) For fiscal year 2000, 10 percent.

(4) For fiscal year 2001, 15 percent.

(b) SENIOR OFFICIAL FOR DUAL-USE PROGRAM.—The person responsible for developing policy relating to, and ensuring effective implementation of, the dual-use technology program of the Department of Defense is the senior official designated by the Secretary of Defense under section 203(b) of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201; 110 Stat. 2451).

(c) LIMITATION ON OBLIGATIONS.—(1) Except as provided in paragraph (2), funds made available pursuant to subsection (a) may not be obligated until the senior official referred to in subsection (b) approves the obligation.

(2) Paragraph (1) does not apply with respect to funds made available pursuant to subsection (a) to the Defense Advanced Research Projects Agency.

(3) Funds made available pursuant to subsection (a) 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.

(d) TRANSFER AUTHORITY.—In addition to the transfer authority provided in section 1001, the Secretary of Defense may transfer funds made available pursuant to subsection (a) 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 referred to in subsection (b).

(e) FEDERAL COST SHARE.—(1) 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 years 1998, 1999, 2000, and 2001 may not be greater than 50 percent of the cost of the project for that fiscal year.

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

(f) DEFINITIONS.—In this section, the terms ''dual-use technology program'', ''dual-use project'', and ''science and technology program'' have the meanings provided by section 203(h) of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201; 110 Stat. 2452).

Subtitle B—Program Requirements, Restrictions, and Limitations

SEC. 211. MANUFACTURING TECHNOLOGY PROGRAM.

Section 2525 of title 10, United States Code, is amended by adding at the end the following new subsection:

''(e) FUNDING REQUIREMENT.—(1) Subject to paragraph (2), the Secretary of Defense shall make available each fiscal year for the Manufacturing Technology Program the greater of the following amounts:

''(A) 0.25 percent of the amount available for the fiscal year concerned for the demonstration and validation, engineering and manufacturing development, operational systems development, and procurement programs of the military departments and Defense Agencies.

''(B) The amount authorized to be appropriated by law for the fiscal year concerned for projects of the military departments and Defense Agencies under the Manufacturing Technology Program.

''(2) Paragraph (1) applies to fiscal years 1998, 1999, and 2000.

''(f) TRANSFER AUTHORITY.—The Secretary of Defense may transfer funds made available pursuant to subsection (e) from a military department or Defense Agency to another military department or Defense Agency to ensure efficient implementation of the Manufacturing Technology Program. The Secretary may delegate the authority provided in the preceding sentence to the Under Secretary of Defense for Acquisition and Technology. Authority to transfer funds under this subsection 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.

''(g) REPORT.—(1) At the same time the President submits to Congress the budget for fiscal year 1999 pursuant to section 1105(a) of title 31, the Secretary of Defense shall submit to Congress a report that—

''(A) specifies the plans of the Secretary for expenditures under the program during fiscal years 1998, 1999, and 2000; and

''(B) assesses the effectiveness of the program.

''(2) The Secretary shall submit an updated version of such report at the same time the President submits the budget for each fiscal year after fiscal year 1999 during which the program is in effect shall include—

''(A) an assessment of whether the funding of the program, as provided pursuant to the funding requirement of subsection (e), is sufficient; and

''(B) any recommendations considered appropriate by the Secretary for changes in, or an extension of, the funding requirement of subsection (e).''.

SEC. 212. REPORT ON STRATEGIC ENVIRONMENTAL RESEARCH AND DEVELOPMENT PROGRAM.

(a) REPORT.—Not later than February 28, 1998, the Secretary of Defense shall submit to Congress a report containing, for each project or activity of the Strategic Environmental Research and Development Program—

(1) an explanation of why the project or activity is not duplicative of environmentally related research, development, and demonstration activities of other departments and agencies of the Federal Government, of State and local governments, or of other organizations engaged in such activities; and

(2) an explanation of why the project or activity is uniquely related to and necessary for the mission of the Department of Defense.

(b) LIMITATION ON USE OF FUNDS PENDING SUBMISSION OF REPORT.—Not more than 50 percent of the funds appropriated for the Strategic Environmental Research and Development Program pursuant to the authorization of appropriations in section 201(4) may be expended until the Secretary of Defense submits the report required under this section.

SEC. 213. TACTICAL UNMANNED AERIAL VEHICLES.

(a) PROHIBITION ON FUNDING FOR OUTRIDER ACTD PROGRAM.—No funds authorized to be appropriated under section 201 may be obligated for the Outrider Advanced Concept Technology Demonstration (ACTD) program.

(b) FUNDING REQUIREMENTS.—Of the funds authorized to be appropriated for tactical unmanned aerial vehicles (TUAV) under section 201—

(1) $10,000,000 shall be available to carry out a competition for an unmanned aerial vehicle capable of vertical takeoff and landing; and

(2) $11,500,000 shall be available to provide a Predator Unmanned Aerial Vehicle system equipped with synthetic aperture radar and associated equipment to facilitate the development of a common Tactical Control System for unmanned aerial vehicles.

SEC. 214. REVISIONS TO MEMBERSHIP OF AND APPOINTMENT AUTHORITY FOR NATIONAL OCEAN RESEARCH LEADERSHIP COUNCIL.

(a) MEMBERSHIP REVISIONS.—Section 7902(b) of title 10, United States Code, is amended—

(1) by striking out paragraph (11); and

(2) in paragraph (17), by striking out ''One member'' and inserting in lieu thereof ''Not more than four members''.

(b) APPOINTMENT AUTHORITY REVISIONS.—Section 7902 of such title is amended—

(1) in paragraphs (14), (15), (16), and (17) of subsection (b), by striking out ''chairman'' each place it appears and inserting in lieu thereof ''President''; and

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

''(j) DELEGATION OF APPOINTMENT AUTHORITY.—The President may delegate the authority to make appointments under subsection (b) to the head of a department, without authority to redelegate.''.

(c) CONFORMING AMENDMENTS.—(1) Section 7902 of such title is further amended—

(A) in subsection (b), by redesignating paragraphs (12), (13), (14), (15), (16), and (17) as paragraphs (11), (12), (13), (14), (15), and (16), respectively; and

(B) in subsection (d), by striking out ''(14), (15), (16), or (17)'' and inserting in lieu thereof ''(13), (14), (15), or (16)''.

(2) Section 282 of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201; 110 Stat. 2473) is amended by striking out subsection (c).

SEC. 215. MAINTENANCE AND REPAIR OF REAL PROPERTY AT AIR FORCE INSTALLATIONS.

(a) IN GENERAL.—Chapter 949 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 9782. Maintenance and repair of real property

''(a) ALLOCATION OF FUNDS.—The Secretary of the Air Force shall allocate funds authorized to be appropriated by a provision described in subsection (c) and a provision described in subsection (d) 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 a provision described in subsection (c) or (d).

''(b) MIXING OF FUNDS PROHIBITED ON INDIVIDUAL PROJECTS.—The Secretary of the Air

Force may not combine funds authorized to be appropriated by a provision described in subsection (c) and funds authorized to be appropriated by a provision described in subsection (d) for an individual project for maintenance and repair of real property at a military installation of the Department of the Air Force.

''(c) RESEARCH, DEVELOPMENT, TEST, AND EVALUATION FUNDS.—The provision described in this subsection is a provision of a national defense authorization Act that authorizes funds to be appropriated for a fiscal year to the Air Force for research, development, test, and evaluation.

''(d) OPERATION AND MAINTENANCE FUNDS.—The provision described in this subsection is a provision of a national defense authorization Act that authorizes funds to be appropriated for a fiscal year to the Air Force for operation and maintenance.''.

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

''9782. Maintenance and repair of real property.''.

SEC. 216. EXPANSION OF ELIGIBILITY FOR DEFENSE EXPERIMENTAL PROGRAM TO STIMULATE COMPETITIVE RESEARCH.

Section 257 of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; U.S.C. 2358 note) is amended by adding at the end of subsection (d) the following new paragraph:

''(3) In this section, the term 'State' means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the Virgin Islands, American Samoa, and the Commonwealth of the Northern Mariana Islands.''.

SEC. 217. LIMITATION ON USE OF FUNDS FOR ADAPTION OF INTEGRATED DEFENSIVE ELECTRONIC COUNTERMEASURES (IDECM) PROGRAM TO F/A–18E/F AIRCRAFT AND A/V–8B AIRCRAFT.

Not more than 50 percent of the amount authorized to be appropriated in section 201(2) for development of the Integrated Defensive Electronic Countermeasures (IDECM) program for adaption to the F/A–18E/F aircraft and the AV–8B aircraft may be obligated until the amount authorized in section 201(2) for development of the IDECM program for adaption to the F/A–18C/D aircraft is obligated.

SEC. 218. BIOASSAY TESTING OF VETERANS EXPOSED TO IONIZING RADIATION DURING MILITARY SERVICE.

Of the amount provided in section 201(4), $300,000 shall be available for the Nuclear Test Personnel Review Program conducted by the Defense Special Weapons Agency.

Subtitle C—Ballistic Missile Defense Programs

SEC. 231. BUDGETARY TREATMENT OF AMOUNTS REQUESTED FOR PROCUREMENT FOR BALLISTIC MISSILE DEFENSE PROGRAMS.

(a) REQUIREMENT FOR INCLUSION IN BUDGET OF BMDO.—(1) Chapter 9 of title 10, United States Code, is amended by inserting after section 222 the following new section:

''§ 224. Ballistic missile defense programs: amounts for procurement

''(a) REQUIREMENT.—Any amount in the budget submitted to Congress under section 1105 of title 31 for any fiscal year for procurement for the National Missile Defense program or for any system that is part of the core theater missile defense program shall be set forth under the account of the Department of Defense for Defense-wide procurement and, within that account, under the subaccount (or other budget activity level) for the Ballistic Missile Defense Organization.

''(b) CORE THEATER BALLISTIC MISSILE DEFENSE PROGRAM.—For purposes of this section, the core theater missile defense program consists of the systems specified in section 234 of the Ballistic Missile Defense Act of 1995 (10 U.S.C. 2431 note).''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 222 the following new item:

''224. Ballistic missile defense programs: amounts for procurement.''.

SEC. 232. COOPERATIVE BALLISTIC MISSILE DEFENSE PROGRAM.

(a) REQUIREMENT FOR NEW PROGRAM ELEMENT.—The Secretary of Defense shall establish a program element for the Ballistic Missile Defense Organization, to be referred to as the ''Cooperative Ballistic Missile Defense Program'', to support technical and analytical cooperative efforts between the United States and other nations that contribute to United States ballistic missile defense capabilities. All international cooperative ballistic missile defense programs of the Department of Defense shall be budgeted and administered through that program element.

(b) RELATIONSHIP TO OTHER PROGRAM ELEMENTS.—The program element established pursuant to subsection (a) is in addition to the program elements for activities of the Ballistic Missile Defense Organization required under section 251 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 233; 10 U.S.C. 221 note).

SEC. 233. DEPLOYMENT DATES FOR CORE THEATER MISSILE DEFENSE PROGRAMS.

(a) CHANGE IN DEPLOYMENT DATES.—Section 234(a) of the Ballistic Missile Defense Act of 1995 (subtitle C of title II of Public Law 104–106; 110 Stat. 229; 10 U.S.C. 2431 note) is amended—

(1) in the matter preceding paragraph (1), by striking out '', to be carried out so as to achieve the specified capabilities'';

(2) in paragraph (1), by striking out '', with a first unit equipped (FUE) during fiscal year 1998'';

(3) in paragraph (2), by striking out ''Navy Lower Tier (Area) system'' and all that follows through ''fiscal year 1999'' and inserting in lieu thereof ''Navy Area Defense system'';

(4) in paragraph (3)—

(A) by striking out ''with a'' and inserting in lieu thereof ''to be carried out so as to achieve a''; and

(B) by striking out ''fiscal year 1998'' and ''fiscal year 2000'' and inserting in lieu thereof ''fiscal year 2000'' and ''fiscal year 2004'', respectively; and

(5) in paragraph (4), by striking out ''Navy Upper Tier (Theater Wide) system, with'' and inserting in lieu thereof ''Navy Theater Wide system, to be carried out so as to achieve''.

(b) CONFORMING AMENDMENTS FOR PROGRAM ELEMENT NAME CHANGES.—Section 251(a) of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 233; 10 U.S.C. 221 note) is amended—

(1) in paragraph (2), by striking out ''Navy Lower Tier (Area) system'' and inserting in lieu thereof ''Navy Area Defense system''; and

(2) in paragraph (4), by striking out ''Navy Upper Tier (Theater Wide) system'' and inserting in lieu thereof ''Navy Theater Wide system''.

SEC. 234. ANNUAL REPORT ON THREAT POSED TO THE UNITED STATES BY WEAPONS OF MASS DESTRUCTION, BALLISTIC MISSILES, AND CRUISE MISSILES.

(a) ANNUAL REPORT.—The Secretary of Defense shall submit to Congress by January 30 of each year a report on the threats posed to the United States and allies of the United States—

(1) by weapons of mass destruction, ballistic missiles, and cruise missiles; and

(2) by the proliferation of weapons of mass destruction, ballistic missiles, and cruise missiles.

(b) CONSULTATION.—Each report submitted under subsection (a) shall be prepared in consultation with the Director of Central Intelligence.

(c) MATTERS TO BE INCLUDED.—Each report submitted under subsection (a) shall include the following:

(1) Identification of each foreign country and non-State organization that possesses weapons of mass destruction, ballistic missiles, or cruise missiles, and a description of such weapons and missiles with respect to each such foreign country and non-State organization.

(2) A description of the means by which any foreign country and non-State organization that has achieved capability with respect to weapons of mass destruction, ballistic missiles, or cruise missiles has achieved that capability, including a description of the international network of foreign countries and private entities that provide assistance to foreign countries and non-State organizations in achieving that capability.

(3) An examination of the doctrines that guide the use of weapons of mass destruction in each foreign country that possesses such weapons.

(4) An examination of the existence and implementation of the control mechanisms that exist with respect to nuclear weapons in each foreign country that possesses such weapons.

(5) Identification of each foreign country and non-State organization that seeks to acquire or develop (indigenously or with foreign assistance) weapons of mass destruction, ballistic missiles, or cruise missiles, and a description of such weapons and missiles with respect to each such foreign country and non-State organization.

(6) An assessment of various possible timelines for the achievement by foreign countries and non-State organizations of capability with respect to weapons of mass destruction, ballistic missiles, and cruise missiles, taking into account the probability of whether the Russian Federation and the People's Republic of China will comply with the Missile Technology Control Regime, the potential availability of assistance from foreign technical specialists, and the potential for independent sales by foreign private entities without authorization from their national Governments.

(7) For each foreign country or non-State organization that has not achieved the capability to target the United States or its territories with weapons of mass destruction, ballistic missiles, or cruise missiles as of the date of the enactment of this Act, an estimate of how far in advance the United States is likely to be warned before such foreign country or non-State organization achieves that capability.

(8) For each foreign country or non-State organization that has not achieved the capability to target members of the United States Armed Forces deployed abroad with weapons of mass destruction, ballistic missiles, or cruise missiles as of the date of the enactment of this Act, an estimate of how far in advance the United States is likely to be warned before such foreign country or non-State organization achieves that capability.

(d) CLASSIFICATION.—Each report under subsection (a) shall be submitted in classified and unclassified form.

SEC. 235. DIRECTOR OF BALLISTIC MISSILE DEFENSE ORGANIZATION.

(a) IN GENERAL.—Subchapter II of chapter 8 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 203. Director of Ballistic Missile Defense Organization

''(a) GRADE.—The position of Director of the Ballistic Missile Defense Organization—

''(1) may only be held by an officer of the armed forces on the active-duty list; and

''(2) shall be designated under section 601 of this title as a position of importance and responsibility to carry the grade of general or admiral or lieutenant general or vice admiral.

''(b) LINE OF AUTHORITY TO SECRETARY OF DEFENSE.—The Director of the Ballistic Missile Defense Organization reports directly to the

Secretary of Defense and (if so directed by the Secretary) the Deputy Secretary of Defense, without intervening review or approval by any other officer of the Department of Defense, with respect to all matters pertaining to the management of ballistic missile defense programs for which the Director has responsibility (including matters pertaining to the status of those programs and the budgets for those programs).''.

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

''203. Director of Ballistic Missile Defense Organization.''.

SEC. 236. TACTICAL HIGH ENERGY LASER PROGRAM.

(a) TRANSFER OF PROGRAM.—The Secretary of Defense shall transfer the Tactical High Energy Laser program from the Secretary of the Army to the Director of the Ballistic Missile Defense Organization, to be carried out under the Cooperative Ballistic Missile Defense Program established pursuant to section 232(a).

(b) AUTHORIZATION.—Of the amount authorized to be appropriated in section 201, $38,200,000 is authorized for the Tactical High Energy Laser program.

TITLE III—OPERATION AND MAINTENANCE

Subtitle A—Authorization of Appropriations

SEC. 301. OPERATION AND MAINTENANCE FUNDING.

Funds are hereby authorized to be appropriated for fiscal year 1998 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, $17,185,034,000.

(2) For the Navy, $21,372,699,000.

(3) For the Marine Corps, $2,381,245,000.

(4) For the Air Force, $18,745,985,000.

(5) For Defense-wide activities, $10,030,057,000.

(6) For the Army Reserve, $1,202,891,000.

(7) For the Naval Reserve, $849,711,000.

(8) For the Marine Corps Reserve, $110,366,000.

(9) For the Air Force Reserve, $1,629,120,000.

(10) For the Army National Guard, $2,266,432,000.

(11) For the Air National Guard, $2,985,969,000.

(12) For the Defense Inspector General, $136,580,000.

(13) For the United States Court of Appeals for the Armed Forces, $6,952,000.

(14) For Environmental Restoration, Army, $377,337,000.

(15) For Environmental Restoration, Navy, $277,500,000.

(16) For Environmental Restoration, Air Force, $378,900,000.

(17) For Environmental Restoration, Defense-wide, $27,900,000.

(18) For Environmental Restoration, Formerly Used Defense Sites, $202,300,000.

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

(20) For Drug Interdiction and Counter-drug Activities, Defense-wide, $661,671,000.

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

(22) For Medical Programs, Defense, $9,975,382,000.

(23) For Cooperative Threat Reduction programs, $284,700,000.

(24) For Overseas Contingency Operations Transfer Fund, $1,467,500,000.

SEC. 302. WORKING CAPITAL FUNDS.

Funds are hereby authorized to be appropriated for fiscal year 1998 for the use of the Armed Forces and other activities and agencies of the Department of Defense for providing capital for working capital and revolving funds in amounts as follows:

(1) For the Defense Working Capital Funds, $971,952,000.

(2) For the National Defense Sealift Fund, $1,181,626,000.

SEC. 303. ARMED FORCES RETIREMENT HOME.

There is hereby authorized to be appropriated for fiscal year 1998 from the Armed Forces Retirement Home Trust Fund the sum of $79,977,000 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 1998 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. REFURBISHMENT AND INSTALLATION OF AIR SEARCH RADAR.

Of the amount authorized to be appropriated pursuant to section 301(2) for operation and maintenance for the Navy, $6,000,000 shall be available only for the refurbishment and installation of the AN/SPS-48E air search radar for the Ship Self Defense System at the Integrated Ship Defense Systems Engineering Center, Naval Surface Warfare Center, Wallops Islands, Virginia.

SEC. 306. REFURBISHMENT OF M1–A1 TANKS.

Of the amount authorized to be appropriated pursuant to section 301(1) for operation and maintenance for the Army, $35,000,000 shall be available only for refurbishment of M1–A1 tanks at the Anniston Army Depot under the AIM-XXI program if the Secretary of Defense determines that the cost effectiveness of the pilot AIM-XXI program is validated through user trials conducted at the National Training Center, Fort Irwin, California.

SEC. 307. PROCUREMENT AND ELECTRONIC COMMERCE TECHNICAL ASSISTANCE PROGRAM.

(a) AUTHORIZATION.—Subject to subsection (c), of the amount authorized to be appropriated under section 301(5), $15,000,000 shall be available for carrying out the provisions of chapter 142 of title 10, United States Code.

(b) PROHIBITION.—Subject to subsection (c), the Secretary of Defense may not obligate or expend any funds available for research, development, test, and evaluation to establish or operate a resource center or program to provide technical assistance relating to electronic commerce.

(c) LIMITATION.—Subsections (a) and (b) apply only in the event of the consolidation of the procurement technical assistance program and the electronic commerce resource program as a single technical assistance program funded with amounts available for operation and maintenance.

SEC. 308. AVAILABILITY OF FUNDS FOR SEPARATION PAY FOR DEFENSE ACQUISITION PERSONNEL.

Of the amount authorized to be appropriated pursuant to section 301(5) for operation and maintenance for Defense-wide activities, $100,000,000 shall be available only for the payment of separation pay for defense acquisition personnel (other than pursuant to section 5597 of title 5, United States Code).

Subtitle B—Military Readiness Issues

SEC. 311. EXPANSION OF SCOPE OF QUARTERLY READINESS REPORTS.

(a) EXPANDED REPORTS REQUIRED.—Section 482 of title 10, United States Code, is amended to read as follows:

''§ 482. Quarterly readiness reports

''(a) QUARTERLY REPORTS REQUIRED.—Not later than 30 days after the end of each calendar-year quarter, 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 military readiness. The report for a quarter shall contain the information required by subsections (b) (d), and (e).

''(b) READINESS PROBLEMS AND REMEDIAL ACTIONS.—Each report shall specifically describe—

''(1) readiness problems or deficiencies identified using the assessments considered under subsection (c);

''(2) planned remedial actions; and

''(3) the key indicators and other relevant information related to the identified problem or deficiency.

''(c) CONSIDERATION OF READINESS ASSESSMENTS.—The information required under subsection (b) to be included in the report for a quarter shall be based on readiness assessments that are provided during that quarter—

''(1) to any council, committee, or other body of the Department of Defense—

''(A) that has responsibility for readiness oversight; and

''(B) whose membership includes at least one civilian officer in the Office of the Secretary of Defense at the level of Assistant Secretary of Defense or higher;

''(2) by senior civilian and military officers of the military departments and the commanders of the unified and specified commands; and

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

''(d) COMPREHENSIVE READINESS INDICATORS.—Each report shall also include information regarding each military department (and an evaluation of such information) with respect to each of the following readiness indicators:

''(1) PERSONNEL STRENGTH.—

''(A) Individual personnel status.

''(B) Historical and projected personnel trends.

''(2) PERSONNEL TURBULENCE.—

''(A) Recruit quality.

''(B) Borrowed manpower.

''(C) Personnel stability.

''(3) OTHER PERSONNEL MATTERS.—

''(A) Personnel morale.

''(B) Medical and dental readiness.

''(C) Recruit shortfalls.

''(4) TRAINING.—

''(A) Training unit readiness and proficiency.

''(B) Operations tempo.

''(C) Training funding.

''(D) Training commitments and deployments.

''(5) LOGISTICS—EQUIPMENT FILL.—

''(A) Deployed equipment.

''(B) Equipment availability.

''(C) Equipment that is not mission capable.

''(D) Age of equipment.

''(E) Condition of nonpacing items.

''(6) LOGISTICS—EQUIPMENT MAINTENANCE.—

''(A) Maintenance backlog.

''(7) LOGISTICS—SUPPLY.—

''(A) Availability of ordnance and spares.

''(e) UNIT READINESS INDICATORS.—Each report shall also include information regarding the readiness of each unit of the armed forces at the battalion, squadron, or an equivalent level (or a higher level) that received a readiness rating of C–3 (or below) for any month of the calendar-year quarter covered by the report. With respect to each such unit, the report shall separately provide the following information:

''(1) The unit designation and level of organization.

''(2) The overall readiness rating for the unit for the quarter and each month of the quarter.

''(3) The resource area or areas (personnel, equipment and supplies on hand, equipment condition, or training) that adversely affected the unit's readiness rating for the quarter.

''(4) If the unit received a readiness rating below C–1 in personnel for the quarter, the primary reason for the lower rating, by reason code and definition.

''(5) If the unit received a readiness rating below C–1 in equipment and supplies on hand for the quarter, the primary reason for the lower rating, by reason code and definition.

''(6) If the unit received a readiness rating below C–1 in equipment condition for the quarter, the primary reason for the lower rating, by reason code and definition.

''(7) If the unit received a readiness rating below C–1 in training for the quarter, the primary reason for the lower rating, by reason code and definition.

''(f) CLASSIFICATION OF REPORTS.—A report under this section shall be submitted in unclassified form. To the extent the Secretary of Defense determines necessary, the report may also be submitted in classified form.''.

(b) IMPLEMENTATION PLAN TO EXAMINE READINESS INDICATORS.—Not later than January 15, 1998, the Secretary of Defense shall submit to the congressional defense committees a plan—

(1) specifying the manner in which the Secretary will implement the additional reporting requirement of subsection (d) of section 482 of title 10, United States Code, as added by this section; and

(2) specifying the criteria proposed to be used to evaluate the readiness indicators identified in such subsection (d).

(c) LIMITATION PENDING RECEIPT OF IMPLEMENTATION PLAN.—Of the amount available for fiscal year 1998 for operation and support activities of the Office of the Secretary of Defense, 10 percent may not be obligated until after the date on which the implementation plan required by subsection (b) is submitted.

(d) FIRST REPORT; TRANSITION.—The first report required under section 482 of title 10, United States Code, as amended by subsection (a), shall be submitted not later than October 31, 1997. Until the report required for the third quarter of 1998 is submitted, the Secretary of Defense may omit the information required by subsection (d) of such section if the Secretary determines that it is impracticable to comply with such subsection with regard to the preceding reports.

SEC. 312. LIMITATION ON REALLOCATION OF FUNDS WITHIN OPERATION AND MAINTENANCE APPROPRIATIONS.

(a) LIMITATION.—Whenever the Secretary of Defense proposes to reallocate funds within an O&M budget activity in a manner described in subsection (b), the reallocation may be made only—

(1) after the Secretary submits to the congressional defense committees notice of the proposed reallocation; and

(2) if the procedures generally applicable to transfers of funds between appropriations of the Department of Defense have been followed with respect to such reallocation.

(b) COVERED REALLOCATIONS.—Subsection (a) applies in the case of any reallocation of funds from a subactivity of an O&M budget activity to another subactivity within the same O&M budget activity or to another O&M budget activity within the same operation and maintenance appropriation if the amount to be reallocated, when added to any previous amounts reallocated from that subactivity for that fiscal year, is in excess of $10,000,000.

(c) O&M BUDGET ACTIVITY DEFINED.—For purposes of this section, the term ''O&M budget activity'' means a budget activity within an operation and maintenance appropriation of the Department of Defense for a fiscal year.

(d) COVERED FISCAL YEARS.—This section applies with respect to funds appropriated for fiscal years 1998, 1999, and 2000.

SEC. 313. OPERATION OF PREPOSITIONED FLEET, NATIONAL TRAINING CENTER, FORT IRWIN, CALIFORNIA.

Of the amount authorized to be appropriated pursuant to section 301(1) for operation and maintenance for the Army, $60,200,000 shall be available only to pay costs associated with the operation of the prepositioned fleet of equipment during training rotations at the National Training Center, Fort Irwin, California.

SEC. 314. PROHIBITION OF IMPLEMENTATION OF TIERED READINESS SYSTEM.

(a) PROHIBITION.—The Secretary of a military department may not implement, or be required to implement, a readiness system for units of the Armed Forces under the jurisdiction of that Secretary under which a military unit would be categorized into one of several categories (or ''tiers'') 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, if that system would have the effect of changing the methods used as of October 1, 1996, by the Armed Forces under the jurisdiction of that Secretary for determining the priorities for allocating to such military units funding, personnel, equipment, equipment maintenance, and training resources, and the associated levels of readiness of those units that result from those priorities.

(b) REPORT TO CONGRESS REQUESTING WAIVER.—If the Secretary of Defense determines that implementation, for one or more of the Armed Forces, of a tiered readiness system that is otherwise prohibited by subsection (a) would be in the national security interests of the United States, 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 that determination of the Secretary, together with the rationale for that determination, and a request for the enactment of legislation to allow implementation of such a system.

SEC. 315. REPORTS ON TRANSFERS FROM HIGH-PRIORITY READINESS APPROPRIATIONS.

(a) ANNUAL AND QUARTERLY REPORTS REQUIRED.—Chapter 23 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 483. Reports on transfers from high-priority readiness appropriations

''(a) ANNUAL REPORTS.—Not later than the date on which the President submits the budget for a fiscal year to Congress pursuant to section 1105 of title 31, the Secretary of Defense shall submit to the Committee on Armed Services and the Committee on Appropriations of the Senate and the Committee on National Security and the Committee on Appropriations of the House of Representatives a report on transfers during the preceding fiscal year from funds available for each covered budget activity.

''(b) QUARTERLY REPORTS.—Not later than 30 days after the end of each quarter of a fiscal year, the Secretary of Defense shall submit to the congressional committees specified in subsection (a) a report on transfers, during that fiscal year quarter, from funds available for each covered budget activity.

''(c) MATTERS TO BE INCLUDED.—In each report under subsection (a) or (b), the Secretary of Defense shall include for each covered budget activity the following:

''(1) A statement, for the period covered by the report, of—

''(A) the total amount of transfers into funds available for that activity;

''(B) the total amount of transfers from funds available for that activity; and

''(C) the net amount of transfers into, or out of, funds available for that activity.

''(2) A detailed explanation of the transfers into, and out of, funds available for that activity during the period covered by the report.

''(d) COVERED BUDGET ACTIVITY DEFINED.—In this section, the term 'covered budget activity' means each of the following:

''(1) The budget activity groups (known as 'subactivities') within the Operating Forces budget activity of the annual Operation and Maintenance, Army, appropriation that are designated as follows:

''(A) All subactivities under the category of Land Forces.

''(B) Land Forces Depot Maintenance.

''(C) Base Support.

''(D) Maintenance of Real Property.

''(2) The Air Operations budget activity groups (known as 'subactivities') within the Operating Forces budget activity of the annual Operation and Maintenance, Navy, appropriation that are designated as follows:

''(A) Mission and Other Flight Operations.

''(B) Fleet Air Training.

''(C) Aircraft Depot Maintenance.

''(D) Base Support.

''(E) Maintenance of Real Property.

''(3) The Ship Operations budget activity groups (known as 'subactivities') within the Operating Forces budget activity of the annual Operation and Maintenance, Navy, appropriation that are designated as follows:

''(A) Mission and Other Ship Operations.

''(B) Ship Operational Support and Training.

''(C) Ship Depot Maintenance.

''(D) Base Support.

''(E) Maintenance of Real Property.

''(4) The Expeditionary Forces budget activity groups (known as 'subactivities') within the Operating Forces budget activity of the annual Operation and Maintenance, Marine Corps, appropriation that are designated as follows:

''(A) Operational Forces.

''(B) Depot Maintenance.

''(C) Base Support.

''(D) Maintenance of Real Property.

''(5) The Air Operations and Combat Related Operations budget activity groups (known as 'subactivities') within the Operating Forces budget activity of the annual Operation and Maintenance, Air Force, appropriation that are designated as follows:

''(A) Primary Combat Forces.

''(B) Primary Combat Weapons.

''(C) Air Operations Training.

''(D) Depot Maintenance.

''(E) Base Support.

''(F) Maintenance of Real Property.

''(6) The Mobility Operations budget activity group (known as a 'subactivity') within the Mobilization budget activity of the annual Operation and Maintenance, Air Force, appropriation that is designated as Airlift Operations.

''(e) TERMINATION.—The requirements specified in subsections (a) and (b) shall terminate upon the submission of the annual report under subsection (a) covering fiscal year 2000.''.

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

''483. Reports on transfers from high-priority readiness appropriations.''.

SEC. 316. REPORT ON CHAIRMAN, JOINT CHIEFS OF STAFF EXERCISE PROGRAM AND PARTNERSHIP FOR PEACE PROGRAM.

(a) REPORT.—Not later than February 16, 1998, 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 exercises conducted by the Department of Defense during fiscal years 1995, 1996, and 1997 and the military exercises planned to be conducted during fiscal years 1998, 1999, and 2000, under the training exercises program known as the ''CJCS Exercise Program'' and under the training exercises program known as the Partnership for Peace program.

(b) INFORMATION ON EXERCISES CONDUCTED OR TO BE CONDUCTED.—The report under subsection (a) shall include the following information for each such exercise, which shall be set

forth by fiscal year and shown within fiscal year by the sponsoring command:

(1) Name of the exercise.

(2) Type, description, duration, and objectives of the exercise

(3) Command sponsoring the exercise.

(4) Participating units, including the number of personnel participating in each unit.

(5) For each participating unit, the percentage of the tasks on that unit's specification of tasks knows as a Mission Essential Task List (or comparable specification, in the case of any of the Armed Forces that do not maintain a Mission Essential Task List designation) scheduled to be performed as part of the exercise.

(6) The cost of the exercise to the Chairman of the Joint Chiefs of Staff and the cost to each of the Armed Forces participating in the exercise, with a description of the categories of activities for which those costs are incurred in each such case.

(7) The priority of the exercise in relation to all other exercises planned by the sponsoring command to be conducted during that fiscal year.

(8) In the case of an exercise conducted under the Partnership for Peace program, the country with which each the exercise was conducted.

(c) ASSESSMENT.—The report shall include—

(1) an assessment of the ability of each of the Armed Forces to meet requirements of the CJCS Exercise Program and the Partnership for Peace program with available assets;

(2) an assessment of the training value of each exercise covered in the report to each unit participating in the exercise, including for each such unit an assessment of the value of the percentage under subsection (b)(5) as an indicator of the training value of the exercise for that unit; and

(3) options to minimize the negative effects on operational and personnel tempo resulting from the CJCS Exercise Program and the Partnership for Peace program.

(d) FUNDING LIMITATION PENDING RECEIPT OF REPORT.—Of the funds available for fiscal year 1998 for the conduct of the CJSC Exercise Program, not more than 50 percent may be expended before the report under subsection (a) is submitted.

SEC. 317. QUARTERLY REPORTS ON EXECUTION OF OPERATION AND MAINTENANCE APPROPRIATIONS.

(a) REPORT REQUIRED.—Chapter 23 of title 10, United States Code, is amended by inserting after section 483, as added by section 315, the following new section:

"§ 484. Quarterly reports on execution of operation and maintenance appropriations

''(a) REPORT REQUIRED.—Not later than 60 days after the end of each quarter of a fiscal year, the Secretary of Defense shall submit to the Committee on Armed Services and the Committee on Appropriations of the Senate and the Committee on National Security and the Committee on Appropriations of the House of Representatives a report containing budget execution data for each budget activity group (known as a 'subactivity') within the annual operation and maintenance appropriations for the period covered by the report. A report shall cover all preceding quarters of the fiscal year involved.

''(b) MANNER OF PRESENTING DATA.—The budget execution data required under subsection (a) shall be displayed for the fiscal year involved in the same manner used in the operation and maintenance tables contained in the budget justification document entitled 'O–1 Exhibit' submitted to Congress in support of the budget of the Department of Defense, as included in the budget of the President submitted under section 1105 of title 31.

''(c) REQUIRED INFORMATION.—The following information shall be provided for each budget activity group:

''(1) Amounts authorized to be appropriated.

''(2) Amounts appropriated.

''(3) Direct obligations.

''(4) Total obligational authority.

''(5) Amounts related to unbudgeted contingency operations.

''(6) Direct obligations related to unbudgeted contingency operations.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 483, as added by section 315, the following new item:

''484. Quarterly reports on execution of operation and maintenance appropriations.''.

Subtitle C—Civilian Personnel

SEC. 321. PAY PRACTICES WHEN OVERSEAS TEACHERS TRANSFER TO GENERAL SCHEDULE POSITIONS.

Section 5334(d) of title 5, United States Code, is amended by striking out ''is deemed increased by 20 percent'' and inserting in lieu thereof ''shall be increased by such amount as may be authorized, if any, under regulations issued by the Secretary of Defense, but not to exceed 20 percent,''.

SEC. 322. USE OF APPROVED FIRE-SAFE ACCOMMODATIONS BY GOVERNMENT EMPLOYEES ON OFFICIAL BUSINESS.

(a) PERCENTAGE USE REQUIREMENT.—Section 5707a of title 5, United States Code, is amended—

(1) by redesignating subsections (a) through (d) as subsections (b) through (e), respectively; and

(2) by inserting after the section heading the following new subsection:

''(a)(1) For the purpose of making payments under this chapter for lodging expenses incurred in a State, each agency shall ensure that not less than 90 percent of the commercial-lodging room nights for employees of that agency for a fiscal year are booked in approved places of public accommodation.

''(2) Each agency shall establish explicit procedures to satisfy the percentage requirement of paragraph (1).''.

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

''(f) For purposes of this section:

''(1) The term 'agency' does not include the government of the District of Columbia.

''(2) The term 'approved places of public accommodation' means hotels, motels, and other places of public accommodation that are listed by the Federal Emergency Management Agency as meeting the requirements of the fire prevention and control guidelines described in section 29 of the Federal Fire Prevention and Control Act of 1974 (15 U.S.C. 2225).

''(3) The term 'State' means any State, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, the Trust Territory of the Pacific Islands, the Virgin Islands, Guam, American Samoa, or any other territory or possession of the United States.''.

(c) CONFORMING AMENDMENTS.—Such section is further amended—

(1) in subsection (b), as redesignated by subsection (a)(1)—

(A) by striking out ''places of public accommodation that meet the requirements of the fire prevention and control guidelines described in section 29 of the Federal Fire Prevention and Control Act of 1974'' and inserting in lieu thereof ''approved places of public accommodation''; and

(B) by striking out ''as defined in section 4 of the Federal Fire Prevention and Control Act of 1974'';

(2) in subsection (c), as redesignated by subsection (a)(1), by striking out ''does not meet the requirements of the fire prevention and control guidelines described in section 29 of the Federal Fire Prevention and Control Act of 1974'' and inserting in lieu thereof ''is not an approved place of public accommodation''; and

(3) in subsection (e), as redesignated by subsection (a)(1)—

(A) by striking out ''encourage'' and inserting in lieu thereof ''facilitate the ability of ''; and

(B) by striking out ''places of public accommodation that meet the requirements of the fire prevention and control guidelines described in section 29 of the Federal Fire Prevention and Control Act of 1974'' and inserting in lieu thereof ''approved places of public accommodation''.

(d) REPORT ON IMPLEMENTATION.—Not later than March 31, 1998, the Administrator of General Services, after consultation with the agencies covered by section 5707a of title 5, United States Code, shall submit to Congress a report describing the procedures established by each agency to satisfy the percentage requirement imposed by subsection (a) of such section, as amended by this section.

Subtitle D—Depot-Level Activities

SEC. 331. 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, 1997'' and inserting in lieu thereof ''September 30, 1999''.

SEC. 332. EXCLUSION OF CERTAIN LARGE MAINTENANCE AND REPAIR PROJECTS FROM PERCENTAGE LIMITATION ON CONTRACTING FOR DEPOT-LEVEL MAINTENANCE.

Section 2466 of title 10, United States Code, is amended by inserting after subsection (a) the following new subsection:

''(b) TREATMENT OF CERTAIN LARGE PROJECTS.—If a maintenance or repair project concerning an aircraft carrier or submarine that is contracted for performance by non-Federal Government personnel and that accounts for five percent or more of the funds made available in a fiscal year to a military department or a Defense Agency for depot-level maintenance and repair workload, the project and the funds necessary for the project shall not be considered when applying the percentage limitation specified in subsection (a) to that military department or Defense Agency.''.

SEC. 333. RESTRICTIONS ON CONTRACTS FOR PERFORMANCE OF DEPOT-LEVEL MAINTENANCE AND REPAIR AT CERTAIN FACILITIES.

(a) DEPOT-LEVEL MAINTENANCE AND REPAIR DEFINED.—(1) Chapter 146 of title 10, United States Code, is amended by inserting before section 2461 the following new section:

"§ 2460. Definition of depot-level maintenance and repair

''(a) IN GENERAL.—In this chapter, the term 'depot-level maintenance and repair' means material maintenance or repair requiring the overhaul, upgrading, or rebuilding of parts, assemblies, or subassemblies, and the testing and reclamation of equipment as necessary, regardless of the source of funds for the maintenance or repair. The term includes all aspects of software maintenance and such portions of interim contractor support, contractor logistics support, or any similar contractor support for the performance of services that are described in the preceding sentence.

''(b) EXCEPTION.—The term does not include the procurement of a major weapon system modification or upgrade, except where the changes to the system are primarily for safety reasons, to correct a deficiency, or to improve program performance.''.

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

''2460. Definition of depot-level maintenance and repair.''.

(b) RESTRICTION ON CERTAIN CONTRACTS.—Section 2469 of title 10, United States Code, is amended—

(1) in subsections (a) and (b), by striking out ''or repair'' and inserting in lieu thereof ''and repair''; and

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

''(d) RESTRICTION ON CONTRACTS AT CERTAIN FACILITIES.—

''(1) RESTRICTION.—The Secretary of Defense may not enter into any contract for the performance of depot-level maintenance and repair of weapon systems or other military equipment of the Department of Defense, or for the performance of management functions related to depot-level maintenance and repair of such systems or equipment, at any military installation where a depot-level maintenance and repair facility was approved in 1995 for closure 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). In the preceding sentence, the term 'military installation' includes a former military installation closed under the Act that was a military installation when it was approved for closure under the Act.

''(2) EXCEPTION.—Paragraph (1) shall not apply with respect to an installation or former installation described in such paragraph if the Secretary of Defense certifies to Congress, not later than 45 days before entering into a contract for depot-level maintenance and repair at the installation or former installation, that—

''(A) not less than 80 percent of the capacity at each of the depot-level maintenance and repair activities of the military department concerned is being utilized on an ongoing basis to perform industrial operations in support of the depot-level maintenance and repair of weapon systems and other military equipment of the Department of Defense;

''(B) the Secretary has determined, on the basis of a detailed analysis (which the Secretary shall submit to Congress with the certification), that the total amount of the costs of the proposed contract to the Government, both recurring and nonrecurring and including any costs associated with planning for and executing the proposed contract, would be less than the costs that would otherwise be incurred if the depot-level maintenance and repair to be performed under the contract were performed using equipment and facilities of the Department of Defense;

''(C) all of the information upon which the Secretary determined that the total costs to the Government would be less under the contract is available for examination; and

''(D) none of the depot-level maintenance and repair to be performed under the contract was considered, before July 1, 1995, to be a core logistics capability of the military department concerned pursuant to section 2464 of this title.

''(3) CAPACITY OF DEPOT-LEVEL ACTIVITIES.—For purposes of paragraph (2)(A), the capacity of depot-level maintenance and repair activities shall be considered to be the same as the maximum potential capacity identified by the Defense Base Closure and Realignment Commission for purposes of the selection in 1995 of military installations for closure or realignment under the Defense Base Closure and Realignment Act of 1990, without regard, after 1995, to any limitation on the maximum number of Federal employees (expressed as full time equivalent employees or otherwise), Federal employment levels, or the actual availability of equipment to support depot-level maintenance and repair.

''(4) GAO REVIEW.—At the same time that the Secretary submits the certification and analysis to Congress under paragraph (2), the Secretary shall submit a copy of the certification and analysis to the Comptroller General. The Comptroller General shall review the analysis and the information referred to in subparagraph (C) of paragraph (2) and, not later than 30 days after Congress receives the certification, submit to Congress a report containing a statement regarding whether the Comptroller General concurs with the determination of the Secretary included in the certification pursuant to subparagraph (B) of that paragraph.

''(5) APPLICATION.—This subsection shall apply with respect to any contract described in paragraph (1) that is entered into, or proposed to be entered into, after January 1, 1997.''.

SEC. 334. CORE LOGISTICS FUNCTIONS OF DEPARTMENT OF DEFENSE.

Section 2464(a) of title 10, United States Code, is amended—

(1) in paragraph (1), by striking out ''a logistics capability (including personnel, equipment, and facilities)'' and inserting in lieu thereof ''a core logistics capability that is Government-owned and Government-operated (including Government personnel and Government-owned and Government-operated equipment and facilities)'';

(2) in paragraph (2), by striking out ''the logistics'' and inserting in lieu thereof ''the core logistics''; and

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

''(3) Those core logistics activities identified under paragraphs (1) and (2) shall include the capability, facilities, and equipment to maintain and repair all types of weapon systems and other military equipment that are identified by the Secretary, in consultation with the Joint Chiefs of Staff, as necessary to enable the armed forces to fulfill the national military strategy, including the capability and capacity to maintain and repair any new mission-essential weapon system or materiel within four years after the system or materiel achieves initial operational capability.

''(4) The Secretary of Defense shall require the performance of core logistics activities identified under paragraphs (1), (2), and (3) at Government-owned, Government-operated facilities of the Department of Defense (including Government-owned, Government-operated facilities of a military department) and shall assign such facilities sufficient workload to ensure cost efficiency and technical proficiency in peacetime while preserving the surge capacity and reconstitution capabilities necessary to meet the military contingencies provided for in the national military strategy.''.

SEC. 335. CENTERS OF INDUSTRIAL AND TECHNICAL EXCELLENCE.

(a) DESIGNATION AND PURPOSE.—(1) Chapter 146 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 2474. Centers of Industrial and Technical Excellence: designation; public-private partnerships

''(a) DESIGNATION.—(1) The Secretary of Defense shall designate each depot-level activity of the military departments and the Defense Agencies (other than facilities approved for closure or major realignment 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)) as a Center of Industrial and Technical Excellence in the recognized core competencies of the activity.

''(2) The Secretary shall establish a policy to encourage the Secretary of each military department and the head of each Defense Agency to reengineer industrial processes and adopt best-business practices at their depot-level activities in connection with their core competency requirements, so as to serve as recognized leaders in their core competencies throughout the Department of Defense and in the national technology and industrial base (as defined in section 2500(1) of this title).

''(b) PUBLIC-PRIVATE PARTNERSHIPS.—The Secretary of Defense shall enable Centers of Industrial and Technical Excellence to form public-private partnerships for the performance of depot-level maintenance and repair and shall encourage the use of such partnerships to maximize the utilization of the capacity at such Centers.

''(c) ADDITIONAL WORK.—The policy required under subsection (a) shall include measures to enable a private sector entity that enters into a partnership arrangement under subsection (b) or leases excess equipment and facilities at a Center of Industrial and Technical Excellence pursuant to section 2471 of this title to perform additional work at the Center, subject to the limitations outlined in subsection (b) of such section, outside of the types of work normally assigned to the Center.''.

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

''2474. Centers of Industrial and Technical Excellence: designation; public-private partnerships.''.

(b) REPORTING REQUIREMENT.—Not later than March 1, 1998, the Secretary of Defense shall submit to Congress a report on the policies established by the Secretary pursuant to section 2474 of title 10, United States Code, to implement the requirements of such section. The report shall include—

(1) the details of any public-private partnerships entered into as of that date under subsection (b) of such section;

(2) the details of any leases entered into as of that date under section 2471 of such title with authorized entities for dual-use (military and nonmilitary) purposes; and

(3) the effect that the partnerships and leases had on capacity utilization, depot rate structures, and readiness.

SEC. 336. PERSONNEL REDUCTIONS, ARMY DEPOTS PARTICIPATING IN ARMY WORKLOAD AND PERFORMANCE SYSTEM.

The Secretary of the Army may not carry out a reduction in force of civilian employees at the five Army depots participating in the demonstration and testing of the Army Workload and Performance System until after the date on which the Secretary submits to Congress a report certifying that—

(1) the Army Workload and Performance System is fully operational; and

(2) the manpower audits being performed by the Comptroller General, the Army Audit Agency, and the Inspector General of the Army as of the date of the enactment of this Act have been completed.

Subtitle E—Environmental Provisions

SEC. 341. REVISION OF MEMBERSHIP TERMS FOR STRATEGIC ENVIRONMENTAL RESEARCH AND DEVELOPMENT PROGRAM SCIENTIFIC ADVISORY BOARD.

Section 2904(b) of title 10, United States Code, is amended in paragraph (4) by striking out ''three'' and inserting in lieu thereof ''not less than two and not more than four''.

SEC. 342. AMENDMENTS TO AUTHORITY TO ENTER INTO AGREEMENTS WITH OTHER AGENCIES IN SUPPORT OF ENVIRONMENTAL TECHNOLOGY CERTIFICATION.

(a) AUTHORITY TO ENTER INTO AGREEMENTS WITH INDIAN TRIBES.—Section 327 of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201; 110 Stat. 2483) is amended—

(1) in subsection (a), by inserting '', or with an Indian tribe,'' after ''with an agency of a State or local government'';

(2) by redesignating subsection (e) as subsection (f); and

(3) by inserting after subsection (d) the following new subsection:

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

(b) ELIMINATION OF CERTAIN LIMITATION ON AUTHORITY.—Subsection (b)(1) of such section is amended by striking out ''in carrying out its environmental restoration activities''.

SEC. 343. AUTHORIZATION TO PAY NEGOTIATED SETTLEMENT FOR ENVIRONMENTAL CLEANUP AT FORMER DEPARTMENT OF DEFENSE SITES IN CANADA.

(a) AUTHORIZATION.—To the extent provided in appropriations Acts, the Secretary of Defense may pay an amount to the Government of Canada of not more than $100,000,000 (in fiscal year 1996 constant dollars), for purposes of implementing the October 1996 negotiated settlement between the United States and Canada relating to environmental cleanup at various sites in Canada that were formerly used by the Department of Defense.

(b) METHOD OF PAYMENT.—The amount authorized by subsection (a) shall be paid in 10 annual payments, with the first payment made in fiscal year 1998.

(c) FISCAL YEAR 1998 PAYMENT.—The payment under this section for fiscal year 1998 shall be made from amounts appropriated pursuant to section 301(5).

SEC. 344. MODIFICATIONS OF AUTHORITY TO STORE AND DISPOSE OF NONDEFENSE TOXIC AND HAZARDOUS MATERIALS.

(a) AUTHORITY TO STORE MATERIALS OWNED BY MEMBERS OF THE ARMED FORCES.—Section 2692(a) of title 10, United States Code, is amended—

(1) by inserting ''either'' before ''by the Department''; and

(2) by inserting before the period at the end the following: ''or by a member of the armed forces (or a dependent of the member) assigned to or provided military housing on the installation''.

(b) ADDITIONAL EXCEPTION TO LIMITATION ON STORAGE AND DISPOSAL.—Section 2692(b) of such title is amended—

(1) by redesignating paragraphs (1) through (9) as paragraphs (2) through (10), respectively; and

(2) by inserting before paragraph (2) (as so redesignated) the following new paragraph (1):

''(1) the storage, treatment, or disposal of materials that will be or have been used in connection with an activity of the Department of Defense or in connection with a service to be performed on an installation of the Department for the benefit of the Department;''.

(c) MODIFICATION TO EXCEPTION RELATING TO STORAGE OR DISPOSAL OF EXPLOSIVES TO ASSIST LAW ENFORCEMENT AGENCIES.—Section 2692(b) of such title is amended in paragraph (3) (as redesignated by subsection (b))—

(1) by striking out ''Federal law enforcement'' and inserting in lieu thereof ''Federal, State, or local law enforcement''; and

(2) by striking out ''Federal agency'' and inserting in lieu thereof ''Federal, State, or local agency''.

(d) MODIFICATION TO EXCEPTION RELATING TO STORAGE OF MATERIAL IN CONNECTION WITH USE OF A DEFENSE FACILITY.—Section 2692(b) of such title is amended in paragraph (9) (as redesignated by subsection (b))—

(1) by striking out ''by a private person in connection with the authorized and compatible use by that person of an industrial-type'' and inserting in lieu thereof ''in connection with the authorized use of a''; and

(2) by striking out ''; and'' at the end and inserting in lieu thereof the following: ''including the use of such a facility for testing materiel and training personnel;''.

(e) MODIFICATION TO EXCEPTION RELATING TO TREATMENT AND DISPOSAL OF MATERIAL IN CONNECTION WITH USE OF A DEFENSE FACILITY.—Section 2692(b) of such title is amended in paragraph (10) (as redesignated by subsection (b))—

(1) by striking out ''by a private person in connection with the authorized and compatible commercial use by that person of an industrial-type'' and inserting in lieu thereof ''in connection with the authorized use of a'';

(2) by striking out ''with that person'' and inserting in lieu thereof ''or agreement with the prospective user'';

(3) by striking out ''for that person's'' in subparagraph (B) and inserting in lieu thereof ''for the prospective user's''; and

(4) by striking out the period at the end and inserting in lieu thereof ''; and''.

(f) ADDITIONAL EXCEPTION RELATING TO SPACE LAUNCH FACILITIES.—Section 2692(b) of such title is further amended by adding at the end the following new paragraph:

''(11) the storage of any material that is not owned by the Department of Defense if the Secretary of the military department concerned determines that the material is required or generated in connection with the use of a space launch facility located on an installation of the Department of Defense or on other land controlled by the United States.''.

(g) TECHNICAL AMENDMENTS.—(1) Section 2692(a)(1) of such title is amended by striking out ''storage'' and inserting in lieu thereof ''storage, treatment,''.

(2) The heading for section 2692 of such title is amended to read as follows:

''§2692. Storage, treatment, and disposal of nondefense toxic and hazardous materials''.

(3) The item relating to section 2692 in the table of sections at the beginning of chapter 159 of such title is amended to read as follows:

''2692. Storage, treatment, and disposal of nondefense toxic and hazardous materials.''.

SEC. 345. REVISION OF REPORT REQUIREMENT FOR NAVY PROGRAM TO MONITOR ECOLOGICAL EFFECTS OF ORGANOTIN.

Section 333(e) of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201; 110 Stat. 2486) is amended—

(1) by striking out ''June 1'' and inserting in lieu thereof ''October 30'';

(2) by striking out paragraphs (1) and (2);

(3) by redesignating paragraphs (3) and (4) as paragraphs (1) and (2), respectively; and

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

''(3) A description of the present and future use, if any, of antifouling paints containing organotin on naval vessels.''.

SEC. 346. PARTNERSHIPS FOR INVESTMENT IN INNOVATIVE ENVIRONMENTAL TECHNOLOGIES.

(a) AUTHORITY.—Subject to subsection (b), the Secretary of Defense may enter into a partnership with one or more private sector entities to demonstrate and validate innovative environmental technologies.

(b) LIMITATIONS.—The Secretary of Defense may enter into a partnership with respect to an environmental technology under subsection (a)—

(1) subject to such terms and conditions as the Secretary considers appropriate and in the national interest; and

(2) only if the Secretary determines that the technology has clear potential to be of significant value to the Department of Defense in carrying out its environmental activities.

(c) FUNDING.—Under a partnership entered into under subsection (a), the Secretary may provide funds to the partner or partners from appropriations available to the Department of Defense for environmental activities, for a period of up to five years.

(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 partnerships entered into under this section:

(1) The number of such partnerships.

(2) A description of the nature of the technology involved in each such partnership.

(3) A list of all partners in such partnerships.

(e) COORDINATION.—The Secretary of Defense shall ensure that the Department of Defense coordinates with the Administrator of the Environmental Protection Agency in any verification sponsored by the Department of technologies demonstrated and validated by a partnership entered into under this section.

(f) TERMINATION OF AUTHORITY.—The authority to enter into agreements under subsection (a) shall terminate three years after the date of the enactment of this Act.

SEC. 347. PILOT PROGRAM TO TEST AN ALTERNATIVE TECHNOLOGY FOR ELIMINATING SOLID AND LIQUID WASTE EMISSIONS DURING SHIP 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.

(2) The technology referred to in paragraph (1) is an alternative technology designed to thermally treat on shipboard all kinds of liquid and solid wastes generated on an operating ship by means of a plasma arc melter system that is compact, stationary, and uses a high alumina refractory hearth.

(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) FUNDING.—From funds appropriated pursuant to the authorization in section 301(2), the Secretary of the Navy may use not more than $4,000,000 to carry out the pilot program.

(d) REPORT.—(1) If the determination made under subsection (a)(1) is in the affirmative, 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 on naval vessels and such other recommendations as the Secretary considers appropriate.

(2) If the determination made under subsection (a)(1) is in the negative, the Secretary shall submit to the committees referred to in paragraph (1) a report containing the analysis and data used by the Secretary in making the determination and such other recommendations as the Secretary considers appropriate.

Subtitle F—Commissaries and Nonappropriated Fund Instrumentalities

SEC. 361. REORGANIZATION OF LAWS REGARDING COMMISSARIES AND EXCHANGES AND OTHER MORALE, WELFARE, AND RECREATION ACTIVITIES.

(a) DESCRIPTION OF CHAPTER.—(1) The heading of chapter 147 of title 10, United States Code, is amended to read as follows:

''CHAPTER 147—COMMISSARIES AND EXCHANGES AND OTHER MORALE, WELFARE, AND RECREATION ACTIVITIES''.

(2) The tables of chapters at the beginning of subtitle A, and at the beginning of part IV of subtitle A, of such title are amended by striking out the item relating to chapter 147 and inserting in lieu thereof the following new item:

''147. Commissaries and Exchanges and Other Morale, Welfare, and Recreation Activities ..... 2481''.

(b) TRANSFER AND REDESIGNATION OF UNRELATED PROVISIONS.—(1) Section 2481 of title 10, United States Code, is transferred to chapter 159 of such title, inserted after section 2685, and redesignated as section 2686.

(2) Sections 2483 and 2490 of such title are transferred to the end of subchapter III of chapter 169 of such title and redesignated as sections 2867 and 2868, respectively.

(3) Section 2491 of such title is redesignated as section 2500.

(c) CLERICAL AMENDMENTS.—(1) The table of sections at the beginning of chapter 147 of title

10, United States Code, is amended by striking out the items relating to sections 2481, 2483, and 2490.

(2) The table of sections at the beginning of chapter 159 of such title is amended by inserting after the item relating to section 2685 the following new item:

''2686. Utilities and services: sale; expansion and extension of systems and facilities.''.

(3) The table of sections at the beginning of subchapter III of chapter 169 of such title is amended by adding at the end the following new items:

''2867. Sale of electricity from alternate energy and cogeneration production facilities.

''2868. Utility services: furnishing for certain buildings.''.

(4) The table of sections at the beginning of subchapter I of chapter 148 of such title is amended by striking out the item relating to section 2491 and inserting in lieu thereof the following new item:

''2500. Definitions.''.

(d) CONFORMING AMENDMENTS.—(1) Section 2534(d) of title 10, United States Code, is amended by striking out ''section 2491(1)'' both places it appears and inserting in lieu thereof ''section 2500(1)''.

(2) Section 2865(b)(2) of such title is amended by striking out ''section 2483(b)(2)'' and inserting in lieu thereof ''section 2867(b)(2)''.

SEC. 362. MERCHANDISE AND PRICING REQUIREMENTS FOR COMMISSARY STORES.

(a) AUTHORIZED COMMISSARY MERCHANDISE CATEGORIES.—Subsection (b) of section 2486 of title 10, United States Code, is amended—

(1) by striking out the matter preceding paragraph (1) and inserting in lieu thereof the following: ''(b) AUTHORIZED COMMISSARY MERCHANDISE CATEGORIES.—Merchandise sold in, at, or by commissary stores may include items only in the following categories:''; and

(2) by striking out paragraph (11) and inserting in lieu thereof the following new paragraph:

''(11) Subject to the congressional notification requirements of subsection (f), such other merchandise categories as the Secretary of Defense may prescribe.''.

(b) ALTERATION OF UNIFORM SALES PRICE SURCHARGE OR ADJUSTMENT.—Subsection (c) of such section is amended—

(1) by inserting ''UNIFORM SALES PRICE SURCHARGE OR ADJUSTMENT.—'' after ''(c)'';

(2) by striking out ''in commissary stores.'' and inserting in lieu thereof ''in, at, or by commissary stores.''; and

(3) by adding at the end the following new sentence: ''The uniform percentage in effect on the date of the enactment of the National Defense Authorization Act for Fiscal Year 1998 may not be changed except by a law enacted after such date.''.

(c) ESTABLISHMENT OF SALES PRICE.—Subsection (d) of such section is amended to read as follows:

''(d) SALES PRICE ESTABLISHMENT.—The Secretary of Defense shall establish the sales price of each item of merchandise sold in, at, or by commissary stores at the level that will recoup the actual product cost of the item (consistent with this section and sections 2484 and 2685 of this title).''.

(d) CONGRESSIONAL NOTIFICATION; SPECIAL RULES.—Such section is further amended by adding at the end the following new subsections:

''(f) CONGRESSIONAL NOTIFICATION.—(1) Any change in the pricing policies for merchandise sold in, at, or by commissary stores, and any addition of a merchandise category under subsection (a)(11), shall not take effect until the Secretary of Defense submits written notice of the proposed change or addition to Congress and a period of 90 days of continuous session of Congress expires following the date on which notice was received.

''(2) For purposes of this subsection, the continuity of a session of Congress is broken only by an adjournment of the Congress sine die, and the days on which either House is not in session because of an adjournment or recess of more than three days to a day certain are excluded in a computation of such 90-day period.

''(g) SPECIAL RULE FOR CERTAIN MERCHANDISE.—(1) Notwithstanding the general requirement that merchandise sold in, at, or by commissary stores be commissary store inventory, the Secretary of Defense may authorize the sale of items in the merchandise categories specified in paragraph (2) as noncommissary store inventory. Subsections (c) and (d) shall not apply to the pricing of such items of merchandise.

''(2) The merchandise categories referred to in paragraph (1) are as follows:

''(A) Magazines and other periodicals.

''(B) Tobacco products.''.

(e) CLERICAL AND CONFORMING AMENDMENTS.—Such section is further amended—

(1) in subsection (a), by inserting ''IN GENERAL.—'' after ''(a)''; and

(2) in subsection (e)—

(A) by inserting ''SPECIAL RULE FOR BRAND-NAME COMMERCIAL ITEMS.—'' after ''(e)''; and

(B) by striking out ''in commissary stores'' both places it appears and inserting in lieu thereof ''in, at, or by commissary stores''.

(f) EFFECT OF AMENDMENT.—(1) In the case of merchandise categories authorized, before the date of the enactment of this Act, for sale in, at, or by commissary stores pursuant to regulations prescribed under subsection (b)(11) of section 2486 of title 10, United States Code, as in effect before such date, the Secretary of Defense may continue to authorize the sale of such merchandise categories in, at, or by commissary stores after such date notwithstanding the amendment made by subsection (a)(2). However, the sale in commissary store of such merchandise categories shall be subject to the other requirements of such section 2486.

(2) Not later than 30 days after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report specifying the commissary merchandise categories covered by paragraph (1).

SEC. 363. LIMITATION ON NONCOMPETITIVE PROCUREMENT OF BRAND-NAME COMMERCIAL ITEMS FOR RESALE IN COMMISSARY STORES.

Section 2486(e) of title 10, United States Code, as amended by section 362(e)(2), is further amended by adding at the end the following new sentence: ''In determining whether a brand name commercial item is regularly sold outside of commissary stores, the Secretary shall consider only sales of the item on a regional or national basis by commercial grocery or other retail operations consisting of multiple stores.''.

SEC. 364. TRANSFER OF JURISDICTION OVER EXCHANGE, COMMISSARY, AND MORALE, WELFARE, AND RECREATION ACTIVITIES TO UNDER SECRETARY OF DEFENSE (COMPTROLLER).

(a) COMPTROLLER JURISDICTION.—Section 135(c) of title 10, United States Code, is amended—

(1) by striking out ''and'' at the end of paragraph (4);

(2) by striking out the period at the end of paragraph (5) and inserting ''; and''; and

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

''(6) in the areas of exchange, commissary, and nonappropriated fund instrumentalities regarding morale, welfare, and recreation activities.''.

(b) CONFORMING AMENDMENT.—Section 136(b) of title 10, United States Code, is amended by striking out ''exchange, commissary, and nonappropriated fund activities,''.

SEC. 365. PUBLIC AND PRIVATE PARTNERSHIPS TO BENEFIT MORALE, WELFARE, AND RECREATION ACTIVITIES.

(a) PARTNERSHIPS AUTHORIZED.—Chapter 147 of title 10, United States Code, as amended by section 361, is further amended by inserting before section 2482 the following new section:

''§ 2481. Morale, welfare, and recreation activities: leases and other contracts to benefit

''(a) LEASES AND OTHER CONTRACTS AUTHORIZED.—The Secretary of Defense may authorize a nonappropriated fund instrumentality to enter into leases, licensing agreements, concession agreements, and other contracts with private persons and State or local governments involving real property (and related personal property) under the control of the nonappropriated fund instrumentality in order to facilitate the provision of facilities, goods, or services to authorized patrons of the nonappropriated fund instrumentality.

''(b) CONDITIONS.—A nonappropriated fund instrumentality may enter into an authorized lease or other contract under subsection (a) only if the nonappropriated fund instrumentality determines, in consultation with the Secretary of Defense, that—

''(1) the use of the property subject to the lease or contract will provide appropriate space, or contribute to the provision of goods and services, for a morale, welfare, or recreation activity of the nonappropriated fund instrumentality;

''(2) the lease or contract will not be inconsistent with and will not adversely affect the mission of the Department or the nonappropriated fund instrumentality; and

''(3) the lease or contract will enhance the use of the property subject to the lease or contract.

''(c) ACCESS TO RESULTING FACILITIES, GOODS, OR SERVICES.—The use of a lease or contract under subsection (a) to provide facilities, goods, or services shall not be construed to permit the use of the resulting facilities, goods, or services by persons who are not authorized patrons of the nonappropriated fund instrumentality that is a party to the lease or contract.

''(d) LEASE AND CONTRACT TERMS.—Subsection (b) of section 2667 of this title shall apply to a lease or contract under subsection (a), except that references to the Secretary concerned shall be deemed to mean the nonappropriated fund instrumentality that is a party to the lease or contract.

''(e) MONEY RENTALS.—Money rentals received pursuant to a lease or contract under subsection (a) shall be treated in the same manner as other receipts of the nonappropriated fund instrumentality that is a party to the lease or contract, except that use of the rentals shall be restricted to the installation at which the property covered by the lease or contract is located.

''(f) DEFINITION.—In this section, the term 'nonappropriated fund instrumentality' means the Army and Air Force Exchange Service, Navy Exchange Service Command, Marine Corps exchanges, or any other instrumentality of the United States under the jurisdiction of the armed forces which is conducted for the comfort, pleasure, contentment, or physical or mental improvement of members of the armed forces.''.

(b) CLERICAL AMENDMENTS.—The table of sections at the beginning of chapter 147 of such title, as amended by section 361, is further amended by inserting before the item relating to section 2482 the following new item:

''2481. Morale, welfare, and recreation activities: leases and other contracts to benefit.''.

SEC. 366. TREATMENT OF CERTAIN AMOUNTS RECEIVED BY DEFENSE COMMISSARY AGENCY.

Section 2482 of title 10, United States Code, is amended by adding at the end the following new subsection:

''(c) TREATMENT OF CERTAIN RECEIPTS.—(1) The Defense Commissary Agency shall deposit

amounts received from the sources specified in paragraph (2) into the same account in which the proceeds from the adjustment of, or surcharge on, commissary store prices authorized by subsection (a) of section 2685 of this title are deposited. In such amounts as provided in appropriations Acts, the amounts deposited under this paragraph shall be available for the purposes described in subsection (b) of such section.

''(2) Paragraph (1) shall apply with respect to amounts received by the Defense Commissary Agency from—

''(A) the sale of items for recycling;

''(B) the disposal of excess property;

''(C) license fees, royalties, incentive allowances, and management and other fees; and

''(D) a nonappropriated fund instrumentality of the United States.''.

SEC. 367. AUTHORIZED USE OF APPROPRIATED FUNDS FOR RELOCATION OF NAVY EXCHANGE SERVICE COMMAND.

The Navy Exchange Service Command is not required to reimburse the United States for appropriated funds allotted to the Navy Exchange Service Command during fiscal years 1994, 1995, and 1996 to cover costs incurred by the Navy Exchange Service Command to relocate to Virginia Beach, Virginia, and to lease headquarters space in Virginia Beach.

Subtitle G—Other Matters

SEC. 371. 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 1998.—Of the amount authorized to be appropriated pursuant to section 301(5) for operation and maintenance for Defense-wide activities—

(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, 1998, the Secretary of Defense shall—

(1) notify each local educational agency that is eligible for educational agencies assistance for fiscal year 1998 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 1998 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)).

(e) TECHNICAL CORRECTION RELATING TO ORIGINAL ASSISTANCE AUTHORITY.—Section 386(c)(1) of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102–484; 20 U.S.C. 7703 note) is amended—

(1) by striking out ''section 8003(a)'' and inserting in lieu thereof ''section 8003(a)(1)''; and

(2) by striking out ''(20 U.S.C. 7703(a))'' and inserting in lieu thereof ''(20 U.S.C. 7703(a)(1))''.

SEC. 372. CONTINUATION OF OPERATION MONGOOSE.

Section 135 of title 10, United States Code, is amended by adding at the end the following new subsection:

''(f) The Under Secretary of Defense (Comptroller) shall be responsible for investigating evidence of fraud, waste, and abuse uncovered as a result of the Department of Defense program (known as Operation Mongoose) established to identify and prevent fraud, waste, and abuse within the Department of Defense, particularly fraud, waste, and abuse regarding finance and accounting matters. The program shall continue through fiscal year 2003.''.

SEC. 373. INCLUSION OF AIR FORCE DEPOT MAINTENANCE AS OPERATION AND MAINTENANCE BUDGET ACTIVITY GROUP.

For fiscal year 1999 and each fiscal year thereafter, Air Force depot-level maintenance of materiel shall be displayed as one or more budget activity groups (known as ''subactivities'') within the authorization request for Operation and Maintenance, Air Force, in the proposed budget for that fiscal year submitted to Congress pursuant to section 1105 of title 31, United States Code.

SEC. 374. PROGRAMS TO COMMEMORATE 50TH ANNIVERSARY OF MARSHALL PLAN AND KOREAN CONFLICT.

(a) COMMEMORATIVE PROGRAMS.—(1) The Secretary of Defense may conduct a program to commemorate the 50th anniversary of the Marshall Plan that provided for the reconstruction of the economies of Western Europe following World War II.

(2) The Secretary may conduct a program to commemorate the 50th anniversary of the Korean conflict.

(3) In conducting such commemorative programs, the Secretary may coordinate, support, and facilitate other programs and activities of the Federal Government, State and local governments, and other persons in commemoration of the Marshall Plan or the Korean conflict.

(b) MARSHALL PLAN COMMEMORATIVE ACTIVITIES.—The commemorative programs authorized by subsection (a)(1) may include activities and ceremonies—

(1) to honor George C. Marshall, who developed the Marshall Plan, for a lifetime of service to the United States as a commissioned officer of the Army (including service during World War II as Chief of Staff of the Army with the rank of General of the Army) and as Secretary of Defense and Secretary of State at the beginning of the Cold War; and

(2) to provide the people of the United States with a clear understanding and appreciation of the significance of Marshall Plan.

(c) KOREAN CONFLICT COMMEMORATIVE ACTIVITIES.—The commemorative programs authorized by subsection (a)(2) may include activities and ceremonies—

(1) to provide the people of the United States with a clear understanding and appreciation of the lessons and history of the Korean conflict;

(2) to thank and honor veterans of the Korean conflict and their families;

(3) to pay tribute to the sacrifices and contributions made on the home front by the people of the United States during the Korean conflict;

(3) to highlight advances in technology, science, and medicine related to military research conducted during the Korean conflict;

(4) to recognize the contributions and sacrifices made by the allies of the United States in the Korean conflict; and

(5) to highlight the role of the Armed Forces of the United States, then and now, in maintaining world peace through strength.

(d) NAMES AND SYMBOLS.—The Secretary of Defense shall have the sole and exclusive right to use the names ''The Department of Defense 50th Anniversary of the Marshall Plan'', ''50th Anniversary of the Marshall Plan'', and ''The Korean Conflict Commemoration'', and such seal, emblems, and badges incorporating such names as the Secretary may lawfully adopt. Nothing in this section may be construed to supersede rights that are established or vested before the date of the enactment of this Act.

(e) COMMEMORATIVE ACCOUNT.—(1) There is established in the Treasury an account to be known as the ''Department of Defense 50th Anniversary of the Marshall Plan and Korean Conflict Commemoration Account'', which shall be administered by the Secretary of Defense as a single account. There shall be deposited into the account all proceeds derived from the Secretary's use of the exclusive rights described in subsection (d). The Secretary may use funds in the account only for the purpose of conducting the commemorative programs authorized by subsection (a).

(2) Not later than 60 days after completion of all activities and ceremonies conducted as part of the commemorative programs, the Secretary shall submit to Congress a report containing an accounting of all the funds deposited into and expended from the account or otherwise expended under this section, and of any funds remaining in the account. Unobligated funds remaining in the account on that date shall be held in the account until transferred by law.

(f) ACCEPTANCE OF VOLUNTARY SERVICES.—(1) Notwithstanding section 1342 of title 31, United States Code, the Secretary of Defense may accept from any person voluntary services to be provided in furtherance of the commemorative programs authorized by subsection (a).

(2) A person providing voluntary services under this subsection shall be considered to be a Federal employee for purposes of chapter 81 of title 5, United States Code, relating to compensation for work-related injuries. The person shall also be considered a special governmental employee for purposes of standards of conduct and sections 202, 203, 205, 207, 208, and 209 of title 18, United states Code. A person who is not otherwise employed by the Federal Government shall not be considered to be a Federal employee for any other purpose by reason of the provision of voluntary services under this subsection.

(3) The Secretary may provide for reimbursement of incidental expenses incurred by a person providing voluntary services under this subsection. The Secretary shall determine which expenses are eligible for reimbursement under this paragraph.

SEC. 375. PROHIBITION ON USE OF SPECIAL OPERATIONS COMMAND BUDGET FOR BASE OPERATION SUPPORT.

Section 167(f) of title 10, United States Code, is amended

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

(2) by inserting ''(1)'' before ''In addition''; and

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

''(2) Funds provided for the special operations command as part of the budget for the special operations command under paragraph (1) may not be used to cover base operation support expenses incurred at a military installation.''.

SEC. 376. CONTINUATION AND EXPANSION OF DEMONSTRATION PROGRAM TO IDENTIFY OVERPAYMENTS MADE TO VENDORS.

(a) SCOPE OF PROGRAM.—Section 354 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 268; 10 U.S.C. 2461 note) is amended—

(1) in subsection (a), by striking out the second sentence; and

(2) in subsection (b)(1), by striking out ''of the Defense Logistics Agency that relate to (at least) fiscal years 1993, 1994, and 1995'' and inserting in lieu thereof ''relating to fiscal years after fiscal year 1993 of the working-capital funds and industrial, commercial, and support type activities managed through the Defense Business Operations Fund, except the Defense Logistics Agency to the extent such records have already been audited''.

(b) COLLECTION METHOD; CONTRACTOR PAYMENTS.—Such section is further amended by striking out subsections (d) and (e) and inserting in lieu thereof the following new subsections:

''(d) COLLECTION METHOD.—In the case of an overpayment to a vendor identified under the demonstration program, the Secretary shall require the use of the procedures specified in section 32.611 of the Federal Acquisition Regulation, regarding a setoff against existing invoices for payment to the vendor, as the first method by which the Department shall seek to recover the amount of the overpayment (and any applicable interest and penalties) from the vendor.

''(e) FEES FOR CONTRACTOR.—The Secretary shall pay to the contractor under the contract entered into under the demonstration program an amount not to exceed 25 percent of the total amount recovered by the Department (through the collection of overpayments and the use of setoffs) solely on the basis of information obtained as a result of the audits performed by the contractor under the program. When an overpayment is recovered through the use of a setoff, amounts for the required payment to the contractor shall be derived from funds available to the working-capital fund or industrial, commercial, or support type activity for which the overpayment is recovered.''.

SEC. 377. APPLICABILITY OF FEDERAL PRINTING REQUIREMENTS TO DEFENSE AUTOMATED PRINTING SERVICE.

(a) Subchapter I of chapter 8 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 195. Defense Automated Printing Service: applicability of Federal printing requirements

''The Defense Automated Printing Service shall comply fully with the requirements of chapter 5 of title 44 relating to the production and procurement of printing, binding, and blank-book work.''.

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

''195. Defense Automated Printing Service: applicability of Federal printing requirements.''.

SEC. 378. BASE OPERATIONS SUPPORT FOR MILITARY INSTALLATIONS ON GUAM.

(a) CONTRACTOR USE OF NONIMMIGRANT ALIENS.—Each contract for base operations support to be performed on Guam shall contain a condition that work under the contract may not be performed by any alien who is issued a visa or otherwise provided nonimmigrant status under section 101(a)(15)(H)(ii) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(15)(H)(ii)).

(b) APPLICATION OF SECTION.—This section shall apply to contracts entered into, amended, or otherwise modified on or after the date of the enactment of this Act.

TITLE IV—PERSONNEL AUTHORIZATIONS

Subtitle A—Active Forces

SEC. 401. END STRENGTHS FOR ACTIVE FORCES.

The Armed Forces are authorized strengths for active duty personnel as of September 30, 1998, as follows:

(1) The Army, 495,000.
(2) The Navy, 395,000.
(3) The Marine Corps, 174,000.
(4) The Air Force, 381,000.

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, 1998, as follows:

(1) The Army National Guard of the United States, 366,516.
(2) The Army Reserve, 208,000.
(3) The Naval Reserve, 94,294.
(4) The Marine Corps Reserve, 42,000.
(5) The Air National Guard of the United States, 107,377.
(6) The Air Force Reserve, 73,431.
(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 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, 1998, 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, 22,310.
(2) The Army Reserve, 11,500.
(3) The Naval Reserve, 16,136.
(4) The Marine Corps Reserve, 2,559.
(5) The Air National Guard of the United States, 10,616.
(6) The Air Force Reserve, 748.

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

(a) AUTHORIZATION FOR FISCAL YEAR 1998.—The minimum number of military technicians (dual status) as of the last day of fiscal year 1998 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, 5,503.
(2) For the Army National Guard of the United States, 23,125.
(3) For the Air Force Reserve, 9,802.
(4) For the Air National Guard of the United States, 22,853.

(b) REQUESTS FOR FUTURE FISCAL YEARS.—Section 115(g) of title 10, United States Code, is amended by adding at the end the following new sentence: ''In each budget submitted by the President to Congress under section 1105 of title 31, the end strength requested for military technicians (dual status) for each reserve component of the Army and Air Force shall be specifically set forth.''.

SEC. 414. INCREASE IN NUMBER OF MEMBERS IN CERTAIN GRADES AUTHORIZED TO SERVE ON ACTIVE DUTY IN SUPPORT OF THE RESERVES.

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

''Grade	Army	Navy	Air Force	Marine Corps
Major or Lieutenant Commander	3,219	1,071	673	140
Lieutenant Colonel or Commander	1,524	520	672	90
Colonel or Navy Captain	437	188	274	30''.

(b) SENIOR ENLISTED MEMBERS.—The table in section 12012(a) of such title is amended to read as follows:

''Grade	Army	Navy	Air Force	Marine Corps
E–9	627	202	371	20
E–8	2,585	429	900	94''.

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 1998 a total of $69,539,862,000. The authorization in the preceding sentence supersedes any other authorization of appropriations (definite or indefinite) for such purpose for fiscal year 1998.

TITLE V—MILITARY PERSONNEL POLICY

Subtitle A—Officer Personnel Policy

SEC. 501. LIMITATION ON NUMBER OF GENERAL AND FLAG OFFICERS WHO MAY SERVE IN POSITIONS OUTSIDE THEIR OWN SERVICE.

(a) IN GENERAL.—Chapter 41 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 721. General and flag officers: limitation on appointments, assignments, details, and duties outside an officer's own service

''(a) LIMITATION.—An officer described in subsection (b) may not be appointed, assigned, or detailed for a period in excess of 90 days to a position external to that officer's armed force if, immediately following such appointment, assignment, or detail, the number of officers described in subsection (b) serving in positions external to such officers' armed force for a period in excess of 90 days would be in excess of 24.5 percent of the total number of such officers.

''(b) COVERED OFFICERS.—The officers covered by subsection (a), and to be counted for the purposes of the limitation in that subsection, are the following:

''(1) Any general or flag officer counted for purposes of section 526(a) of this title.

''(2) Any general or flag officer serving in a joint duty assignment position designated by the Chairman of the Joint Chiefs of Staff under section 526(b) of this title.

''(3) Any colonel or Navy captain counted for purposes of section 777(d)(1) of this title.

''(c) EXTERNAL POSITIONS.—For purposes of this section, the following positions shall be considered to be external to an officer's armed force:

''(1) Any position (including a position in joint education) that is a joint duty assignment for purposes of chapter 38 of this title.

''(2) Any position in the Office of the Secretary of Defense, a Defense Agency, or a Department of Defense Field Activity.

''(3) Any position in the Joint Chiefs of Staff, the Joint Staff, or the headquarters of a combatant command (as defined in chapter 6 of this title).

''(4) Any position in the National Guard Bureau.

''(5) Any position outside the Department of Defense, including any position in the headquarters of the North Atlantic Treaty Organization or any other international military command, any combined or multinational command, or military mission.

''(d) ASSIGNMENTS, ETC. FOR PERIODS IN EXCESS OF 90 DAYS.—For purposes of this section,

the appointment, assignment, or detail of an officer to a position shall be considered to be for a period in excess of 90 days unless the appointment, assignment, or detail specifies that it is made a period of 90 days or less.

''(e) WAIVER DURING PERIOD OF WAR OR NATIONAL EMERGENCY.—The President may suspend the operation of this section during any period of war or of national emergency declared by Congress or the President.''.

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

''721. General and flag officers: limitation on appointments, assignments, details, and duties outside an officer's own service.''.

SEC. 502. EXCLUSION OF CERTAIN RETIRED OFFICERS FROM LIMITATION ON PERIOD OF RECALL TO ACTIVE DUTY.

Effective October 1, 1997, section 688(e) of title 10, United States Code, is amended—

(1) by inserting ''(1)'' before ''A member''; and

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

''(2) Paragraph (1) shall not apply to the following officers:

''(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 active duty to which ordered.

''(C) An officer assigned to duty with the American Battle Monuments Commission for the period of active duty to which ordered.''.

SEC. 503. CLARIFICATION OF OFFICERS ELIGIBLE FOR CONSIDERATION BY SELECTION BOARDS.

(a) OFFICERS ON THE ACTIVE-DUTY LIST.—Section 619(d) of title 10, United States Code, is amended—

(1) by striking out ''grade—'' in the matter preceding paragraph (1) and inserting in lieu thereof ''grade any of the following officers:'';

(2) in paragraph (1)—

(A) by striking out ''an officer'' and inserting in lieu thereof ''An officer''; and

(B) by striking out ''; or'' at the end and inserting in lieu thereof a period; and

(3) by redesignating paragraph (2) as paragraph (3) and in that paragraph striking out ''an officer'' and inserting in lieu thereof ''An officer''; and

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

''(2) An officer who is recommended for promotion to that grade in the report of an earlier selection board convened under that section, in the case of such a report that has not yet been approved by the President.''.

(b) OFFICERS ON THE RESERVE ACTIVE-STATUS LIST.—Section 14301(c) of such title is amended—

(1) by striking out ''grade—'' in the matter preceding paragraph (1) and inserting in lieu thereof ''grade any of the following officers:'';

(2) by striking out ''an officer'' in each of paragraphs (1), (2), and (3) and inserting in lieu thereof ''An officer'';

(3) by striking out the semicolon at the end of paragraph (1) and inserting in lieu thereof a period;

(4) by striking out ''; or'' at the end of paragraph (2) and inserting in lieu thereof a period;

(5) by redesignating paragraphs (2) and (3), as so amended, as paragraphs (3) and (4), respectively, and in each such paragraph striking out ''the next higher grade'' and inserting in lieu thereof ''that grade''; and

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

''(2) An officer who is recommended for promotion to that grade in the report of an earlier selection board convened under a provision referred to in paragraph (1), in the case of such a report that has not yet been approved by the President.''.

(c) CLARIFYING AMENDMENTS.—Paragraphs (3) and (4) of section 14301(c) of such title, as redesignated and amended by subsection (b), are each amended by inserting before the period at the end the following: '', if that nomination is pending before the Senate''.

SEC. 504. AUTHORITY TO DEFER MANDATORY RETIREMENT FOR AGE OF OFFICERS SERVING AS CHAPLAINS.

(a) AUTHORITY FOR DEFERRAL OF RETIREMENT FOR CHAPLAINS PROVIDING DIRECT SUPPORT TO UNITS OR INSTALLATIONS.—Subsection (c) of section 1251 of title 10, United States Code, is amended—

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

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

''(2) The Secretary concerned may defer the retirement under subsection (a) of an officer who is appointed or designated as a chaplain if during the period of the deferment the officer will be performing duties consisting primarily of providing direct support as a chaplain to units or installations.''.

(b) AUTHORITY FOR DEFERRAL OF RETIREMENT FOR CHIEF AND DEPUTY CHIEF OF CHAPLAINS.—Such section is further amended by adding at the end the following new subsection:

''(d) The Secretary concerned may defer the retirement under subsection (a) of an officer who is the Chief of Chaplains or Deputy Chief of Chaplains of that officer's armed force. Such a deferment may not extend beyond the first day of the month following the month in which the officer becomes 68 years of age.''.

(c) QUALIFICATION FOR SERVICE AS NAVY CHIEF OF CHAPLAINS OR DEPUTY CHIEF OF CHAPLAINS.—(1) Section 5142(b) of such title is amended by striking out '', who are not on the retired list,''.

(2) Section 5142a of such title is amended by striking out '', who is not on the retired list,''.

Subtitle B—Reserve Component Matters

SEC. 511. INDIVIDUAL READY RESERVE ACTIVATION AUTHORITY.

(a) IRR MEMBERS SUBJECT TO ORDER TO ACTIVE DUTY OTHER THAN DURING WAR OR NATIONAL EMERGENCY.—Section 10144 of title 10, United States Code, is amended—

(1) by inserting ''(a)'' before ''Within the Ready Reserve''; and

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

''(b)(1) Within the Individual Ready Reserve of each reserve component there is a category of members, as designated by the Secretary concerned, who are subject to being ordered to active duty involuntarily in accordance with section 12304 of this title. A member may not be placed in that mobilization category unless—

''(A) the member volunteers for that category; and

''(B) the member is selected for that category by the Secretary concerned, based upon the needs of the service and the grade and military skills of that member.

''(2) A member of the Individual Ready Reserve may not be carried in such mobilization category of members after the end of the 24-month period beginning on the date of the separation of the member from active service.

''(3) The Secretary shall designate the grades and military skills or specialities of members to be eligible for placement in such mobilization category.

''(4) A member in such mobilization category shall be eligible for benefits (other than pay and training) as are normally available to members of the Selected Reserve, as determined by the Secretary of Defense.''.

(b) CRITERIA FOR ORDERING TO ACTIVE DUTY.—Subsection (a) of section 12304 of title 10, United States Code, is amended by inserting after ''of this title),'' the following: ''or any member in the Individual Ready Reserve mobilization category and designated as essential under regulations prescribed by the Secretary concerned,''.

(c) MAXIMUM NUMBER.—Subsection (c) of such section is amended—

(1) by inserting ''and the Individual Ready Reserve'' after ''Selected Reserve''; and

(2) by inserting '', of whom not more than 30,000 may be members of the Individual Ready Reserve'' before the period at the end.

(d) CONFORMING AMENDMENTS.—Such section is further amended—

(1) in subsection (f), by inserting ''or Individual Ready Reserve'' after ''Selected Reserve'';

(2) in subsection (g), by inserting '', or member of the Individual Ready Reserve,'' after ''to serve as a unit''; and

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

''(i) For purposes of this section, the term 'Individual Ready Reserve mobilization category' means, in the case of any reserve component, the category of the Individual Ready Reserve described in section 10144(b) of this title.''.

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

''§ 12304. Selected Reserve and certain Individual Ready Reserve members; order to active duty other than during war or national emergency''.

(2) The item relating to section 12304 in the table of sections at the beginning of chapter 1209 of such title is amended to read as follows:

''12304. Selected Reserve and certain Individual Ready Reserve members; order to active duty other than during war or national emergency''.

SEC. 512. TERMINATION OF MOBILIZATION INCOME INSURANCE PROGRAM.

(a) IN GENERAL.—Chapter 1214 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 12533. Termination of program

''(a) IN GENERAL.—The Secretary shall terminate the insurance program in accordance with this section.

''(b) TERMINATION OF NEW ENROLLMENTS.—The Secretary may not enroll a member of the Ready Reserve for coverage under the insurance program after the date of the enactment of this section.

''(c) TERMINATION OF COVERAGE.—(1) The enrollment under the insurance program of insured members other than insured members described in paragraph (2) is terminated as of the date of the enactment of this section. The enrollment of an insured member described in paragraph (2) is terminated as of the date of the termination of the period of covered service of that member described in that paragraph.

''(2) An insured member described in this paragraph is an insured member who on the date of the enactment of this section is serving on covered service for a period of service, or has been issued an order directing the performance of covered service, that satisfies or would satisfy the entitlement-to-benefits provisions of this chapter.

''(d) TERMINATION OF PAYMENT OF BENEFITS.—The Secretary may not make any benefit payment under the insurance program after the date of the enactment of this section other than to an insured member who on that date (1) is serving on an order to covered service, (2) has been issued an order directing performance of covered service, or (3) has served on covered service before that date for which benefits under the program have not been paid to the member.

''(e) TERMINATION OF INSURANCE FUND.—The Secretary shall close the Fund not later than 60 days after the date on which the last benefit payment from the Fund is made. Any amount remaining in the Fund when closed shall be covered into the Treasury as miscellaneous receipts.''.

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

''12533. Termination of program.''.

SEC. 513. CORRECTION OF INEQUITIES IN MEDICAL AND DENTAL CARE AND DEATH AND DISABILITY BENEFITS FOR RESERVE MEMBERS WHO INCUR OR AGGRAVATE AN ILLNESS IN THE LINE OF DUTY.

(a) MEDICAL AND DENTAL CARE FOR DEPENDENTS.—Section 1076(a)(2) of title 10, United States Code, is amended—

(1) by striking out ''or'' at the end of subparagraph (A);

(2) by striking out the period at the end of subparagraph (B) and inserting in lieu thereof ''; or''; and

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

''(C) who incurs or aggravates an injury or illness in the line of duty while serving on active duty for a period of 30 days or less and whose orders are subsequently modified to extend the period of active duty to a period of more than 30 days.''.

(b) MEDICAL AND DENTAL CARE.—Section 1074a(a)(3) of such title is amended by inserting ''while remaining overnight immediately before the commencement of inactive-duty training, or'' after ''in the line of duty''.

(c) ELIGIBILITY FOR DISABILITY RETIREMENT.—Section 1204(2)(C) of such title is amended by inserting ''while remaining overnight immediately before the commencement of inactive-duty training, or'' after ''aggravated''.

(d) ELIGIBILITY FOR DISABILITY SEPARATION.—Section 1206 of such title is amended—

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

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

''(2) the disability was incurred in the line of duty 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 immediately before the commencement of inactive-duty training, or 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;''.

(e) RECOVERY, CARE, AND DISPOSITION OF REMAINS.—Section 1481(a)(2)(D) of such title is amended by inserting ''remaining overnight immediately before the commencement of inactive-duty training, or'' after ''(D)''.

(f) ENTITLEMENT TO BASIC PAY.—Section 204 of title 37, United States Code, is amended by inserting ''while remaining overnight immediately before the commencement of inactive-duty training, or'' in subsections (g)(1)(D) and (h)(1)(D) after ''in line of duty''.

(g) COMPENSATION FOR INACTIVE-DUTY TRAINING.—Section 206(a)(3)(C) of such title is amended by inserting ''while remaining overnight immediately before the commencement of inactive-duty training, or'' after ''in line of duty''.

SEC. 514. TIME-IN-GRADE REQUIREMENTS FOR RESERVE COMMISSIONED OFFICERS RETIRED DURING FORCE DRAWDOWN PERIOD.

(a) AUTHORITY COMPARABLE TO ACTIVE-DUTY LIST OFFICERS.—Subsection (d)(3) of section 1370 of title 10, United States Code, is amended by adding at the end the following new subparagraph:

''(F) The Secretary of Defense may authorize the Secretary of a military department to reduce the three-year period specified in subparagraph (A) to a period of not less than two years in the case of retirements effective during the period beginning on the date of the enactment of this subparagraph and ending on September 30, 1999. The number of officers in an armed force in a grade for whom a reduction is made during any fiscal year in the period of service-in-grade otherwise required under this paragraph may not exceed the number equal to two percent of the authorized reserve active status strength for that fiscal year for officers of that armed force in that grade.''.

(b) TECHNICAL AMENDMENTS.—Such section is further amended—

(1) in subsection (a)(2)(A), by inserting ''of'' after ''reduce such period to a period''; and

(2) in subsection (d)(1), by striking out ''chapter 1225'' and inserting in lieu thereof ''chapter 1223''.

SEC. 515. AUTHORITY TO PERMIT NON-UNIT ASSIGNED OFFICERS TO BE CONSIDERED BY VACANCY PROMOTION BOARD TO GENERAL OFFICER GRADES.

(a) CONVENING OF SELECTION BOARDS.—Section 14101(a)(2) of title 10, United States Code, is amended by striking out ''(except in the case of a board convened to consider officers as provided in section 14301(e) of this title).''.

(b) ELIGIBILITY FOR CONSIDERATION OF CERTAIN ARMY OFFICERS.—Section 14301 of such title is amended—

(1) by striking out subsection (e); and

(2) by redesignating subsections (f) and (g) as subsections (e) and (f), respectively.

(c) GENERAL OFFICER PROMOTIONS.—Section 14308 of such title is amended—

(1) in subsection (e)(2), by inserting ''a grade below colonel in'' after ''(2) an officer in''; and

(2) in subsection (g)—

(A) by inserting ''or the Air Force'' in the first sentence after ''of the Army'' the first place it appears;

(B) by striking out ''in that grade'' in the first sentence and all that follows through ''Secretary of the Army'' and inserting in lieu thereof ''in the Army Reserve or the Air Force Reserve, as the case may be, in that grade''; and

(C) by striking out the second sentence.

(d) VACANCY PROMOTIONS.—Section 14315(b)(1) of such title is amended by striking out ''the duties'' in clause (A) and all that follows through ''as a unit,'' and inserting in lieu thereof ''duties of a general officer of the next higher reserve grade in the Army Reserve,''.

SEC. 516. GRADE REQUIREMENT FOR OFFICERS ELIGIBLE TO SERVE ON INVOLUNTARY SEPARATION BOARDS.

Section 14906(a)(2) of title 10, United States Code, is amended by striking out ''a grade above lieutenant colonel or commander'' and inserting in lieu thereof ''the grade of lieutenant colonel or commander or a higher grade''.

SEC. 517. LIMITATION ON USE OF AIR FORCE RESERVE AGR PERSONNEL FOR AIR FORCE BASE SECURITY FUNCTIONS.

(a) LIMITATION.—The Secretary of the Air Force may not use members of the Air Force Reserve who are AGR personnel for the performance of force protection, base security, or security police functions at an Air Force facility in the United States until six months after the date on which the Secretary submits to Congress a report on such use of AGR personnel.

(b) MATTERS TO BE INCLUDED IN REPORT.—The report under subsection (a) shall include the following:

(1) A statement of the planned scope, including each planned location, of such use of AGR personnel during the year in which the report is submitted and each of the five subsequent years.

(2) A detailed rationale for, and evaluation of, the cost effectiveness of the use of AGR personnel to perform such functions at Air Force facilities in the United States compared to the use of Department of Defense civilian personnel or contractor personnel for the performance of these functions at those facilities.

(3) A plan, including a cost estimate, for the reemployment, conversion to AGR status, or retirement of civilian employees and military technicians who are displaced by the use of Air Force Reserve AGR personnel to perform those functions.

(c) AGR PERSONNEL DEFINED.—For the purposes of this section, the term ''AGR personnel'' means members of the Air Force Reserve who are on active duty (other than for training) in connection with organizing, administering, recruiting, instructing, or training the Air Force Reserve.

Subtitle C—Military Technicians

SEC. 521. AUTHORITY TO RETAIN ON THE RESERVE ACTIVE-STATUS LIST UNTIL AGE 60 MILITARY TECHNICIANS IN THE GRADE OF BRIGADIER GENERAL.

(a) RETENTION.—Section 14702(a) of title 10, United States Code, is amended—

(1) by striking out ''section 14506 or 14507'' and inserting in lieu thereof ''section 14506, 14507, or 14508''; and

(2) by striking out ''or colonel'' and inserting in lieu thereof ''colonel, or brigadier general''.

(b) TECHNICAL AMENDMENT.—Section 14508(c) of such title is amended by striking out ''not later than the date on which the officer becomes 60 years of age'' and inserting in lieu thereof ''not later than the last day of the month in which the officer becomes 60 years of age''.

SEC. 522. MILITARY TECHNICIANS (DUAL STATUS).

(a) DEFINITION.—Subsection (a) of section 10216 of title 10, United States Code, is amended to read as follows:

''(a) IN GENERAL.—(1) For purposes of this section and any other provision of law, a military technician (dual status) is a Federal civilian employee who—

''(A) is employed under section 3101 of title 5 or section 709 of title 32;

''(B) is required as a condition of that employment to maintain membership in the Selected Reserve; and

''(C) is assigned to a position as a technician in the administration and training of the Selected Reserve or in the maintenance and repair of supplies or equipment issued to the Selected Reserve or the armed forces.

''(2) Military technicians (dual status) shall be authorized and accounted for as a separate category of civilian employees.''.

(b) UNIT MEMBERSHIP AND DUAL-STATUS REQUIREMENT.—Subsection (d) of such section is amended to read as follows:

''(d) UNIT MEMBERSHIP REQUIREMENT.—(1) Unless specifically exempted by law, each individual who is hired as a military technician (dual status) after December 1, 1995, shall be required as a condition of that employment to maintain membership in—

''(A) the unit of the Selected Reserve by which the individual is employed as a military technician; or

''(B) a unit of the Selected Reserve that the individual is employed as a military technician to support.

''(2) Paragraph (1) does not apply to a military technician (dual status) who is employed by the Army Reserve in an area other than Army Reserve troop program units.

''(e) DUAL-STATUS REQUIREMENT.—(1) Funds appropriated for the Department of Defense may not (except as provided in paragraph (2)) be used for compensation as a military technician of any individual hired as a military technician after February 10, 1996, who is no longer a member of the Selected Reserve.

''(2) The Secretary concerned may pay compensation described in paragraph (1) to an individual described in that paragraph who is no longer a member of the Selected Reserve for a period not to exceed six months following the individual's loss of membership in the Selected Reserve if the Secretary determines such loss of membership was not due to the failure of that individual to meet military standards.''.

(c) NATIONAL GUARD DUAL-STATUS REQUIREMENT.—Section 709(b) of title 32, United States Code, is amended by striking out ''Except as prescribed by the Secretary concerned, a technician'' and inserting in lieu thereof ''A technician''.

(d) PLAN FOR CLARIFICATION OF STATUTORY AUTHORITY OF MILITARY TECHNICIANS.—(1) The Secretary of Defense shall submit to Congress, as part of the budget justification materials submitted in support of the budget for the Department of Defense for fiscal year 1999, a legislative proposal to provide statutory authority and clarification under title 5, United States Code—

(A) for the hiring, management, promotion, separation, and retirement of military technicians who are employed in support of units of the Army Reserve or Air Force Reserve; and

(B) for the transition to the competitive service of an individual who is hired as military technician in support of a unit of the Army Reserve or Air Force Reserve and who (as determined by the Secretary concerned) fails to maintain membership in the Selected Reserve through no fault of the individual.

(2) The legislative proposal under paragraph (1) shall be developed in consultation with the Director of the Office of Personnel Management.

(e) CONFORMING REPEAL.—Section 8106 of Public Law 104–61 (109 Stat. 654; 10 U.S.C. 10101 note) is repealed.

(f) CROSS-REFERENCE CORRECTIONS.—Section 10216(c)(1) of title 10, United States Code, is amended by striking out ''subsection (a)(1)'' in subparagraphs (A), (B), (C), and (D) and inserting in lieu thereof ''subsection (b)(1)''.

(g) CONFORMING AMENDMENTS TO SECTION 10216.—Section 10216 of title 10, United States Code, is further amended as follows:

(1) The heading of subsection (b) is amended by inserting ''(DUAL STATUS)'' after ''MILITARY TECHNICIANS''.

(2) Subsection (b)(1) is amended—

(A) by inserting ''(dual status)'' after ''for military technicians'';

(B) by striking out ''dual status military technicians'' and inserting in lieu thereof ''military technicians (dual status)'';

(C) by inserting ''(dual status)'' after ''military technicians'' in subparagraph (C).

(3) Subsection (b)(2) is amended by inserting ''(dual status)'' after ''military technicians'' both places it appears.

(4) Subsection (b)(3) is amended by inserting ''(dual status)'' after ''Military technician''.

(5) Subsection (c) is amended—

(A) in the matter preceding paragraph (1)(A), by inserting ''(dual status)'' after ''military technicians'';

(B) in paragraph (1), by striking out ''dual status technicians'' in subparagraphs (A), (B), (C), and (D) and inserting in lieu thereof ''military technicians (dual status)'';

(C) in paragraph (2)(A), by inserting ''(dual status)'' after ''military technician''; and

(D) in paragraph (2)(B), by striking out ''delineate—'' and all that follows through ''or other reasons'' in clause (ii) and inserting in lieu thereof ''delineate the specific force structure reductions''.

(h) CLERICAL AMENDMENTS.—(1) The heading of section 10216 of such title is amended to read as follows:

''§ 10216. Military technicians (dual status)''.

(2) The item relating to such section in the table of sections at the beginning of chapter 1007 of such title is amended to read as follows:

''10216. Military technicians (dual status).''.

(i) OTHER CONFORMING AMENDMENTS.—(1) Section 115(g) of such title is amended by inserting ''(dual status)'' in the first sentence after ''military technicians'' and in the second sentence after ''military technician''.

(2) Section 115a(h) of such title is amended—

(A) by inserting ''(displayed in the aggregate and separately for military technicians (dual status) and non-dual status military technicians)'' in the matter preceding paragraph (1) after ''of the following''; and

(B) by striking out paragraph (3).

SEC. 523. NON-DUAL STATUS MILITARY TECHNICIANS.

(a) IN GENERAL.—(1) Chapter 1007 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 10217. Non-dual status military technicians

''(a) DEFINITION.—For the purposes of this section and any other provision of law, a non-dual status military technician is a civilian employee of the Department of Defense who—

''(1) was hired as a military technician before the date of the enactment of the National Defense Authorization Act for Fiscal Year 1998 under any of the authorities specified in subsection (d); and

''(2) as of the date of the enactment of that Act is not a member of the Selected Reserve or after such date ceases to be a member of the Selected Reserve.

''(b) FISCAL YEAR 1998 LIMITATION.—As of September 30 1998, the number of civilian employees of a military department who are non-dual status military technicians may not exceed the following:

''(1) For the Army Reserve, 1,200.

''(2) For the Army National Guard of the United States, 2,260.

''(3) For the Air Force Reserve, 0.

''(4) For the Air National Guard of the United States, 395.

''(c) REDUCTIONS FOR FUTURE YEARS.—For each of the 10 fiscal years beginning with fiscal year 1999, the Secretary of the military department concerned shall reduce the number of non-dual status military technicians under the jurisdiction of that Secretary, as of the end of that fiscal year, from the authorized number for the preceding fiscal year by not less—

''(1) 120, for the Army Reserve;

''(2) 226, for the Army National Guard of the United States; and

''(3) 39, for the Air National Guard of the United States.

''(d) EMPLOYMENT AUTHORITIES.—The authorities referred to in subsection (a) are the following:

''(1) Section 10216 of this title.

''(2) Section 709 of title 32.

''(3) The requirements referred to in section 8401 of title 5.

''(4) Section 8016 of the Department of Defense Appropriations Act, 1996 (Public Law 104–61; 109 Stat. 654), and any comparable provision provided on an annual basis in the Department of Defense Appropriations Acts for fiscal years 1984 through 1995.

''(5) Any memorandum of agreement between the Department of Defense and the Office of Personnel Management providing for the hiring of military technicians.''.

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

''10217. Non-dual status military technicians.''.

(b) PLAN FOR NON-DUAL STATUS TECHNICIANS.—Not later than March 31, 1998, the Secretary of Defense shall submit to Congress a report setting forth recommendations of the Secretary (including proposals for such legislative changes as may be necessary to implement the recommendations of the Secretary) for eliminating non-dual status military technician positions. In developing the plan, the Secretary shall consider (among other alternatives) the feasibility and cost of each of the following:

(1) Elimination or consolidation of functions and positions.

(2) Contracting for performance by contractor personnel of functions currently performed by personnel in those positions.

(3) Conversion of those technicians and positions, in the case of technicians of the Army National Guard of the United States or the Air National Guard of the United States, to State employment and positions or competitive service employment positions under title 5, United States Code.

(4) Conversion of those technicians or positions to employment and positions in the competitive service under title 5, United States Code, in the case of technicians of the Army Reserve.

(5) Use of incentives to facilitate the reductions required under subsection (c) of section 10217 of title 10, United States Code, as added by subsection (a).

Subtitle D—Measures To Improve Recruit Quality and Reduce Recruit Attrition

SEC. 531. REFORM OF MILITARY RECRUITING SYSTEMS.

(a) IN GENERAL.—The Secretary of Defense shall carry out reforms in the recruiting systems of the Army, Navy, Air Force, and Marine Corps in order to improve the quality of new recruits and to reduce attrition among recruits.

(b) SPECIFIC REFORMS.—As part of the reforms in military recruiting systems to be undertaken under subsection (a), the Secretary shall take the following steps:

(1) Improve the system of separation codes used for recruits who are separated during recruit training by (A) revising and updating those codes to allow more accurate and useful data collection about those separations, and (B) prescribing regulations to ensure that those codes are interpreted in a uniform manner by the military services.

(2) Develop a reliable database for (A) analyzing service-wide data on reasons for attrition of new recruits, and (B) undertaking service-wide measures to control and manage such attrition.

(3) Require that the Secretary of each military department (A) adopt or strengthen incentives for recruiters to thoroughly prescreen potential candidates for recruitment, and (B) link incentives for recruiters, in part, to the ability of a recruiter to screen out unqualified candidates before enlistment.

(4) Require that the Secretary of each military department include as a measurement of recruiter performance the percentage of persons enlisted by a recruiter who complete initial combat training or basic training.

(5) Assess trends in the number and use of waivers over the 1991–1997 period that were issued to permit applicants to enlist with medical or other conditions that would otherwise be disqualifying.

(6) Require the Secretary of each military department to implement policies and procedures (A) to ensure the prompt separation of recruits who are unable to successfully complete basic training, and (B) to remove those recruits from the training environment while separation proceedings are pending.

(c) REPORT.—The Secretary shall submit to Congress a report of the trends assessed under subsection (b)(5). The information on those trends provided in the report shall be shown by armed force and by category of waiver. The report shall include recommendations of the Secretary for changing, revising, or limiting the use of waivers referred to in that subsection and shall be submitted not later than March 31, 1998.

SEC. 532. IMPROVEMENTS IN MEDICAL PRESCREENING OF APPLICANTS FOR MILITARY SERVICE.

(a) IN GENERAL.—The Secretary of Defense shall improve the medical prescreening of applicants for entrance into the Army, Navy, Air Force, or Marine Corps.

(b) SPECIFIC STEPS.—As part of those improvements, the Secretary shall take the following steps:

(1) Require that each applicant for service in the Army, Navy, Air Force, or Marine Corps (A) provide to the Secretary the name of the applicant's medical insurer and the names of past medical providers, and (B) sign a release allowing the Secretary to request and obtain medical records of the applicant.

(2) Require that the forms and procedures for medical prescreening of applicants that are used

by recruiters and by Military Entrance Processing Commands be revised so as to ensure that medical questions are specific, unambiguous, and tied directly to the types of medical separations most common for recruits during basic training and follow-on training.

(3) Add medical screening tests to the examinations of recruits carried out by Military Entrance Processing Station, provide more thorough medical examinations to selected groups of applicants, or both, to the extent that the Secretary determines that to do so could be cost effective in reducing attrition at basic training.

(4) Assign the responsibility for evaluating medical conditions of a recruit that are missed during accession processing to an agency or contractor other than the Military Entrance Processing Command which carried out the accession processing of that recruit (such command being the organization responsible for accession medical exams).

(5) Require that the Secretary of each military department test an applicant for entrance into the Armed Forces for use of illegal drugs at the Military Entrance Processing Station which carries out the accession processing of that recruit (in addition to any subsequent drug testing that may be required).

SEC. 533. IMPROVEMENTS IN PHYSICAL FITNESS OF RECRUITS.

(a) IN GENERAL.—The Secretary of Defense shall take steps to improve the physical fitness of recruits before they enter basic training.

(b) SPECIFIC STEPS.—As part of those improvements, the Secretary shall take the following steps:

(1) Direct the Secretary of each military department to implement programs under which new recruits who are in the Delayed Entry Program are encouraged to participate in physical fitness activities before reporting to basic training.

(2) Develop a range of incentives for new recruits to participate in physical fitness programs, as well as for those recruits who improve their level of fitness while in the Delayed Entry Program, which may include the use of monetary or other incentives, access to Department of Defense military fitness facilities, and access to military medical facilities in the case of a recruit who is injured while participating in physical activities with recruiters or other military personnel.

(3) Evaluate whether partnerships between recruiters and reserve components, or other innovative arrangements, could provide a pool of qualified personnel to assist in the conduct of physical training programs for new recruits in the Delayed Entry Program.

Subtitle E—Military Education and Training

SEC. 541. INDEPENDENT PANEL TO REVIEW MILITARY BASIC TRAINING.

(a) ESTABLISHMENT.—There is hereby established a panel to review the basic training programs of the Army, Navy, Air Force, and Marine Corps and to make recommendations on improvements to those programs.

(b) COMPOSITION.—(1) The panel shall be composed of seven members, appointed as follows:

(A) Three members shall be appointed jointly by the chairman and ranking minority party member of the Committee on National Security of the House of Representatives.

(B) Three members shall be appointed jointly by the chairman and ranking minority party member of the Committee on Armed Services of the Senate.

(C) One member shall be appointed by the Secretary of Defense.

(2) The members of the panel shall choose one of the members to chair the panel.

(c) QUALIFICATIONS.—Members of the panel shall be appointed from among private United States citizens with knowledge and expertise in one or more of the following:

(1) Training of military personnel.

(2) Social and cultural matters affecting entrance into the Armed Forces and affecting military service, military training, and military readiness, such knowledge and expertise to have been gained through recognized research, policy making and practical experience, as demonstrated by retired military personnel, representatives from educational organizations, and leaders from civilian industry and other Government agencies.

(3) Factors that define appropriate military job qualifications, including physical, mental, and educational factors.

(4) Combat or other theater of war operations.

(d) PANEL FUNCTIONS RELATING TO BASIC TRAINING PROGRAMS GENERALLY.—The panel shall review the course objectives, structure, and length of the basic training programs of the Army, Navy, Air Force, and Marine Corps. As part of that review, the panel shall (with respect to each of those services) take the following measures:

(1) Determine the current end-state objectives established for graduates of basic training, particularly in regard to—

(A) physical conditioning;

(B) technical and physical skills proficiency;

(C) knowledge;

(D) military socialization, including the inculcation of service values and attitudes; and

(E) basic combat operational requirements.

(2) Assess whether those current end-state objectives, and basic training itself, should be modified (in structure, length, focus, program of instruction, training methods or otherwise) based, in part, on the following:

(A) An assessment of the perspectives of operational units on the quality and qualifications of the initial entry training graduates being assigned to those units, considering in particular whether the basic training system produces graduates who arrive in operational units with an appropriate level of skills, physical conditioning, and degree of military socialization to meet unit requirements and needs.

(B) An assessment of the demographics, backgrounds, attitudes, experience, and physical fitness of new recruits entering basic training, considering in particular the question of whether, given the entry level demographics, education, and background of new recruits, the basic training systems and objectives are most efficiently and effectively structured and conducted to produce graduates who meet service needs.

(C) An assessment of the perspectives of personnel who conduct basic training with regard to measures required to improve basic training.

(e) PANEL FUNCTIONS RELATING TO GENDER-INTEGRATED AND GENDER-SEGREGATED BASIC TRAINING.—The panel shall review the basic training policies of each of the Army, Navy, Air Force, and Marine Corps with regard to gender-integrated and gender-segregated basic training. As part of that review, the panel shall (with respect to each of those services) take the following measures:

(1) Determine the historical rationales for the establishment and disestablishment of gender-integrated or gender-segregated basic training.

(2) Examine the current rationales for the use of gender-integrated or gender-segregated basic training and, as part of such examination, evaluate whether at the time any of the services made a decision to integrate, or to segregate, basic training by gender, the Secretary of the military department concerned had substantive reason to believe, or has since developed data to support, any of the following:

(A) That gender-integrated basic training, or gender-segregated basic training, improves the readiness or performance of operational units

(B) That the entry level of new recruits with regard to physical condition, attitudes, and values is so different from that required and expected in the military services in general, and in operational units in particular, that an intense period of focused training is required, free from the additional challenges of training males and females together.

(C) That a significant percentage of women entering basic training experienced sexual abuse or assault before entering military service and that gender-segregated basic training (with same-sex drill instructors) provides the best opportunity for such women to have positive military female role models as mentors and to enter gender-integrated operational forces from a position of confidence, strength, and knowledge.

(3) Assess whether the concept of ''training as you will fight'' is a valid rationale for gender-integrated basic training or whether the training requirements and objectives for basic training are sufficiently different from those of operational unit so that such concept, when balanced against other factors relating to basic training, might not be a sufficient rationale for gender-integrated basic training.

(4) Assess the degree to which different standards have been established, or if not established are in fact being implemented, for males and females in basic training for matters such as physical fitness, physical performance (such as confidence and obstacle courses), military skills (such as marksmanship and hand-grenade qualifications), and nonphysical tasks required of individuals and, to the degree that differing standards exist or are in fact being implemented, assess the effect of the use of those differing standards.

(5) Assess the degree to which performance standards in basic training are based on military readiness.

(6) Review Department of Defense and military department efforts to objectively measure or evaluate the effectiveness of gender-integrated basic training, as compared to gender-segregated basic training, particularly with regard to the adequacy and scope of the efforts and with regard to the relevancy of findings to operational unit requirements.

(7) Compare the pattern of attrition in gender-integrated basic training units with the pattern of attrition in gender-segregated basic training units and assess the relevancy of the findings of such comparison.

(8) Compare the level of readiness and morale of gender-integrated basic training units with the level of readiness and morale of gender-segregated units and assess the relevancy of the findings of such comparison.

(f) RECOMMENDATIONS.—The panel shall prepare—

(1) an evaluation of gender-integrated and gender-segregated basic training programs, based upon the review under subsection (e); and

(2) recommendations for such changes to the current system of basic training as the panel considers warranted.

(g) REPORTS.—(1) Not later than six months after the members of the panel are appointed, the panel shall submit an interim report on its findings and conclusions to the Secretary of Defense.

(2) Not later than one year after establishment of the panel, the panel shall submit a final report to the Secretary of Defense. The final report shall include recommendations for legislative and administrative changes to basic training programs to improve the readiness and performance of initial entry training graduates and to reduce attrition, both during training and in the first term of enlistment.

(h) SUBMISSION OF REPORTS TO CONGRESS.—Not later than one month after receipt of the panel's interim report and one month after receipt of the panel's final report, the Secretary of Defense shall submit the report to Congress together with the views of the Secretary regarding the report and the matter covered in the report.

(i) PAY AND EXPENSES OF MEMBERS.—(1) Each member of the panel who is not an employee of the Government shall be paid at a rate equal to the daily equivalent of the annual rate of basic pay payable for level IV of the Executive Schedule under section 5315 of title 5, United States Code, for each day (including travel time) during which the 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.

(j) ADMINISTRATIVE SUPPORT.—(1) Upon the request of the chairman of the panel, the Secretary of Defense may detail to the panel, on a nonreimbursable basis, personnel of the Department of Defense to assist the panel in carrying out its duties.

(2) The Secretary of Defense shall furnish to the panel such administrative and support services as may be requested by the chairman of the panel.

(k) FUNDING.—The Secretary of Defense shall, upon the request of the panel, make available to the panel such amounts as the panel may require to carry out its duties under this title.

(l) TERMINATION OF THE PANEL.—The panel shall terminate 60 days after the date on which it submits its final report under subsection (g).

(m) SUBSEQUENT CONSIDERATION BY CONGRESS.—After submission of the final report of the panel to Congress, the Congress shall, based upon the results of the study (and such other matters as Congress considers appropriate), consider whether to require by law that the Secretaries of the military departments conduct basic training on a gender-segregated basis.

SEC. 542. REFORM OF ARMY DRILL SERGEANT SELECTION AND TRAINING PROCESS.

(a) IN GENERAL.—The Secretary of the Army shall reform the process for selection and training of drill sergeants for the Army.

(b) MEASURES TO BE TAKEN.—As part of such reform, the Secretary shall undertake the following measures (unless, in the case of any such measure, the Secretary determines that that measure would not result in improved effectiveness and efficiency in the drill sergeant selection and training process):

(1) Review the overall process used by the Department of the Army for selection of drill sergeants to determine—

(A) if that process is providing drill sergeant candidates in sufficient quantity and quality to meet the needs of the training system; and

(B) whether duty as a drill sergeant is a career-enhancing assignment (or is seen by potential drill sergeant candidates as a career-enhancing assignment) and what steps could be taken to ensure that such duty is in fact a career-enhancing assignment.

(2) Incorporate into the selection process for all drill sergeants the views and recommendations of the officers and senior noncommissioned officers in the chain of command of each candidate for selection (particularly those of senior noncommissioned officers) regarding the candidate's suitability and qualifications to be a drill sergeant.

(3) Establish a requirement for psychological screening for each drill sergeant candidate.

(4) Reform the psychological screening process for drill sergeant candidates to improve the quality, depth, and rigor of that screening process.

(5) Revise the evaluation system for drill sergeants in training to provide for a so-called ''whole person'' assessment that gives insight into the qualifications and suitability of a drill sergeant candidate beyond the candidate's ability to accomplish required performance tasks.

(6) Revise the Army military personnel records system so that, under specified conditions and circumstances, a drill sergeant trainee who fails to complete the training to be a drill sergeant and is denied graduation will not have the fact of that failure recorded in those records. The conditions and circumstances under which the authority provided in the preceding sentence may be shall be prescribed by the Secretary in regulations.

(7) Provide each drill sergeant in training with the opportunity, before or during that training, to work with new recruits in initial entry training and to be evaluated on that opportunity.

(c) REPORT.—Not later than March 31, 1998, the Secretary shall submit to the Committee on National Security of the House of Representatives and the Committee on Armed Services of the Senate a report of the reforms adopted pursuant to this section or, in the case of any measure specified in any of paragraphs (1) through (7) of subsection (b) that was not adopted, the rationale why that measure was not adopted.

SEC. 543. REQUIREMENT FOR CANDIDATES FOR ADMISSION TO UNITED STATES NAVAL ACADEMY TO TAKE OATH OF ALLEGIANCE.

(a) REQUIREMENT.—Section 6958 of title 10, United States Code, is amended by adding at the end the following new subsection:

''(d) To be admitted to the Naval Academy, an appointee must take and subscribe to an oath prescribed by the Secretary of the Navy. If a candidate for admission refuses to take and subscribe to the prescribed oath, the candidate's appointment is terminated.''.

(b) EXCEPTION FOR MIDSHIPMEN FROM FOREIGN COUNTRIES.—Section 6957 of such title is amended by adding at the end the following new subsection:

''(d) A person receiving instruction under this section is not subject to section 6958(d) of this title.''.

SEC. 544. REIMBURSEMENT OF EXPENSES INCURRED FOR INSTRUCTION AT SERVICE ACADEMIES OF PERSONS FROM FOREIGN COUNTRIES.

(a) UNITED STATES MILITARY ACADEMY.—Section 4344(b) of title 10, United States Code, is amended—

(1) in paragraph (2), by striking out the period at the end and inserting in lieu thereof the following: '', except that the reimbursement rates may not be less than the cost to the United States of providing such instruction, including pay, allowances, and emoluments, to a cadet appointed from the United States.''; and

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

''(3) The amount of reimbursement waived under paragraph (2) may not exceed 25 percent of the per-person reimbursement amount otherwise required to be paid by a foreign country under such paragraph, except in the case of not more than five persons receiving instruction at the Academy under this section at any one time.''.

(b) NAVAL ACADEMY.—Section 6957(b) of such title is amended—

(1) in paragraph (2), by striking out the period at the end and inserting in lieu thereof the following: '', except that the reimbursement rates may not be less than the cost to the United States of providing such instruction, including pay, allowances, and emoluments, to a midshipman appointed from the United States.''; and

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

''(3) The amount of reimbursement waived under paragraph (2) may not exceed 25 percent of the per-person reimbursement amount otherwise required to be paid by a foreign country under such paragraph, except in the case of not more than five persons receiving instruction at the Naval Academy under this section at any one time.''.

(c) AIR FORCE ACADEMY.—Section 9344(b) of such title is amended—

(1) in paragraph (2), by striking out the period at the end and inserting in lieu thereof the following: '', except that the reimbursement rates may not be less than the cost to the United States of providing such instruction, including pay, allowances, and emoluments, to a cadet appointed from the United States.''; and

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

''(3) The amount of reimbursement waived under paragraph (2) may not exceed 25 percent of the per-person reimbursement amount otherwise required to be paid by a foreign country under such paragraph, except in the case of not more than five persons receiving instruction at the Academy under this section at any one time.''.

SEC. 545. UNITED STATES NAVAL POSTGRADUATE SCHOOL.

(a) AUTHORITY TO ADMIT ENLISTED MEMBERS AS STUDENTS.—Section 7045 of title 10, United States Code, is amended—

(1) in subsection (a)—

(A) by inserting ''(1)'' after ''(a)''; and

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

''(2) The Secretary may permit an enlisted member of the armed forces who is assigned to the Naval Postgraduate School or to a nearby command to receive instruction at the Naval Postgraduate School. Admission of enlisted members for instruction under this paragraph shall be on a space-available basis.'';

(2) in subsection (b)—

(A) by striking out ''the students'' and inserting in lieu thereof ''officers''; and

(B) by adding at the end the following new sentence: ''In the case of an enlisted member permitted to receive instruction at the Postgraduate School, the Secretary of the Navy shall charge that member only for such costs and fees as the Secretary considers appropriate (taking into consideration the admission of enlisted members on a space-available basis).''; and

(3) in subsection (c)—

(A) by striking out ''officers'' both places it appears and inserting in lieu thereof ''members''; and

(B) by striking out ''the same regulations'' and inserting in lieu thereof ''regulations, as determined appropriate by the Secretary of the Navy,''.

(b) EXPANSION OF AUTHORITY TO ADMIT CIVILIANS AS STUDENTS.—Section 7047 of such title is amended to read as follows:

''§ 7047. Civilian students at institutions of higher education: admission

''(a) ADMISSION ON TUITION-FREE, EXCHANGE BASIS.—(1) The Secretary of the Navy may enter into an agreement with an accredited institution of higher education (or a consortium of such institutions) under which students described in subsection (c) who are enrolled at that institution (or an institution in such consortium) are permitted to receive instruction at the Naval Postgraduate School on a space-available, tuition-free basis in exchange for which the institution of higher education (or each institution in the consortium) agrees to enroll, on a tuition-free basis, officers of the armed forces or other persons properly admitted for instruction at the Naval Postgraduate School.

''(2) Exchange of students under paragraph (1) need not be on a one-for-one basis.

''(3) An exchange under such an agreement shall be on the basis of in-kind reimbursement, with the total value of the instruction provided during a year by the Naval Postgraduate School to civilian students from the institutions that are parties to the agreement being at least as great as the value of instruction provided by those institutions to students from the Naval Postgraduate School.

''(4) In determining the value of the in-kind reimbursement for the instruction provided by the Naval Postgraduate School, the Secretary shall use the same amount charged by the Secretary for the provision of the same instruction to a Federal employee who is not a Department of Defense employee.

''(5) The authority of the Secretary to accept an offer of in-kind reimbursement under this subsection may not be delegated below the level of Assistant Secretary of the Navy.

''(b) ADMISSION ON COST-REIMBURSABLE BASIS.—(1) The Secretary of the Navy may permit a student described in subsection (c) who is enrolled at an accredited institution of higher

education that is a party to an agreement under subsection (a) to receive instruction at the Naval Postgraduate School on a cost-reimbursable, space-available basis.

''(2) The Secretary shall ensure that the value of any reimbursement received under this subsection in the case of any such student is not less than the amount charged by the Secretary for the provision of the same instruction to a Federal employee who is not a Department of Defense employee.

''(c) ELIGIBLE STUDENTS.—A student enrolled at an accredited institution of higher education that is party to an agreement under subsection (a) may be admitted to the Naval Postgraduate School under subsection (a) or (b) if the student—

''(1) is a citizen of the United States or is lawfully admitted for permanent residence in the United States;

''(2) has a demonstrated ability, as determined by the Secretary of the Navy, in a field of study designated by the Secretary as related to naval warfare, armed conflict, or national security; and

''(3) meets the academic requirements for the course or courses for which the student seeks admission to the Naval Postgraduate School.

''(d) STANDARDS OF CONDUCT.—Except as the Secretary of the Navy otherwise determines necessary, a person receiving instruction under this section is subject to the same regulations governing attendance, discipline, dismissal, and standards of study as apply to students who are officers of the naval service.

''(e) RETENTION OF FUNDS RECEIVED.—Amounts received under subsection (b) to reimburse the Naval Postgraduate School for the costs of providing instruction to students permitted to attend the Naval Postgraduate School under this section shall be credited to the current appropriation supporting the operation and maintenance of the Naval Postgraduate School.''.

(c) CLERICAL AMENDMENTS.—(1) The heading of section 7045 of such title is amended to read as follows:

''§ 7045. Officers of the other armed forces; enlisted members: admission''.

(2) The table of sections at the beginning of chapter 605 of such title is amended—

(A) by striking out the item relating to section 7045 and inserting in lieu thereof the following:

''7045. Officers of the other armed forces; enlisted members: admission.'';

and

(B) by striking out the item relating to section 7047 and inserting in lieu thereof the following:

''7047. Civilian students at institutions of higher education: admission.''.

(d) AMENDMENT TO REFLECT REVISED CIVIL SERVICE GRADE STRUCTURE.—Section 7043(b) of such title is amended by striking out ''grade GS–18 of the General Schedule under section 5332 of title 5'' and inserting in lieu thereof ''level IV of the Executive Schedule''.

SEC. 546. AIR FORCE ACADEMY CADET FOREIGN EXCHANGE PROGRAM.

(a) EXCHANGE PROGRAM AUTHORIZED.—Chapter 903 of title 10, United States Code, is amended by inserting after section 9344 the following new section:

''§ 9345. Exchange program with foreign military academies

''(a) EXCHANGE PROGRAM AUTHORIZED.—The Secretary of the Air Force may permit a student enrolled at a military academy of a foreign country to receive instruction at the Air Force Academy in exchange for an Air Force cadet receiving instruction at that foreign military academy pursuant to an exchange agreement entered into between the Secretary and appropriate officials of the foreign country. Students receiving instruction at the Academy under the exchange program shall be in addition to persons receiving instruction at the Academy under section 9344 of this title.

''(b) LIMITATIONS ON NUMBER AND DURATION OF EXCHANGES.—An exchange agreement under this section between the Secretary and a foreign country shall provide for the exchange of students on a one-for-one basis each fiscal year. Not more than 10 Air Force cadets and a comparable number of students from all foreign military academies participating in the exchange program may be exchanged during any fiscal year. The duration of an exchange may not exceed the equivalent of one academic semester at the Air Force Academy.

''(c) COSTS AND EXPENSES.—(1) A student from a military academy of a foreign country is not entitled to the pay, allowances, and emoluments of an Air Force cadet by reason of attendance at the Air Force Academy under the exchange program, and the Department of Defense may not incur any cost of international travel required for transportation of such a student to and from the sponsoring foreign country.

''(2) The Secretary may provide a student from a foreign country under the exchange program, during the period of the exchange, with subsistence, transportation within the continental United States, clothing, health care, and other services to the same extent that the foreign country provides comparable support and services to the exchanged Air Force cadet in that foreign country.

''(3) The Air Force Academy shall bear all costs of the exchange program from funds appropriated for the Academy. Expenditures in support of the exchange program may not exceed $50,000 during any fiscal year.

''(d) APPLICATION OF OTHER LAWS.—Subsections (c) and (d) of section 9344 of this title shall apply with respect to a student enrolled at a military academy of a foreign country while attending the Air Force Academy under the exchange program.

''(e) REGULATIONS.—The Secretary shall prescribe regulations to implement this section. Such regulations may include qualification criteria and methods of selection for students of foreign military academies to participate in the exchange program.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 9344 the following new item:

''9345. Exchange program with foreign military academies.''.

(c) REPEAL OF OBSOLETE LIMITATION.—Section 9353(a) of such title is amended by striking out ''After the date of the accrediting of the Academy, the'' and inserting in lieu thereof ''The''.

SEC. 547. TRAINING IN HUMAN RELATIONS MATTERS FOR ARMY DRILL SERGEANT TRAINEES.

(a) HUMAN RELATIONS TRAINING REQUIRED.—The Secretary of the Army shall include as part of the training program for drill sergeants a course in human relations. The course shall be a minimum of two days in duration.

(b) RESOURCES.—In developing a human relations course under this section, the Secretary shall use the capabilities and expertise of the Defense Equal Opportunity Management Institute (DEOMI).

(c) EFFECTIVE DATE.—This section shall apply with respect drill sergeant trainee classes that begin after the end of the 90–day period beginning on the date of the enactment of this Act.

SEC. 548. STUDY OF FEASIBILITY OF GENDER-SEGREGATED BASIC TRAINING.

Not later than 180 days after the date of the enactment of this Act, the Secretary of each military department shall submit to Congress a report on gender-segregated basic training. Each report shall give the views of the Secretary—

(1) on the feasibility and implications of conducting basic training (or equivalent training) at the company level and below through separate units for male and female recruits, including the costs and other resource commitments required to implement and conduct basic training in such a manner and the implications for readiness and unit cohesion; and

(2) assuming that basic training were to be conducted as described in paragraph (1), on the feasibility and implications of requiring drill instructors for basic training units to be of the same sex as the recruits in those units.

Subtitle F—Military Decorations and Awards

SEC. 551. STUDY OF NEW DECORATIONS FOR INJURY OR DEATH IN LINE OF DUTY.

(a) DETERMINATION OF CRITERIA FOR NEW DECORATION.—(1) The Secretary of Defense shall determine the appropriate name, policy, award criteria, and design for two possible new decorations.

(2) The first such decoration would, if implemented, be awarded to members of the Armed Forces who, while serving under competent authority in any capacity with the Armed Forces, are killed or injured in the line of duty as a result of noncombat circumstances occurring—

(A) as a result of an international terrorist attack against the United States or a foreign nation friendly to the United States;

(B) while engaged in, training for, or traveling to or from a peacetime or contingency operation; or

(C) while engaged in, training for, or traveling to or from service outside the territory of the United States as part of a peacekeeping force.

(3) The second such decoration would, if implemented, be awarded to civilian nationals of the United States who, while serving under competent authority in any capacity with the Armed Forces, are killed or injured in the line of duty under circumstances which, if they were members of the Armed Forces, would qualify them for award of the Purple Heart or the medal described in paragraph (2).

(b) LIMITATION ON IMPLEMENTATION.—Any such decoration may only be implemented as provided by a law enacted after the date of the enactment of this Act.

(c) RECOMMENDATION TO CONGRESS.—Not later than July 31, 1998, the Secretary shall submit to Congress a legislative proposal that would, if enacted, establish the new decorations developed pursuant to subsection (a). The Secretary shall include with that proposal the Secretary's recommendation concerning the need for, and propriety of, each of the decorations.

(d) COORDINATION.—The Secretary shall carry out this section in coordination with the Secretaries of the military departments and the Secretary of Transportation with regard to the Coast Guard.

SEC. 552. PURPLE HEART TO BE AWARDED ONLY TO MEMBERS OF THE ARMED FORCES.

(a) IN GENERAL.—(1) Chapter 57 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 1131. Purple Heart: limitation to members of the armed forces

''The decoration known as the Purple Heart (authorized to be awarded pursuant to Executive Order 11016) may only be awarded to a person who is a member of the armed forces at the time the person is killed or wounded under circumstances otherwise qualifying that person for award of the Purple Heart.''.

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

''1131. Purple Heart: limitation to members of the armed forces.''.

(b) EFFECTIVE DATE.—Section 1131 of title 10, United States Code, as added by subsection (a), shall apply with respect to persons who are killed or wounded after the end of the 180-day period beginning on the date of the enactment of this Act.

SEC. 553. ELIGIBILITY FOR ARMED FORCES EXPEDITIONARY MEDAL FOR PARTICIPATION IN OPERATION JOINT ENDEAVOR OR OPERATION JOINT GUARD.

(a) INCLUSION OF OPERATIONS.—For the purpose of determining the eligibility of members

and former members of the Armed Forces for the Armed Forces Expeditionary Medal, the Secretary of Defense shall designate participation in Operation Joint Endeavor or Operation Joint Guard in the Republic of Bosnia and Herzegovina, and in such other areas in the region as the Secretary considers appropriate, as service in an area that meets the general requirements for the award of that medal.

(b) INDIVIDUAL DETERMINATION.—The Secretary of the military department concerned shall determine whether individual members or former members of the Armed Forces who participated in Operation Joint Endeavor or Operation Joint Guard meet the individual service requirements for award of the Armed Forces Expeditionary Medal as established in applicable regulations. A member or former member shall be considered to have participated in Operation Joint Endeavor or Operation Joint Guard if the member—

(1) was deployed in the Republic of Bosnia and Herzegovina, or in such other area in the region as the Secretary of Defense considers appropriate, in direct support of one or both of the operations;

(2) served on board a United States naval vessel operating in the Adriatic Sea in direct support of one or both of the operations; or

(3) operated in airspace above the Republic of Bosnia and Herzegovina, or in such other area in the region as the Secretary of Defense considers appropriate, while the operations were in effect.

(c) OPERATIONS DEFINED.—For purposes of this section:

(1) The term ''Operation Joint Endeavor'' means operations of the United States Armed Forces conducted in the Republic of Bosnia and Herzegovina during the period beginning on November 20, 1995, and ending on December 20, 1996, to assist in implementing the General Framework Agreement and Associated Annexes, initialed on November 21, 1995, in Dayton, Ohio.

(2) The term ''Operation Joint Guard'' means operations of the United States Armed Forces conducted in the Republic of Bosnia and Herzegovina as a successor to Operation Joint Endeavor during the period beginning on December 20, 1996, and ending on such date as the Secretary of Defense may designate.

SEC. 554. 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 described in subsections (b), (c), and (d), the award of each such decoration having been determined by the Secretary of the military department concerned to be warranted in accordance with section 1130 of title 10, United States Code.

(b) SILVER STAR MEDAL.—Subsection (a) applies to the award of the Silver Star Medal as follows:

(1) To Joseph M. Moll, Jr. of Milford, New Jersey, for service during World War II.

(2) To Philip Yolinsky of Hollywood, Florida, for service during the Korean Conflict.

(c) NAVY AND MARINE CORPS MEDAL.—Subsection (a) applies to the award of the Navy and Marine Corps Medal to Gary A. Gruenwald of Damascus, Maryland, for service in Tunisia in October 1977.

(d) DISTINGUISHED FLYING CROSS.—Subsection (a) applies to awards of the Distinguished Flying Cross for service during World War II or Korea (including multiple awards to the same individual) in the case of each individual concerning whom the Secretary of the Navy (or an officer of the Navy acting on behalf of the Secretary) submitted to the Committee on National Security of the House of Representatives and the Committee on Armed Services of the Senate, before the date of the enactment of this Act, a notice as provided in section 1130(b) of title 10, United States Code, that the award of the Distinguished Flying Cross to that individual is warranted and that a waiver of time restrictions prescribed by law for recommendation for such award is recommended.

Subtitle G—Other Matters

SEC. 561. SUSPENSION OF TEMPORARY EARLY RETIREMENT AUTHORITY.

Notwithstanding subsection (i) of section 4403 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102–484; 10 U.S.C. 1293 note), the Secretary of a military department may not use the authority provided under such section to retire a member of the Armed Forces during fiscal year 1998.

SEC. 562. TREATMENT OF EDUCATIONAL ACCOMPLISHMENTS OF NATIONAL GUARD CHALLENGE PROGRAM PARTICIPANTS.

Section 509 of title 32, United States Code, as added by section 1057, is amended by adding at the end of subsection (f) the following new paragraph:

''(3) In the case of a person who is selected for training in a State program conducted under the National Guard Challenge Program and who obtains a general education diploma in connection with such training, the general education diploma shall be treated as equivalent to a high school diploma for purposes of determining the eligibility of the person for enlistment in the armed forces.''.

SEC. 563. AUTHORITY FOR PERSONNEL TO PARTICIPATE IN MANAGEMENT OF CERTAIN NON-FEDERAL ENTITIES.

(a) MILITARY PERSONNEL.—(1) Chapter 53 of title 10, United States Code, is amended by inserting after section 1032 the following new section:

''§ 1033. Participation in management of specified non-Federal entities: authorized activities

''(a) AUTHORIZATION.—The Secretary concerned may authorize a member of the armed forces under the Secretary's jurisdiction, as part of that member's official duties, to serve without compensation as a director, officer, or trustee, or to otherwise participate, in the management of an entity designated under subsection (b). Any such authorization shall be made on a case-by-case basis, for a particular member to participate in a specific capacity with a specific designated entity. Such authorization may be made only for the purpose of providing oversight and advice to, and coordination with, the designated entity, and participation of the member in the activities of the designated entity may not extend to participation in the day-to-day operations of the entity.

''(b) DESIGNATED ENTITIES.—(1) The Secretary of Defense, and the Secretary of Transportation in the case of the Coast Guard when it is not operating as a service in the Navy, shall designate those entities for which authorization under subsection (a) may be provided. The list of entities so designated may not be revised more frequently than semiannually. In making such designations, the Secretary shall designate each military welfare society and may designate any other entity described in paragraph (3). No other entities may be designated.

''(2) In this section, the term 'military welfare society' means the following:

''(A) Army Emergency Relief.

''(B) Air Force Aid Society, Inc.

''(C) Navy-Marine Corps Relief Society.

''(D) Coast Guard Mutual Assistance.

''(3) An entity described in this paragraph is an entity that—

''(A) regulates and supports the athletic programs of the service academies (including athletic conferences);

''(B) regulates international athletic competitions;

''(C) accredits service academies and other schools of the armed forces (including regional accrediting agencies); or

''(D)(i) regulates the performance, standards, and policies of military health care (including health care associations and professional societies), and (ii) has designated the position or capacity in that entity in which a member of the armed forces may serve if authorized under subsection (a).

''(c) PUBLICATION OF DESIGNATED ENTITIES AND OF AUTHORIZED PERSONS.—A designation of an entity under subsection (b), and an authorization under subsection (a) of a member of the armed forces to participate in the management of such an entity, shall be published in the Federal Register.

''(d) REGULATIONS.—The Secretary of Defense, and the Secretary of Transportation in the case of the Coast Guard when it is not operating as a service in the Navy, shall prescribe regulations to carry out this section.''.

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1032 the following new item:

''1033. Participation in management of specified non-Federal entities: authorized activities.''.

(b) CIVILIAN PERSONNEL.—(1) Chapter 81 of such title is amended by inserting after section 1588 the following new section:

''§ 1589. Participation in management of specified non-Federal entities: authorized activities

''(a) AUTHORIZATION.—(1) The Secretary concerned may authorize an employee described in paragraph (2), as part of that employee's official duties, to serve without compensation as a director, officer, or trustee, or to otherwise participate, in the management of an entity designated under subsection (b). Any such authorization shall be made on a case-by-case basis, for a particular employee to participate in a specific capacity with a specific designated entity. Such authorization may be made only for the purpose of providing oversight and advice to, and coordination with, the designated entity, and participation of the employee in the activities of the designated entity may not extend to participation in the day-to-day operations of the entity.

''(2) Paragraph (1) applies to any employee of the Department of Defense or, in the case of the Coast Guard when not operating as a service in the Navy, of the Department of Transportation. For purposes of this section, the term 'employee' includes a civilian officer.

''(b) DESIGNATED ENTITIES.—(1) The Secretary of Defense, and the Secretary of Transportation in the case of the Coast Guard when it is not operating as a service in the Navy, shall designate those entities for which authorization under subsection (a) may be provided. The list of entities so designated may not be revised more frequently than semiannually. In making such designations, the Secretary shall designate each military welfare society and may designate any other entity described in paragraph (3). No other entities may be designated.

''(2) In this section, the term 'military welfare society' means the following:

''(A) Army Emergency Relief.

''(B) Air Force Aid Society, Inc.

''(C) Navy-Marine Corps Relief Society.

''(D) Coast Guard Mutual Assistance.

''(3) An entity described in this paragraph is an entity that—

''(A) regulates and supports the athletic programs of the service academies (including athletic conferences);

''(B) regulates international athletic competitions;

''(C) accredits service academies and other schools of the armed forces (including regional accrediting agencies); or

''(D)(i) regulates the performance, standards, and policies of military health care (including health care associations and professional societies), and (ii) has designated the position or capacity in that entity in which a Federal employee described in subsection (a)(2) may serve if authorized under subsection (a).

''(c) PUBLICATION OF DESIGNATED ENTITIES AND OF AUTHORIZED PERSONS.—A designation of an entity under subsection (b), and an authorization under subsection (a) of an employee to participate in the management of such an entity, shall be published in the Federal Register.

''(d) CIVILIANS OUTSIDE THE MILITARY DEPARTMENTS.—In this section, the term 'Secretary concerned' includes the Secretary of Defense with respect to employees of the Department of Defense who are not employees of a military department.

''(e) REGULATIONS.—The Secretary of Defense, and the Secretary of Transportation in the case of the Coast Guard when it is not operating as a service in the Navy, shall prescribe regulations to carry out this section.''.

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1588 the following new item:

''1589. Participation in management of specified non-Federal entities: authorized activities.''.

SEC. 564. CREW REQUIREMENTS OF WC–130J AIRCRAFT.

(a) STUDY.—The Secretary of the Air Force shall conduct a study of the crew requirements for WC–130J aircraft engaged in the aerial weather reconnaissance mission involving the eyewall penetration of tropical cyclones. The study shall involve the operation of WC–130J aircraft in weather reconnaissance missions configured to carry five crewmembers, including a navigator. The study shall include the participation of members of the Armed Forces assigned to units currently engaged in weather reconnaissance operations.

(b) REPORT.—The Secretary shall submit to Congress a report on the results of the study. The report shall include the views of members of the Armed Forces assigned to units currently engaged in weather reconnaissance operations who participated in the study.

(c) LIMITATION ON REVISION TO PERSONNEL REQUIREMENTS.—The Secretary of the Air Force may not reduce the personnel requirement levels of units that, as of the date of the enactment of this Act, are engaged in weather reconnaissance operations involving the eyewall penetration of tropical cyclones, including requirements for navigators, below the requirements established for those units as of October 1, 1997, until the end of the six-month period beginning on the date on which the report required under subsection (b) is submitted to Congress.

SEC. 565. COMPTROLLER GENERAL STUDY OF DEPARTMENT OF DEFENSE CIVIL MILITARY PROGRAMS.

(a) STUDY REQUIRED.—The Comptroller General shall conduct a study to evaluate the following:

(1) The nature, extent, and cost to the Department of Defense of the support and services being provided by units and members of the Armed Forces to non-Department of Defense organizations and activities under the authority of section 2012 of title 10, United States Code.

(2) The degree to which the Armed Forces are in compliance with the requirements of such section in the provision of such support and services, especially the requirements that the assistance meet specific requirements relative to military training and that the assistance provided be incidental to military training.

(3) The degree to which the regulations and procedures for implementing such section, as required by subsection (f) of such section, are consistent with the requirements of such section.

(4) The effectiveness of the Secretary of Defense and the Secretaries of the military departments in conducting oversight of the implementation of such section, and the provision of such support and services under such section, to ensure compliance with the requirements of such section.

(b) SUBMISSION OF REPORT.—Not later than March 31, 1998, the Comptroller General shall submit to Congress a report containing the results of the study required by subsection (a).

SEC. 566. TREATMENT OF PARTICIPATION OF MEMBERS IN DEPARTMENT OF DEFENSE CIVIL MILITARY PROGRAMS.

Section 2012 of title 10, United States Code, is amended—

(1) by redesignating subsections (g) and (h) as subsections (h) and (i), respectively; and

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

''(g) TREATMENT OF MEMBER'S PARTICIPATION IN PROVISION OF SUPPORT OR SERVICES.—(1) The Secretary of a military department may not require or request a member of the armed forces to submit for consideration by a selection board (including a promotion board, command selection board, or any other kind of selection board) evidence of the member's participation in the provision of support and services to non-Department of Defense organizations and activities under this section or the member's involvement in, or support of, other community relations and public affairs activities of the armed forces. A selection board may not evaluate a member on the basis of the member's participation or involvement in, or support of, such support, services, or activities.

''(2) Paragraph (1) shall not apply with respect to the following members:

''(A) A member who is in a public affairs career field.

''(B) A member who is not in a public affairs career field, but who is serving, at the time the member is considered by a selection board, in a public affairs position specified in service authorization documents or who served in such a position within three years before being considered by a selection board.''.

SEC. 567. CONTINUATION OF SUPPORT TO SENIOR MILITARY COLLEGES.

(a) DEFINITION OF SENIOR MILITARY COLLEGES.—For purposes of this section, the term ''senior military colleges'' means the following:

(1) Texas A&M University.

(2) Norwich University.

(3) The Virginia Military Institute.

(4) The Citadel.

(5) Virginia Polytechnic Institute and State University.

(6) North Georgia College and State University.

(b) FINDINGS.—Congress finds the following:

(1) The senior military colleges consistently have provided substantial numbers of highly qualified, long-serving leaders to the Armed Forces.

(2) The quality of the military leaders produced by the senior military colleges is, in part, the result of the rigorous military environment imposed on students attending the senior military colleges by the colleges, as well as the result of the long-standing close support relationship between the Corps of Cadets at each college and the Reserve Officer Training Corps personnel at the colleges who serve as effective leadership role models and mentors.

(3) In recognition of the quality of the young leaders produced by the senior military colleges, the Department of Defense and the military services have traditionally maintained special relationships with the colleges, including the policy to grant active duty service in the Army to graduates of the colleges who desire such service and who are recommended for such service by their ROTC professors of military science.

(4) Each of the senior military colleges has demonstrated an ability to adapt its systems and operations to changing conditions in, and requirements of, the Armed Forces without compromising the quality of leaders produced and without interruption of the close relationship between the colleges and the Department of Defense.

(c) SENSE OF CONGRESS.—In light of the findings in subsection (b), it is the sense of Congress that—

(1) the proposed initiative of the Secretary of the Army to end the commitment to active duty service for all graduates of senior military colleges who desire such service and who are recommended for such service by their ROTC professors of military science is short-sighted and contrary to the long-term interests of the Army;

(2) as they have in the past, the senior military colleges can and will continue to accommodate to changing military requirements to ensure that future graduates entering military service continue to be officers of superb quality who are quickly assimilated by the Armed Forces and fully prepared to make significant contributions to the Armed Forces through extended military careers; and

(3) decisions of the Secretary of Defense or the Secretary of a military department that fundamentally and unilaterally change the longstanding relationship of the Armed Forces with the senior military colleges are not in the best interests of the Department of Defense or the Armed Forces and are patently unfair to students who made decisions to enroll in the senior military colleges on the basis of existing Department and Armed Forces policy.

(d) CONTINUATION OF SUPPORT FOR SENIOR MILITARY COLLEGES.—Section 2111a of title 10, United States Code, is amended—

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

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

''(d) ADDITIONAL SUPPORT.—(1) The Secretaries of the military departments shall ensure that each unit of the Senior Reserve Officers' Training Corps at a senior military college provides support to the Corps of Cadets at the college over and above the level of support associated with the conduct of the formal Senior Reserve Officers' Training Corps course of instruction.

''(2) This additional support shall include the following:

''(A) Mentoring, teaching, coaching, counseling and advising cadets and cadet leaders in the areas of leadership, military, and academic performance.

''(B) Involvement in cadet leadership training, development, and evaluation, as well as drill, ceremonies, parades, and inspections.

''(3) This additional support may include the following:

''(A) Advising cadet teams, clubs, and organizations.

''(B) Involvement in matters of discipline and administration of the Corps of Cadets so long as such involvement does not interfere with the conduct of the formal Senior Reserve Officers' Training Corps course of instruction or the support required by paragraph (2).

''(e) TERMINATION OR REDUCTION OF PROGRAM PROHIBITED.—The Secretary of Defense and the Secretaries of the military departments may not take or authorize any action to terminate or reduce a unit of the Senior Reserve Officers' Training Corps at a senior military college unless the termination or reduction is specifically requested by the college.

''(f) ASSIGNMENT TO ACTIVE DUTY.—(1) The Secretary of the Army shall ensure that a graduate of a senior military college who desires to serve as a commissioned officer on active duty upon graduation from the college, who is medically and physically qualified for active duty, and who is recommended for such duty by the professor of military science at the college, shall be assigned to active duty. This paragraph shall apply to a member of the program at a senior military college who graduates from the college after March 31, 1997.

''(2) Nothing in this section shall be construed to prohibit the Secretary of the Army from requiring a member of the program who graduates from a senior military college to serve on active duty.''.

(e) TECHNICAL CORRECTIONS.—Subsection (g) of such section, as redesignated by subsection (d)(1), is amended—

(1) in paragraph (2), by striking out ''College'' and inserting in lieu thereof ''University''; and

(2) in paragraph (6), by inserting before the period the following: ''and State University''.

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

''§ 2111a. Support for senior military colleges''.

(2) The item relating to such section in the table of sections at the beginning of chapter 103 of title 10, United States Code, is amended to read as follows:

''2111a. Support for senior military colleges.''.

SEC. 568. RESTORATION OF MISSING PERSONS AUTHORITIES APPLICABLE TO DEPARTMENT OF DEFENSE AS IN EFFECT BEFORE ENACTMENT OF NATIONAL DEFENSE AUTHORIZATION ACT FOR FISCAL YEAR 1997.

(a) APPLICABILITY TO DEPARTMENT OF DEFENSE CIVILIAN EMPLOYEES AND CONTRACTOR EMPLOYEES.—(1) Section 1501 of title 10, United States Code, is amended—

(A) by striking out subsection (c) and inserting in lieu thereof the following:

''(c) COVERED PERSONS.—Section 1502 of this title applies in the case of the following persons:

''(1) Any member of the armed forces on active duty who becomes involuntarily absent as a result of a hostile action, or under circumstances suggesting that the involuntary absence is a result of a hostile action, and whose status is undetermined or who is unaccounted for.

''(2) Any civilian employee of the Department of Defense, and any employee of a contractor of the Department of Defense, who serves with or accompanies the armed forces in the field under orders who becomes involuntarily absent as a result of a hostile action, or under circumstances suggesting that the involuntary absence is a result of a hostile action, and whose status is undetermined or who is unaccounted for.'', and

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

''(f) SECRETARY CONCERNED.—In this chapter, the term 'Secretary concerned' includes, in the case of a civilian employee of the Department of Defense or contractor of the Department of Defense, the Secretary of the military department or head of the element of the Department of Defense employing the employee or contracting with the contractor, as the case may be.''.

(2) Section 1503(c) of such title is amended—

(A) in paragraph (1), by striking out ''one military officer'' and inserting in lieu thereof ''one individual described in paragraph (2)'';

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

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

''(2) An individual referred to in paragraph (1) is the following:

''(A) A military officer, in the case of an inquiry with respect to a member of the armed forces.

''(B) A civilian, in the case of an inquiry with respect to a civilian employee of the Department of Defense or of a contractor of the Department of Defense.''.

(3) Section 1504(d) of such title is amended—

(A) in paragraph (1), by striking out ''who are and all the follows in that paragraph and inserting in lieu thereof ''as follows:

''(A) In the case of a board that will inquire into the whereabouts and status of one or more members of the armed forces (and no civilians described in subparagraph (B)), the board shall be composed of officers having the grade of major or lieutenant commander or above.

''(B) In the case of a board that will inquire into the whereabouts and status of one or more civilian employees of the Department of Defense or contractors of the Department of Defense (and no members of the armed forces), the board shall be composed of—

''(i) not less than three employees of the Department of Defense whose rate of annual pay is equal to or greater than the rate of annual pay payable for grade GS–13 of the General Schedule under section 5332 of title 5; and

''(ii) such members of the armed forces as the Secretary considers advisable.

''(C) In the case of a board that will inquire into the whereabouts and status of both one or more members of the armed forces and one or more civilians described in subparagraph (B)—

''(i) the board shall include at least one officer described in subparagraph (A) and at least one employee of the Department of Defense described in subparagraph (B)(i); and

''(ii) the ratio of such officers to such employees on the board shall be roughly proportional to the ratio of the number of members of the armed forces who are subjects of the board's inquiry to the number of civilians who are subjects of the board's inquiry.''; and

(B) in paragraph (4), by striking out ''section 1503(c)(3)'' and inserting in lieu thereof ''section 1503(c)(4)''.

(4) Paragraph (1) of section 1513 of such title is amended to read as follows:

''(1) The term 'missing person' means—

''(A) a member of the armed forces on active duty who is in a missing status; or

''(B) a civilian employee of the Department of Defense or an employee of a contractor of the Department of Defense who serves with or accompanies the armed forces in the field under orders and 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 ''10 days'' and inserting in lieu thereof ''48 hours''; and

(ii) by striking out ''Secretary concerned'' and inserting in lieu thereof ''theater component commander with jurisdiction over the missing person'';

(B) by redesignating subsection (b) as subsection (c);

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

''(b) TRANSMISSION THROUGH THEATER COMPONENT COMMANDER.—Upon reviewing a report under subsection (a) recommending that a person by placed in a missing status, the theater component commander shall ensure that all necessary actions are being taken, and all appropriate assets are being used, to resolve the status of the missing person. Not later than 14 days after receiving the report, the theater component commander shall forward the report to the Secretary of Defense or the Secretary concerned in accordance with procedures prescribed under section 1501(b) of this title. The theater component commander shall include with such report a certification that all necessary actions are being taken, and all appropriate assets are being used, to resolve the status of the missing person.''; and

(D) in subsection (c), as redesignated by subparagraph (B), by adding at the end the following new sentence: ''The theater component commander through whom the report with respect to the missing person is transmitted under subsection (b) shall ensure that all pertinent information relating to the whereabouts and status of the missing person that results from the preliminary assessment or from actions taken to locate the person is properly safeguarded to avoid loss, damage, or modification.''.

(2) Section 1503(a) of such title is amended by striking out ''section 1502(a)'', and inserting in lieu thereof ''section 1502(b)''.

(3) Section 1513 of such title is amended by adding at the end the following new paragraph:

''(8) The term 'theater component commander' means, with respect to any of the combatant commands, an officer of any of the armed forces who (A) is commander of all forces of that armed force assigned to that combatant command, and (B) is directly subordinate to the commander of the combatant command.''.

(c) FREQUENCY OF SUBSEQUENT REVIEWS.—Subsection (b) of section 1505 of such title is amended to read as follows:

''(b) FREQUENCY OF SUBSEQUENT REVIEWS.—(1) In the case of a missing person who was last known to be alive or who was last suspected of being alive, the Secretary shall appoint a board to conduct an inquiry with respect to a person under this subsection—

''(A) on or about three years after the date of the initial report of the disappearance of the person under section 1502(a) of this title; and

''(B) not later than every three years thereafter.

''(2) In addition to appointment of boards under paragraph (1), the Secretary shall appoint a board to conduct an inquiry with respect to a missing person under this subsection upon receipt of information that could result in a change of status of the missing person. When the Secretary appoints a board under this paragraph, the time for subsequent appointments of a board under paragraph (1)(B) shall be determined from the date of the receipt of such information.

''(3) The Secretary is not required to appoint a board under paragraph (1) with respect to the disappearance of any person—

''(A) more than 30 years after the initial report of the disappearance of the missing person required by section 1502 of this title; or

''(B) if, before the end of such 30-year period, the missing person is accounted for.''.

(d) PENALTIES FOR WRONGFUL WITHHOLDING OF INFORMATION.—Section 1506 of such title is amended—

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

(2) by inserting after subsection (d) the following new subsection (e):

''(e) WRONGFUL WITHHOLDING.—Except as provided in subsections (a) through (d), any person who knowingly and willfully withholds from the personnel file of a missing person any information relating to the disappearance or whereabouts and status of a missing person shall be fined as provided in title 18 or imprisoned not more than one year, or both.''.

(e) INFORMATION TO ACCOMPANY RECOMMENDATION OF STATUS OF DEATH.—Section 1507(b) of such title is amended adding at the end the following new paragraphs:

''(3) A description of the location of the body, if recovered.

''(4) If the body has been recovered and is not identifiable through visual means, a certification by a practitioner of an appropriate forensic science that the body recovered is that of the missing person.''.

(f) SCOPE OF PREENACTMENT REVIEW.—(1) Section 1509 of such title is amended—

(A) by redesignating subsection (c) as subsection (d); and

(B) by inserting after subsection (b) the following new subsection (c):

''(c) SPECIAL RULE FOR PERSONS CLASSIFIED AS 'KLA/BNR'.—In the case of a person described in subsection (b) who was classified as 'killed in action/body not recovered', the case of that person may be reviewed under this section only if the new information referred to in subsection (a) is compelling.''.

(2)(A) The heading of such section is amended by inserting **'', special interest''** after **''Preenactment''**.

(B) The item relating to such section in the table of sections at the beginning of chapter 76 of such title is amended by inserting '', special interest'' after ''Preenactment''.

SEC. 569. ESTABLISHMENT OF SENTENCE OF CONFINEMENT FOR LIFE WITHOUT ELIGIBILITY FOR PAROLE.

(a) ESTABLISHMENT OF SENTENCE.—(1) Chapter 47 of title 10, United States Code (the Uniform Code of Military Justice), is amended by inserting after section 856 (article 56) the following new section (article):

''§ 856a. Art. 56a. Sentence of confinement for life without eligibility for parole

''(a) For any offense for which a sentence of confinement for life may be adjudged, a court-martial may adjudge a sentence of confinement for life without eligibility for parole.

''(b) An accused who is sentenced to confinement for life without eligibility for parole shall be confined for the remainder of the accused's life unless—

''(1) the sentence is set aside or otherwise modified as a result of—

''(A) action taken by the convening authority, the Secretary concerned, or another person authorized to act under section 860 of this title (article 60); or

''(B) any other action taken during post-trial procedure and review under any other provision of subchapter IX;

''(2) the sentence is set aside or otherwise modified as a result of action taken by a Court of Criminal Appeals, the Court of Appeals for the Armed Forces, or the Supreme Court; or

''(3) the accused is pardoned.''.

(2) The table of sections at the beginning of subchapter VIII of such chapter is amended by inserting after the item relating to section 856 (article 56) the following new item:

''856a. 56a. Sentence of confinement for life without eligibility for parole.''.

(b) EFFECTIVE DATE.—Section 856a of title 10, United States Code (article 56a of the Uniform Code of Military Justice), as added by subsection (a), shall be applicable only with respect to an offense committed after the date of the enactment of this Act.

SEC. 570. LIMITATION ON APPEAL OF DENIAL OF PAROLE FOR OFFENDERS SERVING LIFE SENTENCE.

(a) EXCLUSIVE AUTHORITY TO GRANT PAROLE ON APPEAL OF DENIAL.—Section 952 of title 10, United States Code, is amended—

(1) by inserting ''(a)'' before ''The Secretary''; and

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

''(b) In a case in which parole for an offender serving a sentence of confinement for life is denied, only the President or the Secretary concerned may grant the offender parole on appeal of that denial. The authority to grant parole on appeal in such a case may not be delegated.''.

(b) EFFECTIVE DATE.—This section shall apply only with respect to any decision to deny parole made after the date of the enactment of this Act.

SEC. 571. ESTABLISHMENT OF PUBLIC AFFAIRS BRANCH IN THE ARMY.

(a) NEW SPECIAL BRANCH.—Section 3064(a) of title 10, United States Code, is amended—

(1) by redesignating paragraphs (3) and (4) as paragraphs (4) and (5); and

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

''(3) the Public Affairs Corps;''.

(b) PUBLIC AFFAIRS CORPS.—(1) Chapter 307 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 3083. Public Affairs Corps

''There is a Public Affairs Corps in the Army. The Public Affairs Corps consists of—

''(1) the Chief of the Public Affairs Corps;

''(2) commissioned officers of the Regular Army appointed therein; and

''(3) other members of the Army assigned thereto by the Secretary of the Army.''.

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

''3083. Public Affairs Corps.''.

(c) TRANSITION.—The Secretary of the Army shall implement the amendments made by this section not later than October 1, 1998.

TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

Subtitle A—Pay and Allowances

SEC. 601. INCREASE IN BASIC PAY FOR FISCAL YEAR 1998.

(a) WAIVER OF SECTION 1009 ADJUSTMENT.—The adjustment, to become effective during fiscal year 1998, required by section 1009(b) of title 37, United States Code (as amended by section 602), in the rate of monthly basic pay authorized members of the uniformed services by section 203(a) of such title shall not be made.

(b) INCREASE IN BASIC PAY.—Effective on January 1, 1998, the rates of basic pay of members of the uniformed services are increased by 2.8 percent.

SEC. 602. ANNUAL ADJUSTMENT OF BASIC PAY AND PROTECTION OF MEMBER'S TOTAL COMPENSATION WHILE PERFORMING CERTAIN DUTY.

(a) IN GENERAL.—Section 1009 of title 37, United States Code, is amended to read as follows:

''§ 1009. Certain elements of compensation: adjustment; protection against change

''(a) ELEMENTS OF COMPENSATION.—In this section, the term 'elements of compensation' means—

''(1) the monthly basic pay authorized members of the uniformed services by section 203(a) of this title;

''(2) the basic allowance for subsistence authorized members of the uniformed services by section 402 of this title; and

''(3) the basic allowance for housing authorized members of the uniformed services by section 403 of this title.

''(b) ANNUAL ADJUSTMENT OF BASIC PAY.—Effective as of the first day of the first applicable pay period beginning on or after January 1 of each calendar year, the rates of basic pay of members of the uniformed services shall be increased by the percentage (rounded to the nearest one-tenth of one percent) equal to the percentage by which the Employment Cost Index for the base quarter of the year before the preceding calendar year exceeds the Employment Cost Index for the base quarter of the second year before the preceding calendar year (if at all).

''(c) ALLOCATION OF ADJUSTMENT.—(1) Subject to paragraph (2), whenever the President determines such action to be in the best interest of the Government, the President may allocate the percentage increase in basic pay among such pay grade and years-of-service categories as the President considers appropriate.

''(2) In making any allocation under paragraph (1), the amount of the increase in basic pay for any given pay grade and years-of-service category after the allocation under paragraph (1) may not be less than 75 percent of the amount of the increase that otherwise would have been effective with respect to such pay grade and years-of-service category under subsection (b).

''(3) Whenever the President plans to use the authority provided under paragraph (1) with respect to any anticipated increase in the compensation of members of the uniformed services, the President shall advise the Congress, at the earliest practicable time before the effective date of the increase, regarding the proposed allocation of the increase among pay grade and years-of-service categories.

''(d) PROTECTION OF MEMBER'S TOTAL COMPENSATION WHILE PERFORMING CERTAIN DUTY.—(1) The total daily amount of the elements of compensation, described in subsection (a), together with other pay and allowances under this title, to be paid to a member of the uniformed services who is temporarily assigned to duty away from the member's permanent duty station or to duty under field conditions at the member's permanent duty station shall not be less, for any day during the assignment period, than the total amount, for the day immediately preceding the date of the assignment, of the elements of compensation and other pay and allowances of the member.

''(2) Paragraph (1) shall not apply with respect to an element of compensation or other pay or allowance of a member during an assignment described in such paragraph to the extent that the element of compensation or other pay or allowance is reduced or terminated due to circumstances unrelated to the assignment.

''(e) OTHER DEFINITIONS.—In this section:

''(1) The term 'Employment Cost Index' means the Employment Cost Index (wages and salaries, private industry workers) published quarterly by the Bureau of Labor Statistics.

''(2) The term 'base quarter', for each year, means the three-month period ending on September 30 of such year.''.

(b) CLERICAL AMENDMENT.—The item relating to such section in the table of sections at the beginning of chapter 19 of such title is amended to read as follows:

''1009. Certain elements of compensation: adjustment; protection against change.''.

SEC. 603. USE OF FOOD COST INFORMATION TO DETERMINE BASIC ALLOWANCE FOR SUBSISTENCE.

(a) FOOD-COST BASED ALLOWANCE.—Section 402 of title 37, United States Code, is amended to read as follows:

''§ 402. Basic allowance for subsistence

''(a) ENTITLEMENT; RATE; ADJUSTMENT.—(1) Except as otherwise provided by law, each member of a uniformed service described in subsection (b) or (c) is entitled to a basic allowance for subsistence. The rate for the allowance shall be prescribed in regulations by the Secretary of Defense after consultation with the Secretaries concerned specified in subparagraphs (D), (E), and (F) of section 101(5) of this title. The allowance may be paid in advance for a period of not more than three months.

''(2) Whenever basic pay is increased pursuant to section 1009 of this title or another law, the Secretary of Defense shall adjust the basic allowance for subsistence at the same rate as the most recent adjustment made to the cost of the moderate food plan of the Department of Agriculture (one of the four official food plans used by the Department of Agriculture under the Food Stamp Act of 1977) to reflect changes in the cost of the diet described by the moderate food plan.

''(b) ENLISTED MEMBERS.—An enlisted member is entitled to the basic allowance for subsistence on a daily basis if the member is entitled to basic pay and one or more of the following applies with respect to the member:

''(1) Rations in kind are not available.

''(2) Rations in kind are available, but the Secretary of Defense authorizes the payment of the basic allowance for subsistence.

''(3) Permission to mess separately is granted.

''(4) The member is assigned to duty under emergency conditions where no messing facilities of the United States are available.

''(5) The member is on an authorized leave of absence, is confined in a hospital, or is performing travel under orders away from the member's designated post of duty (except when rations in kind are available and the Secretary of Defense does not authorize the payment of the basic allowance for subsistence.).

''(c) OFFICERS.—An officer of a uniformed service who is entitled to basic pay is entitled, at all times, to the basic allowances for subsistence. An aviation cadet of the Navy, Air Force, Marine Corps, or Coast Guard is entitled to the same basic allowance for subsistence as is provided for an officer of the Navy, Air Force, Marine Corps, or Coast Guard, respectively.

''(d) SPECIAL RULE FOR CERTAIN MEMBERS AUTHORIZED TO MESS SEPARATELY.—Under regulations and in areas prescribed by the Secretary of Defense, and the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service in the Navy, an enlisted member who is granted permission to mess separately, and whose duties require the member to buy at least one meal from other than a messing facility of the United States, is entitled to not more than the pro rata allowance authorized for each such meal for an enlisted member when rations in kind are not available.

''(e) PAYMENT FOR RATIONS IN KIND ACTUALLY RECEIVED.—The Secretary of Defense may require a member of the uniformed services to pay

for rations in kind actually received by the member while entitled to a basic allowance for subsistence.

''(f) ADMINISTRATION.—(1) The Secretary of Defense may prescribe regulations for the administration of this section.

''(2) For purposes of subsection (b)(5), a member shall not be considered to be performing travel under orders away from his designated post of duty if the member—

''(A) is an enlisted member serving the member's first tour of active duty;

''(B) has not actually reported to a permanent duty station pursuant to orders directing such assignment; and

''(C) is not actually traveling between stations pursuant to orders directing a change of station.

''(g) PERCENTAGE LIMITATION ON ENLISTED MEMBERS RECEIVING ALLOWANCE.—(1) This subsection apples with respect to enlisted members of the Army, Navy, Air Force, and Marine Corps who, when present at their permanent duty station and at which adequate messing facilities of the United States are available, reside without dependents in Government quarters. The Secretary concerned may not provide a basic allowance for subsistence to more than 12 percent of such members under the jurisdiction of the Secretary concerned.

''(2) The Secretary concerned may exceed the percentage limitation specified in paragraph (1) if the Secretary determines that compliance would increase costs to the Government, would impose financial hardships on members otherwise entitled to a basic allowance for subsistence, or would reduce the quality of life for such members.

''(3) This subsection shall not apply to a member described in paragraph (1) when the member is not residing at the member's permanent duty station.

''(h) RATIONS IN KIND FOR CERTAIN RESERVES.—(1) The Secretary concerned may provide rations in kind, or a part thereof, to an enlisted member of a reserve component or of the National Guard when the member's instruction or duty periods, described in section 206(a) of this title, total at least eight hours in a calendar day. The Secretary concerned may provide the member with a commutation when rations in kind are not available.

''(2) This subsection shall not apply with respect to an enlisted member of a reserve component or of the National Guard who is entitled to basic pay.

''(i) USE OF MESSING FACILITIES.—The Secretary of Defense, in consultation with the Secretaries concerned, shall establish policies regarding the use of messing facilities of the United States, including field messing facilities.''.

(b) CONFORMING AMENDMENTS.—(1) Section 404(b)(2) of title 37, United States Code, is amended by striking out ''under section 402(e) of this title'' and inserting in lieu thereof ''by the Secretary of Defense''.

(2) Section 1012 of title 37, United States Code, is amended by striking out ''section 402(b)(3)'' and inserting in lieu thereof ''section 402(h)''.

(3) Section 6912 of title 10, United States Code, is amended by striking out ''section 402(a) and (b)'' and inserting in lieu thereof ''section 402(c)''.

SEC. 604. CONSOLIDATION OF BASIC ALLOWANCE FOR QUARTERS, VARIABLE HOUSING ALLOWANCE, AND OVERSEAS HOUSING ALLOWANCES.

(a) CONSOLIDATION OF ALLOWANCES.—Section 403 of title 37, United States Code, is amended to read as follows:

''§ 403. Basic allowance for housing

''(a) COMPONENTS OF BASIC ALLOWANCE FOR HOUSING.—The basic allowance for housing consists of the following components:

''(1) A basic allowance for quarters for members of the uniformed services stationed in the United States and, under certain circumstances, members on duty outside of the United States whose dependents continue to reside in the United States.

''(2) A overseas station housing allowance for members on duty outside of the United States to reflect housing costs incurred by the members.

''(3) A family separation housing allowance for members with dependents when the movement of the dependents to the members' permanent station is not authorized at the expense of the United States.

''(b) ELIGIBILITY FOR ALLOWANCE.—(1) Except as otherwise provided by law, a member of a uniformed service who is entitled to basic pay shall receive the component or components of the basic allowance for housing to which the member is entitled under this section at the monthly rates prescribed in connection with the component under this section or other provision of law. The amount of the allowance for a member will vary according to the pay grade in which the member is assigned or distributed for basic pay purposes and the member's dependency status.

''(2) The basic allowance for housing may be paid in advance.

''(c) EFFECT OF ASSIGNMENT TO GOVERNMENT QUARTERS.—(1) Except as otherwise provided by law, a member of a uniformed service who is assigned to quarters of the United States appropriate to the grade, rank, or rating of the member and adequate for the member and dependents, if with dependents, is not entitled to a basic allowance for housing. In this section, the term 'quarters of the United States' includes a housing facility under the jurisdiction of a uniformed service.

''(2) A member without dependents who is in a pay grade above pay grade E–6 and is assigned to quarters of the United States may elect not to occupy those quarters and instead receive the basic allowance for housing to which the member is otherwise entitled.

''(3) A member without dependents who is in pay grade E–6 and is assigned to quarters of the United States that do not meet the minimum adequacy standards established by the Secretary of Defense for members in such pay grade may elect not to occupy those quarters and instead to receive the basic allowance for housing to which the member is otherwise entitled. The Secretary concerned may deny the right to make an election under this paragraph if the Secretary determines that the exercise of such an election would adversely affect a training mission, military discipline, or military readiness.

''(4) In the case of a member with dependents who is assigned to quarters of the United States at a location or under circumstances that, as determined by the Secretary concerned, require the member's dependents to reside at different location, the member shall receive a basic allowance for housing as if the member were assigned to duty in the area in which the dependents reside and did not reside in quarters of the United States.

''(d) EFFECT OF FIELD DUTY AND SEA DUTY.—(1) The Secretary concerned may deny the basic allowance for housing to a member of a uniformed service without dependents when the member is assigned to field duty with a unit conducting field operations.

''(2) A member of a uniformed service without dependents who is in a pay grade below pay grade E–6 is not entitled to a basic allowance for housing while on sea duty. After taking into consideration the availability of quarters for members serving in pay grade E–5, the Secretary concerned may authorize the payment of a basic allowance for housing to a member without dependents who is serving in such pay grade and is assigned to sea duty.

''(3) 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 housing 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 paragraph shall not apply to a couple if one or both of the members are entitled to a basic allowance for housing under paragraph (2).

''(4) For purposes of this subsection, the Secretary of Defense shall prescribe, by regulation, definitions of the terms 'field duty' and 'sea duty'.

''(e) BASIC ALLOWANCE FOR QUARTERS.—(1) The Secretary of Defense shall determine the costs of adequate housing in a military housing area for all members of the uniformed services entitled to a basic allowance for quarters in that area. The Secretary shall base the determination upon the costs of adequate housing for civilians with comparable income levels in the same area.

''(2) The monthly amount of a basic allowance for quarters for an area of the United States for a member of a uniformed service is equal to difference between—

''(A) the monthly cost of housing in that area, as determined by the Secretary of Defense, for members of the uniformed services serving in the same pay grade and with the same dependency status as the member; and

''(B) 15 percent of the national average monthly cost of housing in the United States, as determined by the Secretary, for members of the uniformed services serving in the same pay grade and with the same dependency status as the member.

''(3) The rates of basic allowance for quarters shall be reduced as necessary to comply with this paragraph. The total amount that may be paid for a fiscal year for the basic allowance for quarters is the product of—

''(A) the total amount authorized to be paid for such allowance for the preceding fiscal year (as adjusted under paragraph (5)); and

''(B) a fraction—

''(i) the numerator of which is the index of the national average monthly cost of housing for June of the preceding fiscal year; and

''(ii) the denominator of which is the index of the national average monthly cost of housing for June of the fiscal year before the preceding fiscal year.

''(4) An adjustment in the rates of basic allowance for quarters as a result of the Secretary's redetermination of housing costs in an area shall take effect on the same date as the effective date of the next increase in basic pay under section 1009 of this title or other provision of law.

''(5) In making a determination under paragraph (3) for a fiscal year, the amount authorized to be paid for the preceding fiscal year for the basic allowance for quarters shall be adjusted to reflect changes during the year for which the determination is made in the number, grade distribution, geographic distribution, and dependency status of members of the uniformed services entitled to the allowance from the number of such members during the preceding fiscal year.

''(6) So long as a member of a uniformed service retains uninterrupted eligibility to receive a basic allowance for quarters within an area of the United States, the monthly amount of the allowance for the member may not be reduced as a result of changes in housing costs in the area, changes in the national average monthly cost of housing, or the promotion of the member.

''(f) OVERSEAS STATION HOUSING ALLOWANCE.—(1) The Secretary of Defense may prescribe an overseas station housing allowance for a member of a uniformed service who is on duty outside of the United States. The Secretary shall base the station housing allowance on housing costs in the overseas area in which the member is assigned.

''(2) So long as a member of a uniformed service retains uninterrupted eligibility to receive an overseas station housing allowance in an overseas area and the actual monthly cost of housing for the member is not reduced, the monthly

amount of the overseas station housing allowance may not be reduced as a result of changes in housing costs in the area or the promotion of the member. The monthly amount of the allowance may be adjusted to reflect changes in currency rates.

''(g) FAMILY SEPARATION HOUSING ALLOWANCE.—(1) A member of a uniformed service with dependents who is on permanent duty at a location described in paragraph (2) is entitled to a family separation housing allowance under this subsection at a monthly rate equal to the rate of basic allowance for quarters or overseas station housing allowance established for that location for members without dependents in the same grade.

''(2) A permanent duty location referred to in paragraph (1) is a location—

''(A) to which the movement of the member's dependents is not authorized at the expense of the United States under section 406 of this title, and the member's dependents do not reside at or near the location; and

''(B) at which quarters of the United States are not available for assignment to the member.

''(3) The allowance provided under this subsection is in addition to any other allowance or per diem that the member is otherwise entitled to under this title.

''(h) PARTIAL ALLOWANCE.—(1) The Secretary of Defense may prescribe a partial basic allowance for housing for a member of a uniformed service without dependents who is not entitled to the allowance pursuant to subsection (c) or (d).

''(2) In the case of a member of a uniformed service who is assigned to quarters of the United States and pays child support, the Secretary of Defense may authorize the payment of a partial basic allowance for housing, at a rate prescribed by the Secretary, on account of the member's payment of the child support. The allowance shall be at a reduced rate to reflect the member's assignment to quarters of the United States. The amount of the partial allowance shall not exceed the monthly rate of the member's child support. The payment of a partial allowance under this paragraph to a member may be in addition to any allowance paid to the member under paragraph (1).

''(i) SPECIAL RULES FOR CERTAIN MEMBERS.—(1)(A) In the case of a member of a reserve component of a uniformed service without dependents who is called or ordered to active duty (other than for training) or a retired member without dependents ordered to active duty under section 688(a) of title 10, the member shall be considered to be assigned to duty at the location of the primary residence of the member at the time of the call or order for purposes of determining the amount of the member's basic allowance for housing.

''(B) If a member described in subparagraph (A) is called or ordered to active duty for less than 30 days, the Secretary of Defense shall prescribe the amount of the basic allowance for housing to be paid to the member.

''(C) This paragraph shall not apply to a member described in subparagraph (A) if the member is authorized transportation of household goods under section 406 of this title as part of the call or order to active duty or if the primary residence of the member is not owned by the member or the member is not responsible for rental payments.

''(2) A member of a uniformed service without dependents who is in pay grade E–4 (four or more years' service), or above, is entitled to a basic allowance for housing while the member is in a travel or leave status between permanent duty stations, including time granted as delay en route or proceed time, when the member is not assigned to quarters of the United States. Notwithstanding subsection (e)(2), the rate of basic allowance for quarters for such a member shall be equal to the national average monthly cost of housing in the United States, as determined by the Secretary, for members of the uniformed services serving in the same pay grade and with the same dependency status as the member.

''(3) The eligibility of an aviation cadet of the Navy, Air Force, Marine Corps, or Coast Guard for a basic allowance for housing shall be determined as if the aviation cadet were a member of the uniformed services in pay grade E–4.

''(4) In the case of a member without dependents who is assigned to duty inside the United States, the location or the circumstances of which make it necessary that the member be reassigned under the conditions of low cost or no cost permanent change of station or permanent change of assignment, the member may be treated as if the member were not reassigned if the Secretary concerned determines that it would be inequitable to base the member's entitlement to, and amount of, a basic allowance for housing on the area to which the member is reassigned.

''(j) ADMINISTRATION.—(1) The Secretary concerned may make such determinations as may be necessary to administer this section, including determinations of dependency and relationship. When warranted by the circumstances, the Secretary concerned may reconsider and change or modify any such determination. This authority may be delegated by the Secretary concerned. Any determination made under this section with regard to a member of the uniformed services is final and is not subject to review by any accounting officer of the United States or a court, unless there is fraud or gross negligence.

''(2) Parking facilities (including utility connections) provided members of the uniformed services for house trailers and mobile homes not owned by the Government shall not be considered to be quarters for the purposes of this section or any other provision of law. Any fees established by the Government for the use of such a facility shall be established in an amount sufficient to cover the cost of maintenance, services, and utilities and to amortize the cost of construction of the facility over the 25-year period beginning with the completion of such construction.

''(k) TEMPORARY CONTINUATION OF ALLOWANCE.—(1) The Secretary of Defense, or the Secretary of Transportation in the case of the Coast Guard when not operating as a service in the Navy, may allow the dependents of a member of the armed forces who dies while on active duty and whose dependents are occupying family housing provided by the Department of Defense, or by the Department of Transportation in the case of the Coast Guard, other than on a rental basis on the date of the member's death to continue to occupy such housing without charge for a period of 180 days.

''(2) The Secretary concerned may pay an allowance for housing to the dependents of a member of the uniformed services who dies while on active duty and whose dependents are not occupying a housing facility under the jurisdiction of a uniformed service on the date of the member's death or are occupying such housing on a rental basis on such date, or whose dependents vacate such housing sooner than 180 days after the date of the member's death. The amount of the allowance shall be the same amount that would otherwise be payable to the deceased member under this section if the member had not died. The payment of an allowance under this paragraph shall terminate 180 days after the date of the member's death.''.

(b) REPEAL OF SUPERSEDED AUTHORITIES.—(1) Section 403a of title 37, United States Code, is repealed.

(2) Section 405 of such title is amended—

(A) by striking out subsection (b); and

(B) by redesignating subsections (c) and (d) as subsections (b) and (c), respectively.

(3) Section 427 of such title is amended—

(A) by striking out subsection (a); and

(B) in subsection (b)—

(i) by striking out ''(b) ADDITIONAL SEPARATION ALLOWANCE.—'' and inserting in lieu thereof ''(a) AVAILABILITY OF SEPARATION ALLOWANCE.—'';

(ii) in paragraph (1), by striking out ''including subsection (a)'' and inserting in lieu thereof ''including section 403(g) of this title'';

(iii) in paragraph (4)—

(I) by striking out ''(4) A member'' and inserting in lieu thereof ''(b) EFFECT OF ELECTION TO SERVE UNACCOMPANIED TOUR OF DUTY.—A member'';

(II) by striking out ''paragraph (1)(A) of this subsection'' and inserting in lieu thereof ''subsection (a)(1)(A)''; and

(iv) in paragraph (5)—

(I) by striking out ''(5) Section 421'' and inserting in lieu thereof ''(c) EFFECT OF DEPENDENT ENTITLED TO BASIC PAY.—Section 421''; and

(II) by striking out ''paragraph (1)(D)'' both places it appears and inserting in lieu thereof ''subsection (a)(1)(D)''.

(4) The table of sections at the beginning of chapter 7 of title 37, United States Code, is amended by striking out the items relating to sections 403 and 403a and inserting in lieu thereof the following new item:

''403. Basic allowance for housing.''.

(c) CONFORMING AMENDMENTS.—(1) Title 37, United States Code, is amended—

(A) in section 101(25), by striking out ''basic allowance for quarters (including any variable housing allowance or station housing allowance)'' and inserting in lieu thereof ''basic allowance for housing'';

(B) in section 406(c), by striking out ''sections 404 and 405'' and inserting in lieu thereof ''sections 403(f), 404, and 405'';

(C) in section 420(c), by striking out ''quarters'' and inserting in lieu thereof ''housing'';

(D) in section 551(3)(D), by striking out ''basic allowance for quarters'' and inserting in lieu thereof ''basic allowance for housing''; and

(E) in section 1014(a), by striking out ''basic allowance for quarters'' and inserting in lieu thereof ''basic allowance for housing''.

(2) Title 10, United States Code, is amended—

(A) in section 708(c)(1), by striking out ''basic allowance for quarters or basic allowance for subsistence'' and inserting in lieu thereof ''basic allowance for housing under section 403 of title 37, basic allowance for subsistence under section 402 of such title,'';

(B) in section 2830(a)—

(i) in paragraph (1), by striking out ''basic allowance for quarters'' and inserting in lieu thereof ''basic allowance for housing under section 403 of title 37''; and

(ii) in paragraph (2), by striking out ''basic allowance for quarters'' and inserting in lieu thereof ''basic allowance for housing'';

(C) in section 2882(b)—

(i) in paragraph (1), by striking out ''section 403(b)'' and inserting in lieu thereof ''section 403''; and

(ii) in paragraph (2), by striking out ''basic allowance for quarters'' and all that follows through the end of the paragraph and inserting in lieu thereof ''basic allowance for housing under section 403 of title 37.'';

(D) in section 7572(b)—

(i) in paragraph (1), by striking out ''the total of—'' and all that follows through the end of the paragraph and inserting in lieu thereof ''the basic allowance for housing payable under section 403 of title 37 to a member of the same pay grade without dependents for the period during which the member is deprived of quarters on board ship.''; and

(ii) in paragraph (2), by striking out ''basic allowance for quarters'' and inserting in lieu thereof ''basic allowance for housing''; and

(E) in section 7573, by striking out ''basic allowance for quarters'' and inserting in lieu thereof ''basic allowance for housing under section 403 of title 37''.

(3) Section 5561(6)(D) of title 5, United States Code, is amended by striking out ''basic allowance for quarters'' and inserting in lieu thereof ''basic allowance for housing''.

(4) Section 107(b) of title 32, United States Code, is amended by striking out ''and quarters'' and inserting in lieu thereof ''and housing''.

(5) Section 4(k)(10) of the Military Selective Service Act (50 U.S.C. App. 454(k)(10)) is amended by striking out ''as such terms'' and all that follows through ''extended or amended'' and inserting in lieu thereof ''shall be entitled to receive a dependency allowance equal to the basic allowance for quarters provided for persons in pay grade E–1 under section 403 of title 37, United States Code,''.

(d) TRANSITION TO BASIC ALLOWANCE FOR HOUSING.—The Secretary of Defense shall develop and implement a plan to incrementally manage the rate of growth of the various components of the basic allowance for housing authorized by section 403 of title 37, United States Code (as amended by subsection (a)), during a transition period of not more than six years. During the transition period, the Secretary may continue to use the authorities provided under sections 403, 403a, 405(b), and 427(a) of title 37, United States Code (as in effect on the day before the date of the enactment of this Act), but subject to such modifications as the Secretary considers necessary, to provide allowances for members of the uniformed services.

(e) AVAILABILITY OF FUNDS TO REDUCE OUT-OF-POCKET HOUSING COSTS.—Of the amount authorized to be appropriated pursuant to section 421 for military personnel, $35,000,000 shall be available to the Secretary of Defense to increase the rates of basic allowance for quarters authorized members of the Armed Forces by section 403 of title 37, United States Code (as amended by subsection (a)), so as to further reduce out-of-pocket housing costs incurred by members of the Armed Forces.

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 HEALTH PROFESSIONALS IN CRITICALLY SHORT WARTIME SPECIALTIES.—Section 302g(f) of title 37, United States Code, is amended by striking out ''September 30, 1998'' and inserting in lieu thereof ''September 30, 1999''.

(b) SELECTED RESERVE REENLISTMENT BONUS.—Section 308b(f) of title 37, United States Code, is amended by striking out ''September 30, 1998'' and inserting in lieu thereof ''September 30, 1999''.

(c) SELECTED RESERVE ENLISTMENT BONUS.—Section 308c(e) of title 37, United States Code, is amended by striking out ''September 30, 1998'' and inserting in lieu thereof ''September 30, 1999''.

(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, 1998'' and inserting in lieu thereof ''September 30, 1999''.

(e) SELECTED RESERVE AFFILIATION BONUS.—Section 308e(e) of title 37, United States Code, is amended by striking out ''September 30, 1998'' and inserting in lieu thereof ''September 30, 1999''.

(f) READY RESERVE ENLISTMENT AND REENLISTMENT BONUS.—Section 308h(g) of title 37, United States Code, is amended by striking out ''September 30, 1998'' and inserting in lieu thereof ''September 30, 1999''.

(g) PRIOR SERVICE ENLISTMENT BONUS.—Section 308i(i) of title 37, United States Code, is amended by striking out ''September 30, 1998'' and inserting in lieu thereof ''September 30, 1999''.

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, 1998'' and inserting in lieu thereof ''September 30, 1999''.

(b) ACCESSION BONUS FOR REGISTERED NURSES.—Section 302d(a)(1) of title 37, United States Code, is amended by striking out ''September 30, 1998'' and inserting in lieu thereof ''September 30, 1999''.

(c) INCENTIVE SPECIAL PAY FOR NURSE ANESTHETISTS.—Section 302e(a)(1) of title 37, United States Code, is amended by striking out ''September 30, 1998'' and inserting in lieu thereof ''September 30, 1999''.

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, 1998,'' and inserting in lieu thereof ''September 30, 1999,''.

(b) REENLISTMENT BONUS FOR ACTIVE MEMBERS.—Section 308(g) of title 37, United States Code, is amended by striking out ''September 30, 1998'' and inserting in lieu thereof ''September 30, 1999''.

(c) ENLISTMENT BONUSES FOR MEMBERS WITH CRITICAL SKILLS.—Sections 308a(c) and 308f(c) of title 37, United States Code, are each amended by striking out ''September 30, 1998'' and inserting in lieu thereof ''September 30, 1999''.

(d) SPECIAL PAY FOR NUCLEAR QUALIFIED OFFICERS EXTENDING PERIOD OF ACTIVE DUTY.—Section 312(e) of title 37, United States Code, is amended by striking out ''September 30, 1998'' and inserting in lieu thereof ''September 30, 1999''.

(e) NUCLEAR CAREER ACCESSION BONUS.—Section 312b(c) of title 37, United States Code, is amended by striking out ''September 30, 1998'' and inserting in lieu thereof ''September 30, 1999''.

(f) NUCLEAR CAREER ANNUAL INCENTIVE BONUS.—Section 312c(d) of title 37, United States Code, is amended by striking out ''October 1, 1998'' and inserting in lieu thereof ''October 1, 1999''.

(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, 1998'' and inserting in lieu thereof ''October 1, 1999''.

SEC. 614. INCREASE IN MINIMUM MONTHLY RATE OF HAZARDOUS DUTY INCENTIVE PAY FOR CERTAIN MEMBERS.

(a) AERIAL FLIGHT CREWMEMBERS.—The table in subsection (b) of section 301 of title 37, United States Code, is amended—

(1) by striking out ''110'' each place it appears and inserting in lieu thereof ''150''; and

(2) by striking out ''125'' each place it appears and inserting in lieu thereof ''150''.

(b) AIR WEAPONS CONTROLLER AIRCREW.—The table in subsection (c)(2)(A) of such section is amended—

(1) by striking out ''100'' in the first column of amounts and inserting in lieu thereof ''150'';

(2) by striking out ''110'' in the last column of amounts and inserting in lieu thereof ''150''; and

(3) by striking out ''125'' each place it appears and inserting in lieu thereof ''150''.

(c) OTHER MEMBERS.—Subsection (c)(1) of such section is amended—

(1) by striking out ''$110'' and inserting in lieu thereof ''$150''; and

(2) by striking out ''$165'' and inserting in lieu thereof ''$225''.

SEC. 615. AVAILABILITY OF MULTIYEAR RETENTION BONUS FOR DENTAL OFFICERS.

(a) AVAILABILITY OF RETENTION BONUS.—Chapter 5 of title 37, United States Code, is amended by inserting after section 301d the following new section:

''§ 301e. Multiyear retention bonus: dental officers of the armed forces

''(a) BONUS AUTHORIZED.—(1) A dental officer described in subsection (b) who executes a written agreement to remain on active duty for two, three, or four years after completion of any other active-duty service commitment may, upon acceptance of the written agreement by the Secretary of the military department concerned, be paid a retention bonus as provided in this section.

''(2) The amount of a retention bonus under paragraph (1) may not exceed $14,000 for each year covered by a four-year agreement. The maximum yearly retention bonus for two-year and three-year agreements shall be reduced to reflect the shorter service commitment.

''(b) OFFICERS AUTOMATICALLY ELIGIBLE.—Subsection (a) applies to an officer of the armed forces who—

''(1) 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;

''(2) has a dental specialty in oral and maxillofacial surgery;

''(3) is in a pay grade below pay grade 0–7;

''(4) has at least eight years of creditable service (computed as described in section 302b(g) of this title) or has completed any active-duty service commitment incurred for dental education and training; and

''(5) has completed initial residency training (or will complete such training before September 30 of the fiscal year in which the officer enters into an agreement under subsection (a)).

''(c) EXTENSION OF BONUS TO OTHER DENTAL OFFICERS.—At the discretion of the Secretary of the military department concerned, the Secretary may enter into a written agreement described in subsection (a)(1) with a dental officer who does not have the dental specialty specified in subsection (b)(2), and pay a retention bonus to such an officer as provided in this section, if the officer otherwise satisfies the eligibility requirements specified in subsection (b). The Secretaries shall exercise the authority provided in this section in a manner consistent with regulations prescribed by the Secretary of Defense.

''(d) REFUNDS.—(1) Refunds shall be required, on a pro rata basis, of sums paid under this section if the officer who has received the payment fails to complete the total period of active duty specified in the agreement, as conditions and circumstances warrant.

''(2) An obligation to reimburse the United States imposed under paragraph (1) is for all purposes a debt owed to the United States.

''(3) A discharge in bankruptcy under title 11, United States Code, that is entered less than five years after the termination of an agreement under this section does not discharge the member signing such agreement from a debt arising under such agreement or under paragraph (1). This paragraph applies to any case commenced under title 11 after the date of the enactment of the National Defense Authorization Act for Fiscal Year 1998.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 301d the following new item:

''301e. Multiyear retention bonus: dental officers of the armed forces.''.

SEC. 616. INCREASE IN VARIABLE AND ADDITIONAL SPECIAL PAYS FOR CERTAIN DENTAL OFFICERS.

(a) VARIABLE SPECIAL PAY FOR JUNIOR OFFICERS.—Paragraph (2) of section 302b(a) of title 37, United States Code, is amended by striking out subparagraphs (C) through (F) and inserting in lieu thereof the following new subparagraphs:

''(C) $7,000 per year, if the officer has at least six but less than eight years of creditable service.

''(D) $12,000 per year, if the officer has at least eight but less than 12 years of creditable service.

''(E) $10,000 per year, if the officer has at least 12 but less than 14 years of creditable service.

''(F) $9,000 per year, if the officer has at least 14 but less than 18 years of creditable service.

''(G) $8,000 per year, if the officer has 18 or more years of creditable service.''.

(b) VARIABLE SPECIAL PAY FOR SENIOR OFFICERS.—Paragraph (3) of such section is amended by striking out ''$1,000'' and inserting in lieu thereof ''$7,000''.

(c) ADDITIONAL SPECIAL PAY.—Paragraph (4) of such section is amended by striking out subparagraphs (B) through (D) and inserting in lieu thereof the following new subparagraphs:

''(B) $6,000 per year, if the officer has at least three but less than 10 years of creditable service.

''(C) $15,000 per year, if the officer has 10 or more years of creditable service.''.

SEC. 617. SPECIAL PAY FOR DUTY AT DESIGNATED HARDSHIP DUTY LOCATIONS.

(a) SPECIAL PAY AUTHORIZED.—Section 305 of title 37, United States Code, is amended by striking out subsection (a) and inserting in lieu thereof the following new subsection:

''(a) SPECIAL PAY AUTHORIZED.—A member of a uniformed service who is entitled to basic pay may be paid special pay under this section at a monthly rate not to exceed $300 while the member is on duty at a location in the United States or outside the United States designated by the Secretary of Defense as a hardship duty location.''.

(b) CROSS REFERENCES AND REGULATIONS.—Such section is further amended—

(1) in subsection (b)—

(A) by inserting ''EXCEPTION FOR CERTAIN MEMBERS SERVING IN CERTAIN LOCATIONS.—'' after ''(b)''; and

(B) by striking out ''as foreign duty pay'' and inserting in lieu thereof ''as hardship duty location pay'';

(2) in subsection (c)—

(A) by inserting ''EXCEPTION FOR MEMBERS RECEIVING CAREER SEA PAY.—'' after ''(c)''; and

(B) by striking out ''special pay under this section'' and inserting in lieu thereof ''hardship duty location pay under subsection (a)''; and

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

''(d) REGULATIONS.—The Secretary of Defense shall prescribe regulations for the provision of hardship duty location pay under subsection (a), including the actual monthly rates at which the special pay will be available.''.

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

''§ 305. Special pay: hardship duty location pay''.

(2) The table of sections at the beginning of chapter 5 of title 37, United States Code, is amended by striking out the item relating to section 305 and inserting in lieu thereof the following new item:

''305. Special pay: hardship duty location pay.''.

(d) CONFORMING AMENDMENT.—Section 907(d) of such title is amended by striking out ''duty at certain places'' and inserting in lieu thereof ''duty at a hardship duty location''.

(e) TRANSITION.—Until such time as the Secretary of Defense prescribes regulations regarding the provision of hardship duty location pay under section 305 of title 37, United States Code, as amended by this section, the Secretary may continue to use the authority provided by such section 305, as in effect on the day before the date of the enactment of this Act, to provide special pay to enlisted members of the uniformed services on duty at certain places.

SEC. 618. SELECTED RESERVE REENLISTMENT BONUS.

(a) ELIGIBLE MEMBERS.—Subsection (a)(1) of section 308b of title 37, United States Code, is amended by striking out ''ten years'' and inserting in lieu thereof ''14 years''.

(b) BONUS AMOUNTS; PAYMENT.—Subsection (b) of such section is amended to read as follows:

''(b)(1) The amount of a bonus under this section may not exceed—

''(A) $2,500, in the case of a member who reenlists or extends an enlistment for a period of three years; and

''(B) $5,000, in the case of a member who reenlists or extends an enlistment for a period of six years.

''(2) The bonus shall be paid according to a payment schedule determined by the Secretary concerned, except that the initial payment to a member may not exceed one-half the total bonus amount for the member.''.

(c) NUMBER OF INDIVIDUAL BONUSES.—Subsection (c) of such section is amended to read as follows:

''(c) A member may not be paid more than one six-year bonus or two three-year bonuses under this section.''.

(d) EFFECT OF FAILURE TO SERVE SATISFACTORILY.—Subsection (d) of such section is amended to read as follows:

''(d) A member who receives a bonus under this section and who fails, during the period for which the bonus was paid, to serve satisfactorily in the element of the Selected Reserve of the Ready Reserve with respect to which the bonus was paid shall refund to the United States an amount that bears the same relation to the amount of the bonus paid to the member as the period that the member failed to serve satisfactorily bears to the total period for which the bonus was paid.''.

SEC. 619. SELECTED RESERVE ENLISTMENT BONUS FOR FORMER ENLISTED MEMBERS.

(a) ELIGIBLE PERSONS.—Subsection (a)(2) of section 308i of title 37, United States Code, is amended by striking out subparagraph (A) and inserting in lieu thereof the following new subparagraph:

''(A) has completed a military obligation but has less than 14 years of total military service;'';

(b) BONUS AMOUNTS; PAYMENT.—Subsection (b) of such section is amended to read as follows:

''(b)(1) The amount of a bonus under this section may not exceed—

''(A) $2,500, in the case of a person who enlists for a period of three years; and

''(B) $5,000, in the case of a person who enlists for a period of six years.

''(2) The bonus shall be paid according to a payment schedule determined by the Secretary concerned, except that the initial payment to a person may not exceed one-half the total bonus amount for the person.''.

(c) LIMITATIONS.—Subsection (c) of such section is amended to read as follows:

''(c)(1) A person may not be paid more than one six-year bonus or two three-year bonuses under this section.

''(2) A person may not be paid a bonus under this section unless the specialty associated with the position the person is projected to occupy as a member of the Selected Reserve is a specialty in which—

''(A) the person successfully served while a member on active duty; and

''(B) the person attained a level of qualification while a member commensurate with the grade and years of service of the member.''.

SEC. 620. SPECIAL PAY OR BONUSES FOR ENLISTED MEMBERS EXTENDING TOURS OF DUTY OVERSEAS.

(a) INCLUSION OF BONUS INCENTIVE.—(1) Section 314 of title 37, United States Code, is amended to read as follows:

''§ 314. Special pay or bonus: qualified enlisted members extending duty at designated locations overseas

''(a) COVERED MEMBERS.—This section applies with respect to an enlisted member of an armed force who—

''(1) is entitled to basic pay;

''(2) has a specialty that is designated by the Secretary concerned for the purposes of this section;

''(3) has completed a tour of duty (as defined in accordance with regulations prescribed by the Secretary concerned) at a location outside the 48 contiguous States and the District of Columbia that is designated by the Secretary concerned for the purposes of this section; and

''(4) at the end of that tour of duty executes an agreement to extend that tour for a period of not less than one year.

''(b) SPECIAL PAY OR BONUS AUTHORIZED.—Under regulations prescribed by the Secretary concerned, an enlisted member described in subsection (a) is entitled, upon acceptance by the Secretary concerned of the agreement providing for extension of the member's tour of duty, to either—

''(1) special pay for duty performed during the period of the extension at a rate of not more than $80 per month, as prescribed by the Secretary concerned; or

''(2) a bonus of up to $2,000 per year, as prescribed by the Secretary concerned, for specialty requirements at designated locations.

''(c) SELECTION AND PAYMENT OF SPECIAL PAY OR BONUS.—Not later than the date on which the Secretary concerned accepts an agreement described in subsection (a)(4) providing for the extension of a member's tour of duty, the Secretary concerned shall notify the member regarding whether the member will receive special pay or a bonus under this section. The payment rate for the special pay or bonus shall be fixed at the time of the agreement and may not be changed during the period of the extended tour of duty. The Secretary concerned may pay a bonus under this section either in a lump sum or installments.

''(d) REPAYMENT OF BONUS.—(1) If a member who receives all or part of a bonus under this section fails to complete the total period of extension specified in the agreement described in subsection (a)(4), the Secretary concerned may require the member to repay the United States, on a pro rata basis and to the extent that the Secretary determines conditions and circumstances warrant, amounts paid to the member under this section.

''(2) An obligation to repay the United States imposed under paragraph (1) is for all purposes a debt owed to the United States.

''(3) A discharge in bankruptcy under title 11 that is entered less than five years after the termination of the agreement does not discharge the member signing the agreement from a debt arising under the agreement or under paragraph (1). This paragraph applies to any case commenced under title 11 on or after October 1, 1997.

''(e) EFFECT OF REST AND RECUPERATIVE ABSENCE.—A member who elects to receive one of the benefits specified in section 705(b) of title 10 as part of the extension of a tour of duty is not entitled to the special pay or bonus authorized by this section for the period of the extension of duty for which the benefit under such section is provided.''.

(2) The item relating to section 314 in the table of sections at the beginning of chapter 5 of such title is amended to read as follows:

''314. Special pay or bonus: qualified enlisted members extending duty at designated locations overseas.''.

(b) APPLICATION OF AMENDMENT.—Section 314 of title 37, United States Code, as amended by subsection (a), shall apply with respect to an agreement to extend a tour of duty as provided in such section executed on or after October 1, 1997.

SEC. 621. INCREASE IN AMOUNT OF FAMILY SEPARATION ALLOWANCE.

Section 427 of title 37, United States Code (as amended by section 604(b)(3)), is further amended in subsection (a)(1) by striking out ''$75'' and inserting in lieu thereof ''$100''.

SEC. 622. CHANGE IN REQUIREMENTS FOR READY RESERVE MUSTER DUTY ALLOWANCE.

Section 433(c) of title 37, United States Code, is amended—

(1) in the first sentence, by striking out ''and shall be'' and all that follows through ''is performed''; and

(2) by inserting after the first sentence the following new sentence: ''The allowance may be paid to the member on or before the date on which the muster duty is performed, but shall be paid not later than 30 days after the date on which the muster duty is performed.''.

Subtitle C—Travel and Transportation Allowances

SEC. 631. TRAVEL AND TRANSPORTATION ALLOWANCES FOR DEPENDENTS OF MEMBER SENTENCED BY COURT-MARTIAL.

Section 406(h)(2)(C) of title 37, United States Code, is amended by striking out the comma at the end of clause (iii) and all that follows through ''title 10.'' and inserting in lieu thereof a period.

SEC. 632. DISLOCATION ALLOWANCE.

Section 407 of title 37, United States Code, is amended to read as follows:

''§ 407. Travel and transportation allowances: dislocation allowance

''(a) BASIC ELIGIBILITY.—(1) Under regulations prescribed by the Secretary concerned, a member of a uniformed service described in paragraph (2) is entitled to a dislocation allowance at the rate set forth in the tables in subsection (c) for the member's pay grade and dependency status.

''(2) A member of the uniformed services referred to in paragraph (1) is any of the following:

''(A) A member who makes a change of permanent station and the member's dependents actually make an authorized move in connection with the change, including a move by the dependents—

''(i) to join the member at the member's duty station after an unaccompanied tour of duty when the member's next tour of duty is an accompanied tour at the same station; and

''(ii) to a location designated by the member after an accompanied tour of duty when the member's next tour of duty is an unaccompanied tour at the same duty station.

''(B) A member whose dependents actually move pursuant to section 405a(a), 406(e), 406(h), or 554 of this title.

''(C) A member whose dependents actually move from their place of residence under circumstances described in section 406a of this title.

''(D) A member who is without dependents and—

''(i) actually moves to a new permanent station where the member is not assigned to quarters of the United States; or

''(ii) actually moves from a place of residence under circumstances described in section 406a of this title.

''(E) A member who is ordered to move in connection with the closure or realignment of a military installation and, as a result, the member's dependents actually move or, in the case of a member without dependents, the member actually moves.

''(3) If a dislocation allowance is paid under this subsection to a member described in subparagraph (C) or (D)(ii), the member is not entitled to another dislocation allowance as a member described in subparagraph (A) or (E) in connection with the same move.

''(b) SECOND ALLOWANCE AUTHORIZED UNDER CERTAIN CIRCUMSTANCES.—(1) Under regulations prescribed by the Secretary concerned, whenever a member is entitled to a dislocation allowance as a member described in subparagraph (C) or (D)(ii) of subsection (a)(2), the member is also entitled to a second dislocation allowance at the rate set forth in the tables in subsection (c) for the member's pay grade and dependency status if, subsequent to the member or the member's dependents actually moving from their place of residence under circumstances described in section 406a of this title, the member or member's dependents complete that move to a new location and then actually move from that new location to another location also under circumstances described in section 406a of this title.

''(2) If a second dislocation allowance is paid under this subsection, the member is not entitled to a dislocation allowance as a member described in subparagraph (A) or (E) of subsection (a)(2) in connection with those moves.

''(c) DISLOCATION ALLOWANCE RATES.—(1) A dislocation allowance under this section shall be paid at the following monthly rates, based on a member's pay grade and dependency status:

Paygrade	Without dependents	With dependents
O–10	$2,061.75	$2,538.00
O–9	2,061.75	2,538.00
O–8	2,061.75	2,538.00
O–7	2,061.75	2,538.00
O–6	1,891.50	2,285.25
O–5	1,821.75	2,202.75
O–4	1,688.25	1,941.75
O–3	1,353.00	1,606.50
O–2	1,073.25	1,371.75
O–1	903.75	1,226.25

Paygrade	Without dependents	With dependents
O–3E	$1,461.00	$1,726.50
O–2E	1,242.00	1,557.75
O–1E	1,068.00	1,439.25

Paygrade	Without dependents	With dependents
W–5	$1,715.25	$1,874.25
W–4	1,523.25	1,718.25
W–3	1,280.00	1,574.25
W–2	1,137.00	1,448.25
W–1	951.75	1,252.50

Paygrade	Without dependents	With dependents
E–9	$1,251.00	$1,649.25
E–8	1,148.25	1,520.25
E–7	981.00	1,411.50
E–6	888.00	1,304.25
E–5	819.00	1,173.00
E–4	712.50	1,020.00
E–3	699.00	949.50
E–2	567.75	903.75
E–1	506.25	903.75

''(2) For each calendar year after 1997, the Secretary of Defense shall adjust the rates in the tables in paragraph (1) by the percentage equal to the rate of change of the national average monthly cost of housing, as determined by the Secretary under section 403 of this title for that calendar year.

''(d) FISCAL YEAR LIMITATION; EXCEPTIONS.—(1) A member is not entitled to more than one dislocation allowance during a fiscal year unless—

''(A) the Secretary concerned finds that the exigencies of the service require the member to make more than one change of permanent station during the fiscal year;

''(B) the member is ordered to a service school as a change of permanent station;

''(C) the member's dependents are covered by section 405a(a), 406(e), 406(h), or 554 of this title; or

''(D) subparagraph (C) or (D)(ii) of subsection (a)(2) or subsection (b) apply with respect to the member or the member's dependents.

''(2) This subsection does not apply in time of national emergency or in time of war.

''(e) FIRST OR LAST DUTY.—A member is not entitled to payment of a dislocation allowance when ordered from the member's home to the member's first duty station or from the member's last duty station to the member's home.

''(f) RULE OF CONSTRUCTION.—For purposes of this section, a member whose dependents may not make an authorized move in connection with a change of permanent station is considered a member without dependents.

''(g) ADVANCE PAYMENT.—A dislocation allowance payable under this section may be paid in advance.''.

Subtitle D—Retired Pay, Survivor Benefits, and Related Matters

SEC. 641. TIME IN WHICH CERTAIN CHANGES IN BENEFICIARY UNDER SURVIVOR BENEFIT PLAN MAY BE MADE.

(a) EXTENSION OF TIME FOR CHANGE.—Section 1450(f)(1)(C) of title 10, United States Code, is amended by inserting before the period at the end the following: '', except that such a change of election to change a beneficiary under the Plan from a former spouse to a spouse may be made at any time after the person providing the annuity remarries (rather than only within one year after the date on which that person marries)''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to marriages occurring before, on, or after the date of the enactment of this Act.

Subtitle E—Other Matters

SEC. 651. DEFINITION OF SEA DUTY FOR PURPOSES OF CAREER SEA PAY.

Section 305a(d) of title 37, United States Code, is amended—

(1) in paragraph (1)(A), by striking out '', ship-based staff, or ship-based aviation unit'';

(2) in paragraph (1)(B), by striking out ''or ship-based staff'';

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

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

''(2) The Secretary concerned may designate duty performed by a member while serving on a ship the primary mission of which is accomplished either while under way or in port as 'sea duty' for purposes of this section, even though the duty is performed while the member is permanently or temporarily assigned to a ship-based staff or other unit not covered by paragraph (1).''.

SEC. 652. LOAN REPAYMENT PROGRAM FOR COMMISSIONED OFFICERS IN CERTAIN HEALTH PROFESSIONS.

(a) Chapter 109 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 2173. Education loan repayment program: commissioned officers in specified health professions

''(a) AUTHORITY TO REPAY EDUCATION LOANS.—For the purpose of maintaining adequate numbers of commissioned officers of the armed forces on active duty who are qualified in the various health professions, the Secretary of a military department may repay, in the case of a person described in subsection (b), a loan that was used by the person to finance education regarding a health profession and was obtained from a governmental entity, private financial institution, school, or other authorized entity.

''(b) ELIGIBLE PERSONS.—To be eligible to obtain a loan repayment under this section, a person must—

''(1) satisfy one of the academic requirements specified in subsection (c);

''(2) be fully qualified for, or hold, an appointment as a commissioned officer in one of the health professions; and

''(3) sign a written agreement to serve on active duty, or, if on active duty, to remain on active duty for a period in addition to any other incurred active duty obligation.

''(c) ACADEMIC REQUIREMENTS.—One of the following academic requirements must be satisfied for purposes of determining the eligibility of a person for a loan repayment under this section:

''(1) The person must be fully qualified in a health profession that the Secretary of the military department concerned has determined to be necessary to meet identified skill shortages.

''(2) The person must be enrolled as a full-time student in the final year of a course of study at an accredited educational institution leading to a degree in a health profession other than medicine or osteopathic medicine.

''(3) The person must be enrolled in the final year of an approved graduate program leading to specialty qualification in medicine, dentistry, osteopathic medicine, or other health profession.

''(d) CERTAIN PERSON INELIGIBLE.—Participants of the Armed Forces Health Professions Scholarship and Financial Assistance program under subchapter I of chapter 105 of this title and students of the Uniformed Services University of the Health Sciences established under section 2112 of this title are not eligible for the repayment of an education loan under this section.

''(e) LOAN REPAYMENTS.—(1) Subject to the limits established by paragraph (2), a loan repayment under this section may consist of payment of the principal, interest, and related expenses of a loan obtained by a person described in subsection (b) for—

''(A) all educational expenses, comparable to all educational expenses recognized under section 2127(a) of this title for participants in the Armed Forces Health Professions Scholarship and Financial Assistance program; and

''(B) reasonable living expenses, not to exceed expenses comparable to the stipend paid under section 2121(d) of this title for participants in the Armed Forces Health Professions Scholarship and Financial Assistance program.

''(2) For each year of obligated service that a person agrees to serve in an agreement described in subsection (b)(3), the Secretary of the military department concerned may pay not more than $22,000 on behalf of the person. This maximum amount shall be increased annually by the Secretary of Defense effective October 1 of each year by a percentage equal to the percent increase in the average annual cost of educational expenses and stipend costs of a single scholarship under the Armed Forces Health Professions Scholarship and Financial Assistance program. The total amount that may be repaid on behalf of any person may not exceed an amount determined on the basis of a four-year active duty service obligation.

''(f) ACTIVE DUTY SERVICE OBLIGATION.—(1) A person entering into an agreement described in subsection (b)(3) incurs an active duty service obligation. The length of this obligation shall be determined under regulations prescribed by the Secretary of Defense, but those regulations may not provide for a period of obligation of less than one year for each maximum annual amount, or portion thereof, paid on behalf of the person for qualified loans.

''(2) For persons on active duty before entering into the agreement, the active duty service obligation shall be served consecutively to any other incurred obligation.

''(g) EFFECT OF FAILURE TO COMPLETE OBLIGATION.—A commissioned officer who is relieved of the officer's active duty obligation under this section before the completion of that obligation may be given, with or without the consent of the officer, any alternative obligation comparable to any of the alternative obligations authorized by section 2123(e) of this title for participants in the Armed Forces Health Professions Scholarship and Financial Assistance program.

''(h) REGULATIONS.—The Secretary of Defense shall prescribe regulations to carry out this section, including standards for qualified loans and authorized payees and other terms and conditions for the making of loan repayments.''.

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

''2173. Education loan repayment program: commissioned officers in specified health professions.''.

SEC. 653. CONFORMANCE OF NOAA COMMISSIONED OFFICERS SEPARATION PAY TO SEPARATION PAY FOR MEMBERS OF OTHER UNIFORMED SERVICES.

(a) ELIMINATION OF LIMITATIONS ON AMOUNT OF SEPARATION PAY.—Section 9 of the Coast and Geodetic Survey Commissioned Officers' Act of 1948 (33 U.S.C. 853h) is amended—

(1) in subsection (b)(1), by striking '', or $30,000, whichever is less'';

(2) in subsection (b)(2), by striking '', but in no event more than $15,000''; and

(3) in subsection (d), by striking ''(1)'', and by striking paragraph (2).

(b) WAIVER OF RECOUPMENT OF AMOUNTS WITHHELD FOR TAX PURPOSES FROM CERTAIN SEPARATION PAY.—Section 9(e)(2) of the Coast and Geodetic Survey Commissioned Officers' Act of 1948 (33 U.S.C. 853h) is amended in the first sentence by inserting before the period at the end 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)''.

(c) EFFECTIVE DATE AND APPLICATION.—The amendments made by this section shall take effect on October 1, 1996, and shall apply to payments of separation pay that are made after September 30, 1997.

SEC. 654. REIMBURSEMENT OF PUBLIC HEALTH SERVICE OFFICERS FOR ADOPTION EXPENSES.

Section 221(a) of the Public Health Service Act (42 U.S.C. 213a(a)) is amended by adding at the end the following new paragraph:

''(16) Section 1052, Reimbursement for adoption expenses.''.

SEC. 655. PAYMENT OF BACK QUARTERS AND SUBSISTENCE ALLOWANCES TO WORLD WAR II VETERANS WHO SERVED AS GUERRILLA FIGHTERS IN THE PHILIPPINES.

(a) IN GENERAL.—The Secretary of the military department concerned shall pay, upon request, to an individual described in subsection (b) the amount determined with respect to that individual under subsection (c).

(b) COVERED INDIVIDUALS.—A payment under subsection (a) shall be made to any individual who as a member of the Armed Forces during World War II—

(1) was captured within the territory of the Philippines by Japanese forces;

(2) escaped from captivity; and

(3) served as a guerrilla fighter in the Philippines during the period from January 1942 through February 1945.

(c) AMOUNT TO BE PAID.—The amount of a payment under subsection (a) shall be the amount of quarters and subsistence allowance which accrued to an individual described in subsection (b) during the period specified in paragraph (3) of subsection (b) and which was not paid to that individual. 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. The Secretary shall apply interest compounded at the three-month Treasury bill rate.

(d) PAYMENT TO SURVIVORS.—In the case of any individual described in subsection (b) who is deceased, payment under this section with respect to that individual shall be made to that individual's nearest surviving relative, as determined by the Secretary concerned.

SEC. 656. SPACE AVAILABLE TRAVEL FOR MEMBERS OF SELECTED RESERVE.

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

''§2646. Space available travel: members of Selected Reserve

''(a) AVAILABILITY.—The Secretary of Defense shall prescribe regulations to allow members of the Selected Reserve in good standing (as determined by the Secretary concerned), and dependents of such members, to receive transportation on aircraft of the Department of Defense on a space available basis under the same terms and conditions as apply to members of the armed forces on active duty and dependents of such members.

''(b) CONDITION ON DEPENDENT TRANSPORTATION.—A dependent of a member of the Selected Reserve may be provided transportation under this section only when the dependent is actually accompanying the member on the travel.''.

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

''2646. Space available travel: members of Selected Reserve.''.

SEC. 657. STUDY ON MILITARY PERSONNEL AT, NEAR, OR BELOW THE POVERTY LINE.

(a) REQUIREMENT.—The Secretary of Defense shall conduct a study of members of the Armed Forces and their dependents who subsist at, near, or below the poverty line.

(b) MATTERS TO BE INCLUDED.—The study shall include the following:

(1) An analysis of potential solutions for mitigating or eliminating income levels for members of the Armed Forces that result in certain members and their dependents subsisting at, near, or below the poverty line, including potential solutions involving changes in the systems and rates of—

(A) basic allowance for subsistence for members of the Armed Forces under section 402 of title 37, United States Code;

(B) basic allowance for quarters for members of the Armed Forces under section 403 of such title; and

(C) variable housing allowance for members of the Armed Forces under section 403a of such title.

(2) An analysis of the effect of the amendments made by sections 603 and 604 of this Act regarding the calculation of the basic allowance for subsistence and the consolidation of the basic allowance for quarters and variable housing allowance on mitigating or eliminating income levels for members of the Armed Forces that result in certain members and their dependents subsisting at, near, or below the poverty line (as defined in section 673(2) of the Omnibus Budget Reconciliation Act of 1981, including any revision required by that section).

(3) Identification of the populations of members of the Armed Forces and their dependents most likely to need income support under Federal programs (and the number of individuals in each population), including—

(A) the populations living in areas of the United States where housing costs are notably high; and

(B) the populations living outside the United States.

(4) The desirability of increasing rates of basic pay during a defined number of years by varying percentages depending on pay grade, so as to provide for greater increases for members in lower pay grades than for higher pay grades.

(c) SUBMISSION TO CONGRESS.—Not later than 180 days after the date of the enactment of this Act, the Secretary shall submit to Congress the findings of the study conducted under subsection (a).

SEC. 658. IMPLEMENTATION OF DEPARTMENT OF DEFENSE SUPPLEMENTAL FOOD PROGRAM FOR MILITARY PERSONNEL OUTSIDE THE UNITED STATES.

(a) FUNDING.—Section 1060a(b) of title 10, United States Code, is amended by adding at the

end the following new sentence: ''Pending receipt of such funds from the Secretary of Agriculture for any fiscal year, the Secretary of Defense may use funds appropriated to the Department of Defense for that fiscal year for operations and maintenance to carry out, and to avoid delay in implementation of, the program referred to in subsection (a) during any fiscal year.''.

(b) SUBMISSION OF PLAN TO CONGRESS.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a plan for implementing the special supplemental food program under section 1060a of title 10, United States Code, as amended by subsection (a).

TITLE VII—HEALTH CARE PROVISIONS

Subtitle A—Health Care Services

SEC. 701. EXPANSION OF RETIREE DENTAL INSURANCE PLAN TO INCLUDE SURVIVING SPOUSE AND CHILD DEPENDENTS OF CERTAIN DECEASED MEMBERS.

Section 1076c(b)(4) of title 10, United States Code, is amended—

(1) in subparagraph (A)—

(A) by striking out ''dies'' and inserting in lieu thereof ''died''; and

(B) by striking out ''or'' at the end of the subparagraph;

(2) by striking out the period at the end of subparagraph (B) and inserting in lieu thereof ''; or''; and

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

''(C) who died while on active duty for a period of more than 30 days and whose eligible dependents are not eligible, or no longer eligible, for dental benefits under section 1076a of this title pursuant to subsection (i)(2) of such section.''.

SEC. 702. PROVISION OF PROSTHETIC DEVICES TO COVERED BENEFICIARIES.

(a) INCLUSION AMONG AUTHORIZED CARE.—Subsection (a) of section 1077 of title 10, United States Code, is amended by adding at the end the following new paragraph:

''(15) Prosthetic devices, as determined by the Secretary of Defense to be necessary because of significant conditions resulting from trauma, congenital anomalies, or disease.''.

(b) CONFORMING AMENDMENT.—Subsection (b) of such section is amended by striking out paragraph (2) and inserting in lieu thereof the following new paragraph:

''(2) Hearing aids, orthopedic footwear, and spectacles, except that, outside of the United States and at stations inside the United States where adequate civilian facilities are unavailable, such items may be sold to dependents at cost to the United States.''.

Subtitle B—TRICARE Program

SEC. 711. ADDITION OF DEFINITION OF TRICARE PROGRAM TO TITLE 10.

Section 1072 of title 10, United States Code, is amended by adding at the end the following new paragraph:

''(7) The term 'TRICARE program' means the managed health care program that is established by the Department of Defense under the authority of this chapter, principally section 1097 of this 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. 712. PLAN FOR EXPANSION OF MANAGED CARE OPTION OF TRICARE PROGRAM.

(a) EXPANSION PLAN REQUIRED.—The Secretary of Defense shall prepare a plan for the expansion of the managed care option of the TRICARE program, known as TRICARE Prime, into areas of the United States located outside of the catchment areas of medical treatment facilities of the uniformed services, but in which the managed care option is a cost-effective alternative because of—

(1) the significant number of covered beneficiaries under chapter 55 of title 10, United States Code, including retired members of the Armed Forces and their dependents, who reside in the areas; and

(2) the presence in the areas of sufficient nonmilitary health care provider networks.

(b) ALTERNATIVES.—As an alternative to expansion of the managed care option of the TRICARE program to areas of the United States in which there is few or no nonmilitary health care provider networks, the Secretary shall include in the plan required under subsection (a) an evaluation of the feasibility and cost-effectiveness of providing a member of the Armed Forces on active duty who is stationed in such an area, or whose dependents reside in such an area, with one or both of the following:

(1) A monetary stipend to assist the member in obtaining health care services for the member or the member's dependents.

(2) A reduction in the cost-sharing requirements applicable to the TRICARE program options otherwise available to the member to match the reduced cost-sharing responsibilities of the managed care option of the TRICARE program.

(c) SUBMISSION OF PLAN.—Not later than March 1, 1998, the Secretary shall submit to Congress the plan required under subsection (a).

Subtitle C—Uniformed Services Treatment Facilities

SEC. 721. IMPLEMENTATION OF DESIGNATED PROVIDER AGREEMENTS FOR UNIFORMED SERVICES TREATMENT FACILITIES.

(a) COMMENCEMENT OF HEALTH CARE SERVICES UNDER AGREEMENT.—Subsection (c) of section 722 of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201, 10 U.S.C. 1073 note) is amended—

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

(2) by inserting ''(1)'' before ''Unless''; and

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

''(2) The Secretary may modify the effective date established under paragraph (1) for an agreement to permit a transition period of not more than six months between the date on which the agreement is executed by the parties and the date on which the designated provider commences the delivery of health care services under the agreement.''.

(b) TEMPORARY CONTINUATION OF EXISTING PARTICIPATION AGREEMENTS.—Subsection (d) of such section is amended by inserting before the period at the end the following: '', including any transitional period provided by the Secretary under paragraph (2) of such subsection''.

SEC. 722. LIMITATION ON TOTAL PAYMENTS.

Section 726(b) of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201, 10 U.S.C. 1073 note) is amended by adding at the end the following new sentence: ''In establishing the ceiling rate for enrollees with the designated providers who are also eligible for the Civilian Health and Medical Program of the Uniformed Services, the Secretary of Defense shall take into account the health status of the enrollees.''.

SEC. 723. CONTINUED ACQUISITION OF REDUCED-COST DRUGS.

Section 722 of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201; 10 U.S.C. 1073 note) is amended by adding at the end the following new subsection:

''(g) CONTINUED ACQUISITION OF REDUCED-COST DRUGS.—A designated provider shall be treated as part of the Department of Defense for purposes of section 8126 of title 38, United States Code, in connection with the provision by the designated provider of health care services to covered beneficiaries pursuant to the participation agreement of the designated provider under section 718(c) of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510; 42 U.S.C. 248c note) or pursuant to the agreement entered into under subsection (b).''.

Subtitle D—Other Changes to Existing Laws Regarding Health Care Management

SEC. 731. WAIVER OR REDUCTION OF COPAYMENTS UNDER OVERSEAS DENTAL PROGRAM.

Section 1076a(h) of title 10, United States Code, is amended—

(1) in the first sentence, by striking out ''Secretary'' and inserting in lieu thereof ''Secretary of Defense''; and

(2) by adding at the end the following new sentence: ''In the case of such an overseas dental plan, the Secretary may waive or reduce the copayments otherwise required by subsection (e) to the extent the Secretary determines appropriate for the effective and efficient operation of the plan.''.

SEC. 732. PREMIUM COLLECTION REQUIREMENTS FOR MEDICAL AND DENTAL INSURANCE PROGRAMS.

(a) SELECTED RESERVE DENTAL INSURANCE.—Paragraph (3) of section 1076b(b) of title 10, United States Code, is amended to read as follows:

''(3) The Secretary of Defense shall establish procedures for the collection of the member's share of the premium for coverage by the dental insurance plan. Not later than October 1, 1998, the Secretary shall permit a member to pay the member's share of the premium through a deduction and withholding from basic pay payable to the member for inactive duty training or basic pay payable to the member for active duty.''.

(b) RETIREE DENTAL INSURANCE PLAN.—Paragraph (2) of section 1076c(c) of such title is amended to read as follows:

''(2) In the regulations prescribed under subsection (h), the Secretary of Defense shall establish procedures for the payment by enrolled members and by other enrolled covered beneficiaries of premiums charged for coverage by the dental insurance plan. Not later than October 1, 1998, the Secretary shall permit a member enrolled in the plan and entitled to retired pay to pay the member's share of the premium through a deduction and withholding from the retired pay of the member.''.

(c) IMPLEMENTATION PLAN.—Not later than March 1, 1998, the Secretary of Defense shall submit to Congress a plan to permit, not later than October 1, 1998—

(1) an enrollee in the Selected Reserve dental insurance plan authorized under section 1076b of title 10, United States Code, to pay the enrollee's share of the premium for such insurance through a deduction and withholding from basic pay payable to the enrollee;

(2) a retired member of the uniformed services enrolled in the dental insurance plan authorized under section 1076c of such title to pay the enrollee's share of the premium for such insurance through a deduction and withholding from retired pay payable to the enrollee; and

(3) a retired member of the uniformed services enrolled in the managed care option of the TRICARE program known as TRICARE Prime to pay the enrollee's share of the premium for such option through a deduction and withholding from retired pay payable to the enrollee.

SEC. 733. CONSISTENCY BETWEEN CHAMPUS AND MEDICARE IN PAYMENT RATES FOR SERVICES.

(a) CONFORMITY BETWEEN RATES.—Section 1079(h) of title 10, United States Code, is amended by striking out paragraphs (1), (2), and (3) and inserting in lieu thereof the following new paragraph:

''(1) Except as provided in paragraphs (2) and (3), payment for a charge for services by an individual health care professional (or other noninstitutional health care provider) for which a

claim is submitted under a plan contracted for under subsection (a) shall be equal to an amount determined to be appropriate, to the extent practicable, in accordance with the same reimbursement rules as apply to payments for similar services under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.). The Secretary of Defense shall determine the appropriate payment amount under this paragraph in consultation with the other administering Secretaries.''.

(b) REDUCED RATES AUTHORIZED.—Paragraph (5) of such section is amended by adding at the end the following new sentence: ''With the consent of the health care provider, the Secretary is also authorized to reduce the authorized payment for certain health care services below the amount otherwise required by the payment limitations under paragraph (1).''.

(c) CONFORMING AMENDMENTS.—Such section is further amended—

(1) in paragraph (5), by striking out ''paragraph (4), the Secretary'' and inserting in lieu thereof ''paragraph (2), the Secretary of Defense''; and

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

SEC. 734. USE OF PERSONAL SERVICES CONTRACTS FOR PROVISION OF HEALTH CARE SERVICES AND LEGAL PROTECTION FOR PROVIDERS.

(a) USE OF CONTRACTS OUTSIDE MEDICAL TREATMENT FACILITIES.—Section 1091(a) of title 10, United States Code, is amended—

(1) by inserting ''(1)'' before ''The Secretary of Defense''; and

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

''(2) The Secretary of Defense may also enter into personal services contracts to carry out other health care responsibilities of the Secretary, such as the provision of medical screening examinations at Military Entrance Processing Stations, at locations outside medical treatment facilities, as determined necessary pursuant to regulations issued by the Secretary.''.

(b) DEFENSE OF SUITS.—Section 1089 of such title is amended—

(1) in subsection (a), by adding at the end the following new sentence: ''This subsection shall also apply if the physician, dentist, nurse, pharmacist, or paramedical or other supporting personnel (or the estate of such person) involved is serving under a personal services contract entered into by the Secretary of Defense under section 1091 of this title.''; and

(2) in subsection (f)—

(A) by inserting ''(1)'' after ''(f)''; and

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

''(2) With respect to the Secretary of Defense and the Armed Forces Retirement Home Board, the authority provided by paragraph (1) also includes the authority to provide for reasonable attorney's fees for persons described in subsection (a), as determined necessary pursuant to regulations issued by the head of the agency concerned.''.

SEC. 735. PORTABILITY OF STATE LICENSES FOR DEPARTMENT OF DEFENSE HEALTH CARE PROFESSIONALS.

Section 1094 of title 10, United States Code, is amended—

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

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

''(d)(1) Notwithstanding any law regarding the licensure of health care providers, a health-care professional described in paragraph (2) may practice the health profession or professions of the health-care professional in any State, the District of Columbia, or a Commonwealth, territory, or possession of the United States, regardless of whether the practice occurs in a health care facility of the Department of Defense, a civilian facility affiliated with the Department of Defense, or any other location authorized by the Secretary of Defense .

''(2) A health-care professional referred to in paragraph (1) is a member of the armed forces who—

''(A) has a current license to practice medicine, osteopathic medicine, dentistry, or another health profession; and

''(B) is performing authorized duties for the Department of Defense.''.

SEC. 736. STANDARD FORM AND REQUIREMENTS REGARDING CLAIMS FOR PAYMENT FOR SERVICES.

(a) CLARIFICATION OF EXISTING REQUIREMENTS.—Section 1106 of title 10, United States Code, is amended to read as follows:

''§1106. Submittal of claims: standard form; time limits

''(a) STANDARD FORM.—The Secretary of Defense, after consultation with the other administering Secretaries, shall prescribe by regulation a standard form for the submission of claims for the payment of health care services provided under this chapter.

''(b) TIME FOR SUBMISSION.—A claim for payment for services shall be submitted as provided in such regulations not later than one year after the services are provided.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 55 of title 10, United States Code, is amended by striking out the item relating to section 1106 and inserting in lieu thereof the following new item:

''1106. Submittal of claims: standard form; time limits.''.

SEC. 737. MEDICAL PERSONNEL CONSCIENCE CLAUSE.

(a) SECRETARY OF DEFENSE POLICY.—The Secretary of Defense shall establish a uniform policy for the Army, Navy, and Air Force establishing the circumstances under which covered members (as defined in subsection (d)) of the Army, Navy, and Air Force may refuse, based on conscience, to perform an abortion (or participate in the performance of an abortion) or provide a covered family planning service (or participate in the provision of such a service).

(b) CONSCIENCE CLAUSE.—(1) The policy established under subsection (a) shall provide that a member of the Army, Navy, or Air Force who is a covered member may not be required to perform an abortion (or participate in the performance of an abortion), or to provide a covered family planning service (or participate in the provision of such a service), if the member believes that to do so would be wrong on moral, ethical or religious grounds.

(2) Paragraph (1) does not apply in a case in which refusal to perform an abortion (or participate in the performance of an abortion) or provide a covered family planning service would pose a life-threatening risk to the patient.

(c) COVERED FAMILY PLANNING SERVICES.—For the purposes of this section, a covered family planning service is any of the following:

(1) Contraceptive services, not limited to the prescription or provision of a pharmaceutical preparation, device, or chemical method.

(2) Surgical sterilization.

(d) COVERED MEMBER.—In this section, the term ''covered member'' means a member of the Army, Navy, or Air Force who—

(1) in the case of the Army, is a member of the Medical Corps, Dental Corps, Nurse Corps, Medical Service Corps, Veterinary Corps, or Army Medical Specialist Corps or is an enlisted member directly engaged in or directly supporting medically related activities;

(2) in the case of the Navy, is a member of the Medical Corps, Dental Corps, Nurse Corps, or Medical Service Corps or is an enlisted member directly engaged in or directly supporting medically related activities; and

(3) in the case of the Air Force, is designated as a medical officer, dental officer, Air Force nurse, medical service officer, or biomedical science officer or is an enlisted member directly engaged in or directly supporting medically related activities.

(e) EFFECTIVE DATE.—The policy established pursuant to subsection (a) shall apply with respect to any refusal on or after the date of the enactment of this Act to perform an abortion (or participate in the performance of an abortion) or to provide a covered family planning service.

Subtitle E—Other Matters

SEC. 741. CONTINUED ADMISSION OF CIVILIANS AS STUDENTS IN PHYSICIAN ASSISTANT TRAINING PROGRAM OF ARMY MEDICAL DEPARTMENT.

(a) CIVILIAN ATTENDANCE.—(1) Chapter 407 of title 10, United States Code, is amended by adding at the end the following new section:

''§4416. Academy of Health Sciences: admission of civilians in physician assistant training program

''(a) RECIPROCAL AGREEMENTS WITH COLLEGES.—The Secretary of the Army may enter into an agreement with an accredited institution of higher education under which students of the institution may attend the physician assistant training program conducted by the Army Medical Department at the Academy of Health Sciences at Fort Sam Houston, Texas, during the didactic portion of the program. In exchange for the admission of such students, the institution of higher education shall agree to provide such academic services as the Secretary and the institution consider to be appropriate to support the physician assistant training program at the Academy. The Secretary shall ensure that the Army Medical Department does not incur any additional costs as a result of the agreement than the Department would incur to obtain such academic services in the absence of the agreement.

''(b) SELECTION OF STUDENTS.—The attendance of civilian students at the Academy pursuant to an agreement under subsection (a) may not result in a decrease in the number of members of the armed forces enrolled in the physician assistant training program. In consultation with the institution of higher education that is a party to the agreement, the Secretary shall establish qualifications and methods of selection for students to receive instruction at the Academy. The qualifications established shall be comparable to those generally required for admission to the physician assistant training program at the Academy.

''(c) RULES OF ATTENDANCE.—Except as the Secretary determines necessary, a civilian student who receives instruction at the Academy pursuant to an agreement entered into under subsection (a) shall be subject to the same regulations governing attendance, discipline, discharge, and dismissal as apply to other persons attending the Academy.

''(d) REPORT.—For each year in which an agreement under subsection (a) is in effect, the Secretary shall submit to Congress a report specifying the number of civilian students who received instruction at the Academy under the agreement during the period covered by the report and accessing the benefits to the United States of the agreement.

''(e) ACADEMY DEFINED.—In this section, the term 'Academy' means the Academy of Health Sciences of the Army Medical Department at Fort Sam Houston, Texas.''.

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

''4416. Academy of Health Sciences: admission of civilians in physician assistant training program.''.

(b) EFFECT ON EXISTING DEMONSTRATION PROGRAM.—An agreement entered into under the demonstration program for the admission of civilians as physician assistant students at the Academy of Health Sciences, Fort Sam Houston, Texas, established pursuant to section 732 of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 108 Stat. 2810)

shall be treated as an agreement entered into under section 4416 of title 10, United States Code (as added by subsection (a)). The agreement may be extended in such manner and for such period as the parties to the agreement consider appropriate consistent with such section 4416.

SEC. 742. EMERGENCY HEALTH CARE IN CONNECTION WITH OVERSEAS ACTIVITIES OF ON-SITE INSPECTION AGENCY OF DEPARTMENT OF DEFENSE.

(a) PAYMENT OF EXPENSES FOR EMERGENCY HEALTH CARE.—Chapter 152 of title 10, United States Code, is amended by inserting after section 2549 the following new section:

"§ 2549a. Emergency health care: overseas activities of On-Site Inspection Agency

''(a) AUTHORITY TO PAY EXPENSES.—From funds appropriated for the necessary expenses of the On-Site Inspection Agency of the Department of Defense, the Secretary of Defense may pay or reimburse an employee of the Agency, a member of the uniformed services or a civilian employee assigned or detailed to the Agency, or an employee of a contractor operating under a contract with the Agency, for emergency health care services obtained by the employee, member, or contractor employee while permanently or temporarily on duty in a state of the former Soviet Union or the former Warsaw Pact.

''(b) INITIAL DEPOSITS.—The expenses for emergency health care that may be paid or reimbursed under subsection (a) include initial deposits for emergency care and inpatient care.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2549 the following new item:

''2549a. Emergency health care: overseas activities of On-Site Inspection Agency.''.

SEC. 743. COMPTROLLER GENERAL STUDY OF ADEQUACY AND EFFECT OF MAXIMUM ALLOWABLE CHARGES FOR PHYSICIANS UNDER CHAMPUS.

(a) STUDY REQUIRED.—The Comptroller General shall conduct a study regarding the adequacy of the maximum allowable charges for physicians established under the Civilian Health and Medical Program of the Uniformed Services (CHAMPUS) and the effect of such charges on the participation of physicians in CHAMPUS. The study shall include an evaluation of the following:

(1) The methodology used by the Secretary of Defense to establish maximum allowable charges for physicians under CHAMPUS, and whether such methodology conforms to the requirements of section 1079(h) of title 10, United States Code.

(2) The differences between the established charges under CHAMPUS and reimbursement rates for similar services under title XVIII of the Social Security Act and other health care programs.

(3) The basis for physician complaints that the CHAMPUS established charges are too low.

(4) The difficultly of CHAMPUS in ensuring physician compliance with the CHAMPUS established charges in the absence of legal mechanisms to enforce compliance, and the effect of noncompliance on patient out-of-pocket expenses.

(5) The effect of the established charges under CHAMPUS on the participation of physicians in CHAMPUS, and the extent and success of Department of Defense efforts to increase physician participation in areas with low participation rates.

(b) SUBMISSION OF REPORT.—Not later than March 1, 1998, the Comptroller General shall submit to Congress a report containing the results of the study required by subsection (a).

SEC. 744. COMPTROLLER GENERAL STUDY OF DEPARTMENT OF DEFENSE PHARMACY PROGRAMS.

Not later than March 31, 1998, the Comptroller General shall submit to Congress a study evaluating the pharmacy programs of the Department of Defense. The study shall include an examination of the following:

(1) The merits and feasibility of establishing a uniform formulary for military treatment facility pharmacies and civilian contractor pharmacy benefit administrators.

(2) The extent of, and cost impacts from, military treatment facility pharmacies denying covered beneficiaries under chapter 55 of title 10, United States Code, pharmacy care access and shifting such beneficiaries to other sources of pharmacy care.

(3) The merits and feasibility of implementing other pharmacy benefit management best practices at military treatment facility and civilian contractor pharmacies.

(4) The cost impacts of TRICARE program contractors being unable to procure pharmaceuticals at discounted prices pursuant to section 8126 of title 38, United States Code, and potential ways to increase the discounts available to TRICARE program contractors, with appropriate controls.

SEC. 745. COMPTROLLER GENERAL STUDY OF NAVY GRADUATE MEDICAL EDUCATION PROGRAM.

(a) STUDY REQUIRED.—The Comptroller General shall conduct a study to evaluate the validity of the recommendations made by the Medical Education Policy Council of the Bureau of Medicine and Surgery of the Navy regarding restructuring the graduate medical education program of the Department of the Navy. The study shall specifically address the Council's recommendations relating to residency training conducted at Naval Medical Center, Portsmouth, Virginia, and National Naval Medical Center, Bethesda, Maryland.

(b) SUBMISSION OF REPORT.—Not later than March 1, 1998, the Comptroller General shall submit to Congress and the Secretary of the Navy a report containing the results of the study required by subsection (a).

(c) MORATORIUM ON RESTRUCTURING.—Until the report required by subsection (b) is submitted to Congress, the Secretary of the Navy may not make any change in the types of residency programs conducted under the Navy graduate medical education program or the locations at which such residency programs are conducted or otherwise restructure the Navy graduate medical education program.

SEC. 746. STUDY OF EXPANSION OF PHARMACEUTICALS BY MAIL PROGRAM TO INCLUDE ADDITIONAL MEDICARE-ELIGIBLE COVERED BENEFICIARIES.

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 the feasibility and advisability of expanding the category of persons eligible to participate in the demonstration project for the purchase of prescription pharmaceuticals by mail, as required by section 702(a) of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102–484; 10 U.S.C. 1079 note), to include persons referred to in section 1086(c) of title 10, United States Code, who are covered by subsection (d)(1) of such section and reside in the United States outside of the catchment area of a medical treatment facility of the uniformed services.

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

Subtitle A—Acquisition Policy

SEC. 801. CASE-BY-CASE WAIVERS OF DOMESTIC SOURCE LIMITATIONS.

(a) REQUIREMENT FOR CASE-BY-CASE WAIVERS.—Section 2534(d) of title 10, United States Code, is amended in the matter appearing before paragraph (1) by striking out ''waive the limitation in subsection (a) with respect to the procurement of an item listed in that subsection if the Secretary determines'' and inserting in lieu thereof the following: ''waive, on a case-by-case basis, the limitation in subsection (a) in the case of a specific procurement of an item listed in that subsection if the Secretary determines, for that specific procurement,''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to contracts entered into after the expiration of the 30-day period beginning on the date of the enactment of this Act.

SEC. 802. EXPANSION OF AUTHORITY TO ENTER INTO CONTRACTS CROSSING FISCAL YEARS TO ALL SEVERABLE SERVICES CONTRACTS NOT EXCEEDING A YEAR.

(a) EXPANDED AUTHORITY.—Section 2410a of title 10, United States Code, is amended to read as follows:

"§ 2410a. Severable services contracts for periods crossing fiscal years

''(a) AUTHORITY.—The Secretary of Defense or the Secretary of a military department may enter into a contract for procurement of severable services for a period that begins in one fiscal year and ends in the next fiscal year if (without regard to any option to extend the period of the contract) the contract period does not exceed one year.

''(b) OBLIGATION OF FUNDS.—Funds made available for a fiscal year may be obligated for the total amount of a contract entered into under the authority of subsection (a).''.

(b) CLERICAL AMENDMENT.—The item relating to that section in the table of sections at the beginning of chapter 141 of such title is amended to read as follows:

''2410a. Severable services contracts for periods crossing fiscal years.''.

SEC. 803. CLARIFICATION OF VESTING OF TITLE UNDER CONTRACTS.

Section 2307 of title 10, United States Code, is amended by adding at the end the following new subsection:

''(i) VESTING OF TITLE.—If a contract made by the head of an agency provides for title to property to vest in the United States, such title shall vest in accordance with the terms of the contract, regardless of any security interest in the property asserted by the contractor.''.

SEC. 804. EXCLUSION OF DISASTER RELIEF, HUMANITARIAN, AND PEACEKEEPING OPERATIONS FROM RESTRICTIONS ON USE OF UNDEFINITIZED CONTRACT ACTIONS.

Section 2326 of title 10, United States Code, is amended—

(1) in subsection (b)—

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

(B) by redesignating paragraph (5) as paragraph (4); and

(2) in subsection (g)(1), by adding at the end the following new subparagraphs:

''(E) Purchases in support of contingency operations.

''(F) Purchases in support of humanitarian or peacekeeping operations, as defined in 2302(7)(B) of this title.

''(G) Purchases in support of emergency work and other disaster relief operations performed pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.).''.

SEC. 805. LIMITATION AND REPORT ON PAYMENT OF RESTRUCTURING COSTS UNDER DEFENSE CONTRACTS.

(a) IN GENERAL.—(1) Chapter 137 of title 10, United States Code, is amended by inserting after section 2324 the following new section:

"§ 2325. Restructuring costs

''(a) LIMITATION ON PAYMENT OF RESTRUCTURING COSTS.—(1) The Secretary of Defense may not pay, under section 2324 of this title, a defense contractor for restructuring costs associated with a business combination of the contractor unless the Secretary determines in writing either—

''(A) that the amount of savings for the Department of Defense associated with the restructuring, based on audited cost data, will be at least twice the amount of the costs allowed; or

''(B) that the amount of savings for the Department of Defense associated with the restructuring, based on audited cost data, will exceed the amount of the costs allowed and that the business combination will result in the preservation of a critical capability that otherwise might be lost to the Department.

''(2) The Secretary may not delegate the authority to make a determination under paragraph (1) to an official of the Department of Defense below the level of an Assistant Secretary of Defense.

''(b) REPORT.—Not later than March 1 in each of 1998, 1999, 2000, 2001, and 2002, the Secretary of Defense shall submit to Congress a report containing the following:

''(1) For each defense contractor to which the Secretary has paid, under section 2324 of this title, restructuring costs associated with a business combination, a summary of the following:

''(A) The amount of savings for the Department of Defense associated with such business combination that has been realized as of the date of the report, based on audited cost data.

''(B) An estimate, as of the date of the report, of the amount of savings for the Department of Defense associated with such business combination that is expected to be achieved in the future.

''(2) An identification of any business combination for which the Secretary has paid restructuring costs under section 2324 of this title during the preceding calendar year and, for each such business combination—

''(A) the supporting rationale for allowing such costs;

''(B) factual information associated with the determination made under subsection (a) with respect to such costs; and

''(C) a discussion of whether the business combination would have proceeded without the payment of restructuring costs by the Secretary.

''(3) An assessment of the degree of vertical integration resulting from business combinations of defense contractors and a discussion of the measures taken by the Secretary of Defense to increase the ability of the Department of Defense to monitor vertical integration trends and address any resulting negative consequences.

''(c) DEFINITION.—In this section, the term 'business combination' includes a merger or acquisition.''.

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2324 the following new item:

''2325. Restructuring costs.''.

(b) EFFECTIVE DATE.—Section 2325 of title 10, United States Code, as added by subsection (a), shall apply with respect to business combinations that occur after the date of the enactment of this Act.

(c) REPEAL OF SUPERSEDED PROVISION.—Subsection (a) of section 818 of the National Defense Authorization Act for Fiscal Year 1995 (10 U.S.C. 2324 note) is repealed.

SEC. 806. AUTHORITY RELATING TO PURCHASE OF CERTAIN VEHICLES.

Section 2253(a)(2) of title 10, United States Code, is amended by striking out ''$12,000'' and inserting in lieu thereof ''$30,000''.

SEC. 807. MULTIYEAR PROCUREMENT CONTRACTS.

(a) REQUIREMENT FOR AUTHORIZATION BY LAW IN ACTS OTHER THAN APPROPRIATIONS ACTS.—(1) Subsection (i) of section 2306b of title 10, United States Code, is amended by adding at the end the following new paragraph:

''(3) In the case of the Department of Defense, a multiyear contract may not be entered into for any fiscal year under this section unless the contract is specifically authorized by law in an Act other than an appropriations Act.''.

(2) Paragraph (3) of section 2306b(i) of title 10, United States Code, as added by paragraph (1), shall not apply with respect to a contract authorized by law before the date of the enactment of this Act.

(b) CODIFICATION OF ANNUAL RECURRING MULTIYEAR PROCUREMENT REQUIREMENTS.—(1) Such section is further amended by adding at the end the following new subsection:

''(l) VARIOUS ADDITIONAL REQUIREMENTS WITH RESPECT TO MULTIYEAR DEFENSE CONTRACTS.—(1)(A) The head of an agency may not initiate a contract described in subparagraph (B) unless the congressional defense committees are notified of the proposed contract at least 30 days in advance of the award of the proposed contract.

''(B) Subparagraph (A) applies to the following contracts:

''(i) A multiyear contract—

''(I) that employs economic order quantity procurement in excess of $20,000,000 in any one year of the contract; or

''(II) that includes an unfunded contingent liability in excess of $20,000,000.

''(ii) Any contract for advance procurement leading to a multiyear contract that employs economic order quantity procurement in excess of $20,000,000 in any one year.

''(2) The head of an agency may not initiate a multiyear contract for which the economic order quantity advance procurement is not funded at least to the limits of the Government's liability.

''(3) The head of an agency may not initiate a multiyear procurement contract for any system (or component thereof) if the value of the multiyear contract would exceed $500,000,000 unless authority for the contract is specifically provided in an appropriations Act.

''(4) The head of an agency may not terminate a multiyear procurement contract until 10 days after the date on which notice of the proposed termination is provided to the congressional defense committees.

''(5) The execution of multiyear authority shall require the use of a present value analysis to determine lowest cost compared to an annual procurement.

''(6) This subsection does not apply to the National Aeronautics and Space Administration or to the Coast Guard.

''(7) In this subsection, the term 'congressional defense committees' means the following:

''(A) The Committee on Armed Services of the Senate and the Subcommittee on Defense of the Committee on Appropriations of the Senate.

''(B) The Committee on National Security of the House of Representatives and the Subcommittee on National Security of the Committee on Appropriations of the House of Representatives.''.

(2) The amendment made by paragraph (1) shall take effect on October 1, 1998.

(c) TECHNICAL AND CONFORMING AMENDMENTS.—Such section is further amended as follows:

(1) Subsection (a) is amended—

(A) by striking out ''finds—'' in the matter preceding paragraph (1) and inserting in lieu thereof ''finds each of the following:'';

(B) by capitalizing the initial letter of the first word in each of paragraphs (1) through (6);

(C) by striking out the semicolon at the end of paragraphs (1) through (4) and inserting in lieu thereof a period; and

(D) by striking out ''; and'' at the end of paragraph (5) and inserting in lieu thereof a period.

(2) Subsection (d)(1) is amended by striking out ''paragraph (1)'' and inserting in lieu thereof ''subsection (a)''.

(3) Subsection (i)(1) is amended by striking ''five-year'' and inserting in lieu thereof ''future-years''.

(4) Subsection (k) is amended by striking out ''subsection'' and inserting in lieu thereof ''section''.

SEC. 808. DOMESTIC SOURCE LIMITATION AMENDMENTS.

(a) ADDITION OF SHIPBOARD WORK STATIONS.—Section 2534(a)(3)(B) of title 10, United States Code, is amended—

(1) by striking out ''and'' before ''totally''; and

(2) by inserting before the period at the end the following: '', and shipboard work stations''.

(b) EXTENSION OF DOMESTIC SOURCE LIMITATION FOR VALVES AND MACHINE TOOLS.—Section 2534(c)(2)(C) of such title is amended by striking out ''October 1, 1996'' and inserting in lieu thereof ''October 1, 2001''.

SEC. 809. REPEAL OF EXPIRATION OF DOMESTIC SOURCE LIMITATION FOR CERTAIN NAVAL VESSEL PROPELLERS.

Section 2534(c) of title 10, United States Code, is amended by striking out paragraph (4).

Subtitle B—Other Matters

SEC. 821. REPEAL OF CERTAIN ACQUISITION REQUIREMENTS AND REPORTS

(a) REPEAL OF REPORTING REQUIREMENT FOR NONMAJOR ACQUISITION PROGRAMS.—Section 2220(b) of title 10, United States Code, is amended by striking out ''and nonmajor''.

(b) REPEAL OF ADDITIONAL DOCUMENTATION REQUIREMENT FOR COMPETITION EXCEPTION FOR INTERNATIONAL AGREEMENTS.—Section 2304(f) of title 10, United States Code, is amended in paragraph (2)(E) by striking out ''procedures and such document is approved by the competition advocate for the procuring activity.'' and inserting in lieu thereof ''procedures.''.

(c) ELIMINATION OF COMPLETION STATUS REQUIREMENT IN CERTAIN SELECTED ACQUISITION REPORTS.—Section 2432(h)(2) of title 10, United States Code, is amended—

(1) by striking out subparagraph (D); and

(2) by redesignating subparagraphs (E) and (F) as subparagraphs (D) and (E), respectively.

(d) REPEAL OF REQUIREMENT TO ESTABLISH PROCUREMENT COMPETITION GOALS.—Section 913 of the Department of Defense Authorization Act, 1986 (Public Law 99–145; 99 Stat. 687; 10 U.S.C. 2302 note), is repealed.

(e) REPEAL OF ANNUAL REPORT BY ADVOCATES FOR COMPETITION.—Section 20(b) of the Office of Federal Procurement Policy Act (41 U.S.C. 418(b)) is amended—

(1) by striking out ''and'' at the end of paragraph (3)(B);

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

(3) by redesignating paragraphs (5), (6), and (7) as paragraphs (4), (5), and (6), respectively.

(f) REPEAL OF REVIEW AND REPORT RELATING TO PROCUREMENT REGULATIONS.—Section 25 of the Office of Federal Procurement Policy Act (41 U.S.C. 421) is amended—

(1) by striking out paragraphs (4), (5), and (6) of subsection (c); and

(2) by striking out subsection (g).

SEC. 822. EXTENSION OF AUTHORITY FOR USE OF TEST AND EVALUATION INSTALLATIONS BY COMMERCIAL ENTITIES.

Section 2681(g) of title 10, United States Code, is amended by striking out ''September 30, 1998'' and inserting in lieu thereof ''September 30, 2000''.

SEC. 823. REQUIREMENT TO DEVELOP AND MAINTAIN LIST OF FIRMS NOT ELIGIBLE FOR DEFENSE CONTRACTS.

(a) DEVELOPMENT AND MAINTENANCE OF LIST.—Section 2327 of title 10, United States Code, is amended—

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

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

''(d) LIST OF FIRMS SUBJECT TO SUBSECTION (b).—(1) The Secretary of Defense shall develop and maintain a list of all firms and subsidiaries of firms that have been subject to the prohibition in subsection (b) since the date occurring five years before the date of the enactment of the National Defense Authorization Act for Fiscal Year 1998. The Secretary shall make the list available to the public.

''(2) A firm or subsidiary included on the list maintained under paragraph (1) may request the Secretary of Defense to remove such firm or subsidiary from the list if its foreign ownership circumstances have significantly changed. Upon receipt of such request, the Secretary shall determine if paragraphs (1) and (2) of subsection (b) still apply to the firm or subsidiary. If the Secretary determines such paragraphs no longer apply, the Secretary shall remove the firm or subsidiary from the list.

''(3) The head of an agency shall provide a copy of the list maintained under paragraph (1) to each firm or subsidiary of a firm that submits a bid or proposal in response to a solicitation issued by the Department of Defense.

''(4) The head of an agency shall prohibit each firm or subsidiary of a firm awarded a contract by the agency from using in the performance of the contract any equipment, parts, or services that are provided by a firm or subsidiary included on the list maintained under paragraph (1).''.

(b) REMOVAL FROM LIST.—Section 2327(c)(1)(A) of such title is amended by inserting after ''United States,'' the following: ''the Secretary shall remove the firm or subsidiary from the list maintained under subsection (d)(1) and''.

TITLE IX—DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT

SEC. 901. LIMITATION ON OPERATION AND SUPPORT FUNDS FOR THE OFFICE OF THE SECRETARY OF DEFENSE.

(a) REDUCTION IN FUNDS.—The amount of funds appropriated pursuant to section 301 that are available for operation and support activities of the Office of the Secretary of Defense may not exceed the amount equal to 80 percent of the amount of funds requested for such purpose in the budget submitted by the President to Congress under section 1105 of title 31, United States Code, for fiscal year 1998.

(b) LIMITATION PENDING RECEIPT OF PREVIOUSLY REQUIRED REPORTS.—Of the amount available for fiscal year 1998 for operation and support activities of the Office of the Secretary of Defense (as limited pursuant to subsection (a)), not more than 90 percent may be obligated until each of the following reports has been submitted to the congressional defense committees:

(1) The report required by section 901(c) of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 401).

(2) The report required by section 904(b) of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201; 110 Stat. 2619).

SEC. 902. COMPONENTS OF NATIONAL DEFENSE UNIVERSITY.

(a) EMPLOYMENT AND COMPENSATION OF CIVILIAN FACULTY.—Section 1595(d)(2) of title 10, United States Code, is amended by striking out ''Institute for National Strategic Study,'' and inserting in lieu thereof ''Institute for National Strategic Studies, the Information Resources Management College,''.

(b) PREPARATION OF BUDGET REQUESTS.—Section 2162(d)(2) of such title is amended by inserting after ''the Armed Forces Staff College,'' the following: ''the Institute for National Strategic Studies, the Information Resources Management College,''.

SEC. 903. AUTHORIZATION FOR THE MARINE CORPS UNIVERSITY TO EMPLOY CIVILIAN PROFESSORS.

(a) IN GENERAL.—Subsections (a) and (c) of 7478 of title 10, United States Code, are amended by striking ''or at the Marine Corps Command and Staff College'' and inserting in lieu thereof ''or at a school of the Marine Corps University''.

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

''§ 7478. Naval War College and Marine Corps University: civilian faculty members''.

(2) The item relating to such section in the table of sections at the beginning of chapter 643 of such title is amended to read as follows:

''7478. Naval War College and Marine Corps University: civilian faculty members.''.

SEC. 904. CENTER FOR THE STUDY OF CHINESE MILITARY AFFAIRS.

(a) FINDINGS.—The Congress finds the following:

(1) The strategic relationship between the United States and the People's Republic of China will be very important for future peace and security, not only in the Asia-Pacific region but around the world.

(2) The United States does not view China as an enemy, nor consider that the coming century necessarily will see a new great power competition between the two nations.

(3) The end of the Cold War has eliminated what had been the one fundamental common strategic interest of the United States and China, that of containing the Soviet Union.

(4) The rapid economic rise and stated geopolitical ambitions of China will pose challenges that will require careful management in order to preserve peace and protect the national security interests of the United States.

(5) The ability of the Department of Defense, and the United States Government more generally, to develop sound security and military strategies is hampered by a limited understanding of Chinese strategic goals and military capabilities. The low priority accorded the study of Chinese strategic and military affairs within the Government and within the academic community has contributed to this limited understanding.

(6) There is a need for a United States national institute for research and assessment of political, strategic, and military affairs in the People's Republic of China. Such an institute should be capable of providing analysis for the purpose of shaping United States military strategy and policy with regard to China and should be readily accessible to senior leaders within the Department of Defense, but should maintain academic and intellectual independence so that that analysis is not first shaped by policy.

(b) ESTABLISHMENT OF CENTER FOR THE STUDY OF CHINESE MILITARY AFFAIRS.—(1) Chapter 108 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 2165. National Defense University: Center for the Study of Chinese Military Affairs

''(a) ESTABLISHMENT.—(1) The Secretary of Defense shall establish a Center for the Study of Chinese Military Affairs (hereinafter in this section referred to as the 'Center') as part of the National Defense University. The Center shall be organized as an independent institute under the University.

''(2) The Director of the Center shall be a distinguished scholar of proven academic, management, and leadership credentials with a superior record of achievement and publication regarding Chinese political, strategic, and military affairs. The Director shall be appointed by the Secretary of Defense in consultation with the chairman and ranking minority party member of the Committee on National Security of the House of Representatives and the chairman and ranking minority party member of the Committee on Armed Services of the Senate.

''(b) MISSION.—The mission of the Center is to study the national goals and strategic posture of the People's Republic of China and the ability of that nation to develop, field, and deploy an effective military instrument in support of its national strategic objectives.

''(c) AREAS OF STUDY.—The Center shall conduct research relating to the People's Republic of China as follows:

''(1) To assess the potential of that nation to act as a global great power, the Center shall conduct research that considers the policies and capabilities of that nation in a regional and world-wide context, including Central Asia, Southwest Asia, Europe, and Latin America, as well as the Asia-Pacific region.

''(2) To provide a fuller assessment of the areas of study referred to in paragraph (1), the Center shall conduct research on—

''(A) economic trends relative to strategic goals and military capabilities;

''(B) strengths and weaknesses in the scientific and technological sector; and

''(C) relevant demographic and human resource factors on progress in the military sphere.

''(3) The Center shall conduct research on the armed forces of the People's Republic of China, taking into account the character of those armed forces and their role in Chinese society and economy, the degree of their technological sophistication, and their organizational and doctrinal concepts. That research shall include inquiry into the following matters:

''(A) Concepts concerning national interests, objectives, and strategic culture.

''(B) Grand strategy, military strategy, military operations, and tactics.

''(C) Doctrinal concepts at each of the four levels specified in subparagraph (B).

''(D) The impact of doctrine on China's force structure choices.

''(E) The interaction of doctrine and force structure at each level to create an integrated system of military capabilities through procurement, officer education, training, and practice and other similar factors.

''(d) FACULTY OF THE CENTER.—(1) The core faculty of the Center should comprise mature scholars capable of providing diverse perspectives on Chinese political, strategic, and military thought. Center scholars shall demonstrate the following competencies and capabilities:

''(A) Analysis of national strategy, military strategy, and doctrine.

''(B) Analysis of force structure and military capabilities.

''(C) Analysis of—

''(i) issues relating to weapons of mass destruction, military intelligence, defense economics, trade, and international economics; and

''(ii) the relationship between those issues and grand strategy, science and technology, the sociology of human resources and demography, and political science.

''(2) A substantial number of Center scholars shall be competent in the Chinese language. The Center shall include a core of junior scholars capable of providing linguistics and translation support to the Center.

''(e) ACTIVITIES OF THE CENTER.—The activities of the Center shall include other elements appropriate to its mission, including the following:

''(1) The Center should include an active conference program with an international reach.

''(2) The Center should conduct an international competition for a Visiting Fellowship in Chinese Military Affairs and Chinese Security Issues. The term of the fellowship should be for one year, renewable for a second. The visitor should contract to produce a major publication in the visitor's area of expertise.

''(3) The Center shall provide funds to support at least one trip per analyst per year to China and the region and to support visits of Chinese military leaders to the Center.

''(4) The Center shall support well defined, distinguished, signature publications.

''(5) Center scholars shall have appropriate access to intelligence community assessments of Chinese military affairs.

''(f) STUDIES AND REPORTS.—The Director may contract for studies and reports from the private sector to supplement the work of the Center.''.

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

''2165. National Defense University: Center for the Study of Chinese Military Affairs.''.

(c) IMPLEMENTATION REPORT.—Not later than January 1, 1998, the Secretary of Defense shall

submit to Congress a report stating the timetable and organizational plan for establishing the Center for the Study of Chinese Military Affairs under section 2165 of title 10, United States Code, as added by subsection (b).

(d) STARTUP OF CENTER.—The Secretary shall establish the Center for the Study of Chinese Military Affairs under section 2165 of title 10, United States Code, as added by subsection (b), not later than March 1, 1998, and shall appoint the first Director of the Center not later than June 1, 1998.

(e) FIRST YEAR FUNDING.—Of the amount available to the Secretary of Defense for fiscal year 1998 for Defense-wide operation and maintenance (other than funds otherwise available for the activities of the National Defense University), the Secretary shall make $5,000,000 available for the Center for the Study of Chinese Military Affairs established under section 2165 of title 10, United States Code, as added by subsection (b).

SEC. 905. WHITE HOUSE COMMUNICATIONS AGENCY.

Of the amount appropriated pursuant to section 301 for operation and maintenance for fiscal year 1998, not more than $55,000,000 may be made available for the White House Communications Agency.

SEC. 906. REVISION TO REQUIRED FREQUENCY FOR PROVISION OF POLICY GUIDANCE FOR CONTINGENCY PLANS.

Section 113(g)(2) of title 10, United States Code, is amended—

(1) in the first sentence, by striking out ''annually''; and

(2) in the second sentence, by inserting ''be provided every two years or more frequently as needed and shall'' after ''Such guidance shall''.

SEC. 907. TERMINATION OF THE DEFENSE AIRBORNE RECONNAISSANCE OFFICE.

(a) TERMINATION OF OFFICE.—The organization within the Department of Defense known as the Defense Airborne Reconnaissance Office is terminated. No funds available for the Department of Defense may be used for the operation of that Office after the date specified in subsection (d).

(b) TRANSFER OF FUNCTIONS.—(1) Subject to paragraphs (2) and (3), the Secretary of Defense shall transfer to the Defense Intelligence Agency the functions that were performed on the day before the date of the enactment this Act by the Defense Airborne Reconnaissance Office relating to its responsibilities for management oversight and coordination of defense airborne reconnaissance capabilities.

(2) The Secretary shall determine which functions are appropriate for transfer under paragraph (1). In making such determination, the Secretary shall ensure that program management, development and acquisition, operations, and related responsibilities for individual programs within the Defense Airborne Reconnaissance program remain within the military departments.

(3) Any functions transferred under this subsection shall be subject to the authority, direction, and control of the Secretary.

(c) REPORT.—(1) Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the committees named in paragraph (2) a report containing the Secretary's plan for terminating and transferring the functions of the Defense Airborne Reconnaissance Office.

(2) The committees referred to in paragraph (1) are—

(A) the Committee on Armed Services and the Select Committee on Intelligence of the Senate; and

(B) the Permanent Select Committee on Intelligence and the Committee on National Security of the House of Representatives.

(d) EFFECTIVE DATE.—Subsection (a) shall take effect at the end of the 120-day period beginning on the date of the enactment of this Act.

TITLE X—GENERAL PROVISIONS

Subtitle A—Financial Matters

SEC. 1001. TRANSFER AUTHORITY.

(a) AUTHORITY TO TRANSFER AUTHORIZATIONS.—(1) Upon determination by the Secretary of Defense that such action is necessary in the national interest, the Secretary may transfer amounts of authorizations made available to the Department of Defense in this division for fiscal year 1998 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 on National Security of the House of Representatives to accompany the bill H.R. 1119 of the One Hundred Fifth 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 UNAUTHORIZED FISCAL YEAR 1997 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 1997 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 1997 defense appropriations that are in excess of the amounts provided for such programs, projects, and activities in fiscal year 1997 defense authorizations.

(c) DEFINITIONS.—For the purposes of this section:

(1) FISCAL YEAR 1997 DEFENSE APPROPRIATIONS.—The term ''fiscal year 1997 defense appropriations'' means amounts appropriated or otherwise made available to the Department of Defense for fiscal year 1997 in the Department of Defense Appropriations Act, 1997 (as contained in section 101(b) of Public Law 104–208).

(2) FISCAL YEAR 1997 DEFENSE AUTHORIZATIONS.—The term ''fiscal year 1997 defense authorizations'' means amounts authorized to be appropriated for the Department of Defense for fiscal year 1997 in the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201).

SEC. 1004. AUTHORIZATION OF SUPPLEMENTAL APPROPRIATIONS FOR FISCAL YEAR 1997.

Amounts authorized to be appropriated to the Department of Defense for fiscal year 1997 in the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201) 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 1997 Emergency Supplemental Appropriations Act for Recovery from Natural Disasters, and for Overseas Peacekeeping Efforts, Including Those in Bosnia.

SEC. 1005. INCREASE IN FISCAL YEAR 1996 TRANSFER AUTHORITY.

Section 1001(a)(2) of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 100 Stat. 2630) is amended by striking out ''$2,000,000,000'' and inserting in lieu thereof ''$3,100,000,000''.

SEC. 1006. FISHER HOUSE TRUST FUNDS.

Section 2221(c) of title 10, United States Code, is amended by adding at the end the following new paragraph:

''(5) There is hereby authorized to be appropriated for any fiscal year from a trust fund specified in subsection (a) any amount referred to in paragraph (1), (2), or (3) (as applicable to that trust fund), such amount to be available only for the purposes stated in that paragraph. With respect to any such amount, the preceding sentence is the specific authorization by law required by section 1321(b)(2) of title 31.''.

SEC. 1007. FLEXIBILITY IN FINANCING CLOSURE OF CERTAIN OUTSTANDING CONTRACTS FOR WHICH A SMALL FINAL PAYMENT IS DUE.

(a) CLOSURE OF OUTSTANDING CONTRACTS.—The Secretary of Defense may make the final payment on a contract to which this section applies from the account established pursuant to subsection (d).

(b) COVERED CONTRACTS.—This section applies to any contract of the Department of Defense—

(1) that was entered into before December 5, 1990; and

(2) for which an unobligated balance of an appropriation that had been initially applied to the contract was canceled before December 5, 1990, pursuant to section 1552 of title 31, United States Code, as in effect before that date.

(c) AUTHORITY LIMITED TO SMALL FINAL PAYMENTS.—The Secretary may use the authority provided by this section only for a contract for which the amount of the final payment due is not greater than the micro-purchase threshold (as defined in section 32 of the Office of Federal Procurement Policy Act (41 U.S.C. 428)).

(d) ACCOUNT.—The Secretary may establish an account for the purposes of this section. The Secretary may from time to time transfer into the account, from funds available to the Department of Defense for procurement or for research, development, test, and evaluation, such amounts as the Secretary determines to be needed for the purposes of the account, except that no such transfer may be made that would result in the balance of the account exceeding $1,000,000. Amounts in the account may be used only for the purposes of this section.

(e) CLOSURE OF ACCOUNT.—When the Secretary determines that all contracts to which this section applies have been closed and there is no further need for the account established under subsection (d), the Secretary shall close

the account. Any amounts remaining in the account shall be covered into the Treasury as miscellaneous receipts.

Subtitle B—Naval Vessels and Shipyards

SEC. 1021. RELATIONSHIP OF CERTAIN LAWS TO DISPOSAL OF VESSELS FOR EXPORT FROM THE NAVAL VESSEL REGISTER AND THE NATIONAL DEFENSE RESERVE FLEET.

(a) NAVAL VESSEL REGISTER.—(1) Section 7305 of title 10, United States Code, is amended by adding at the end the following:

''(e) RELATIONSHIP TO TOXIC SUBSTANCES CONTROL ACT.—(1) Subject to paragraph (2), the sale of a vessel under this section for export, or any subsequent resale of a vessel sold under this section for export—

''(A) is not a disposal or a distribution in commerce under section 6 or 12(a) of the Toxic Substances Control Act (15 U.S.C. 2605 and 2611(a)) or an export of hazardous waste under section 3017 of the Solid Waste Disposal Act (42 U.S.C. 6938); and

''(B) is not subject to section 12(b) of the Toxic Substances Control Act (15 U.S.C. 2611(b)).

''(2)(A) Paragraph (1) applies to a vessel being sold for export only if, before the sale of such vessel, any item listed in subparagraph (B) containing polychlorinated biphenyls is removed from the vessel.

''(B) Subparagraph (A) covers any transformer, large high or low voltage capacitor, or hydraulic or heat transfer fluid.''.

(2) Section 7306a of such title is amended—

*(A) in the heading, by adding at the end the following: ''**or operational training**'';*

(B) in subsection (a), by inserting ''or operational training'' after ''purposes''; and

(C) by adding at the end the following:

''(c) RELATIONSHIP TO OTHER LAWS.—The sinking of a vessel for an experimental purpose or for operational training pursuant to subsection (a) is not—

''(1) a disposal or a distribution in commerce under section 6 or 12(a) of the Toxic Substances Control Act (15 U.S.C. 2605 and 2611(a)); or

''(2) the transport of material for the purpose of dumping it into ocean waters, or the dumping of material transported from a location outside the United States, under section 101 of the Marine Protection, Research, and Sanctuaries Act of 1972 (33 U.S.C. 1411).''.

(b) NATIONAL DEFENSE RESERVE FLEET.—(1) Section 510(i) of the Merchant Marine Act, 1936 (46 U.S.C. App. 1160(i)) is amended—

(A) by inserting ''(1)'' after ''(i)''; and

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

''(2)(A) Subject to subparagraph (B), the sale under this subsection of a vessel from the National Defense Reserve Fleet for export, or any subsequent resale of a vessel sold from the Fleet for export—

''(i) is not a disposal or a distribution in commerce under section 6 or 12(a) of the Toxic Substances Control Act (15 U.S.C. 2605 and 2611(a)) or an export of hazardous waste under section 3017 of the Solid Waste Disposal Act (42 U.S.C. 6938); and

''(ii) is not subject to subsection (b) of section 12 of the Toxic Substances Control Act (15 U.S.C. 2611).

''(B)(i) Subparagraph (A) applies to a vessel being sold for export only if, before the sale of such vessel, any item listed in clause (ii) containing polychlorinated biphenyls is removed from the vessel.

''(ii) Clause (i) covers any transformer, large high or low voltage capacitor, or hydraulic or heat transfer fluid.''.

(2) Section 6 of the National Maritime Heritage Act of 1994 (Public Law 103–451; 108 Stat. 4776; 16 U.S.C. 5405) is amended—

(A) in subsections (a)(1) and (b)(2)—

(i) by inserting ''or 510(i)'' after ''508''; and

(ii) by inserting ''or 1160(i)'' after ''1158''; and

(B) in subsection (c)(1)(A), by striking out ''1999'' and inserting in lieu thereof ''2001''.

SEC. 1022. AUTHORITY TO ENTER INTO A LONG-TERM CHARTER FOR A VESSEL IN SUPPORT OF THE SURVEILLANCE TOWED-ARRAY SENSOR (SURTASS) PROGRAM.

The Secretary of the Navy is authorized to enter into a contract in accordance with section 2401 of title 10, United States Code, for the charter, for a period through fiscal year 2003, of the vessel RV CORY CHOUEST (United States official number 933435) in support of the Surveillance Towed-Array Sensor (SURTASS) program.

SEC. 1023. TRANSFER OF TWO SPECIFIED OBSOLETE TUGBOATS OF THE ARMY.

(a) AUTHORITY TO TRANSFER VESSELS.—The Secretary of the Army may transfer the two obsolete tugboats of the Army described in subsection (b) to the Brownsville Navigation District, Brownsville, Texas.

(b) VESSELS COVERED.—Subsection (a) applies to the following two decommissioned tugboats of the Army, each of which is listed as of the date of the enactment of this Act as being surplus to the needs of the Army: the Normandy (LT–1971) and the Salerno (LT–1953).

(c) TRANSFERS TO BE AT NO COST TO UNITED STATES.—A transfer authorized by this section shall be made at no cost to the United States.

(d) TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the transfers authorized by this section as the Secretary considers appropriate.

SEC. 1024. NAMING OF A DDG–51 CLASS DESTROYER THE U.S.S. THOMAS F. CONNOLLY.

It is the sense of Congress that the Secretary of the Navy should name a guided missile destroyer of the DDG–51 class the U.S.S. Thomas F. Connolly, in honor of Vice Admiral Thomas F. Connolly (1909–1996), of the State of Minnesota, who during an active-duty naval career extending from 1933 to 1971 became a leading architect of the modern United States Navy .

SEC. 1025. CONGRESSIONAL REVIEW PERIOD WITH RESPECT TO TRANSFER OF THE EX-U.S.S. MIDWAY (CV–41).

In applying section 7306 of title 10, United States Code, with respect to the transfer of the decommissioned aircraft carrier ex-U.S.S. MIDWAY (CV–41), subsection (d)(1)(B) of that section shall be applied by substituting ''30 calendar days'' for ''60 days of continuous session of Congress''.

Subtitle C—Counter-Drug Activities

SEC. 1031. PROHIBITION ON USE OF NATIONAL GUARD FOR CIVIL-MILITARY ACTIVITIES UNDER STATE DRUG INTERDICTION AND COUNTER-DRUG ACTIVITIES PLAN.

Section 112 of title 32, United States Code, is amended—

(1) by redesignating subsections (g) and (h) as subsections (h) and (i), respectively; and

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

''(g) PROHIBITION ON CERTAIN CIVIL-MILITARY ACTIVITIES.—Funds provided under this section may not be used to conduct activities, including community-outreach programs, designed to reduce the demand for illegal drugs among persons who are not members of the National Guard or their dependents.''.

Subtitle D—Miscellaneous Report Requirements and Repeals

SEC. 1041. REPEAL OF MISCELLANEOUS OBSOLETE REPORTS REQUIRED BY PRIOR DEFENSE AUTHORIZATION ACTS.

(a) REPORT ON REMOVAL OF BASIC POINT DEFENSE MISSILE SYSTEM FROM NAVAL AMPHIBIOUS VESSELS.—Section 1437 of the Department of Defense Authorization Act, 1986 (Public Law 99–145; 99 Stat. 757), is repealed.

(b) REPORT CONCERNING THE STRETCHOUT OF MAJOR DEFENSE ACQUISITION PROGRAMS.—Section 117 of the National Defense Authorization Act, Fiscal Year 1989 (Public Law 100–456; 102 Stat. 1933), is repealed.

(c) REPORT CONCERNING THE B–2 AIRCRAFT PROGRAM.—Section 115 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101–189; 103 Stat. 1373) is repealed.

SEC. 1042. REPEAL OF ANNUAL REPORT REQUIREMENT RELATING TO TRAINING OF SPECIAL OPERATIONS FORCES WITH FRIENDLY FOREIGN FORCES.

Section 2011 of title 10, United States Code, is amended by striking out subsection (e).

Subtitle E—Other Matters

SEC. 1051. AUTHORITY FOR SPECIAL AGENTS OF THE DEFENSE CRIMINAL INVESTIGATIVE SERVICE TO EXECUTE WARRANTS AND MAKE ARRESTS.

(a) AUTHORITY.—Chapter 81 of title 10, United States Code, is amended by inserting after section 1585 the following new section:

''§1585a. Special agents of the Defense Criminal Investigative Service: authority to execute warrants and make arrests

''(a) AUTHORITY.—The Secretary of Defense may authorize any DCIS special agent—

''(1) to execute and serve any warrant or other process issued under the authority of the United States; and

''(2) to make arrests without a warrant—

''(A) for any offense against the United States committed in the presence of that agent; and

''(B) for any felony cognizable under the laws of the United States if the agent has probable cause to believe that the person to be arrested has committed or is committing the felony.

''(b) ATTORNEY GENERAL GUIDELINES.—Authority of a DCIS special agent under subsection (a) may be exercised only in accordance with guidelines approved by the Attorney General.

''(c) DCIS SPECIAL AGENT DEFINED.—In this section, the term 'DCIS special agent' means an employee of the Department of Defense who is a special agent of the Defense Criminal Investigative Service (or any successor to that service).''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1585 the following new item:

''1585a. Special agents of the Defense Criminal Investigative Service: authority to execute warrants and make arrests.''.

SEC. 1052. STUDY OF INVESTIGATIVE PRACTICES OF MILITARY CRIMINAL INVESTIGATIVE ORGANIZATIONS RELATING TO SEX CRIMES.

(a) INDEPENDENT STUDY REQUIRED.—(1) The Secretary of Defense shall provide for an independent study of the policies, procedures, and practices of the military criminal investigative organizations for the conduct of investigations of complaints of sex crimes and other criminal sexual misconduct arising in the Armed Forces.

(2) The Secretary shall provide for the study to be conducted by the National Academy of Public Administration. The amount of a contract for the study may not exceed $2,000,000.

(3) The Secretary shall require that all components of the Department of Defense cooperate fully with the organization carrying out the study.

(b) MATTERS TO BE INCLUDED IN STUDY.—The Secretary shall require that the organization conducting the study under this section specifically consider each of the following matters:

(1) The need (if any) for greater organizational independence and autonomy for the military criminal investigative organizations than exists under current chain-of-command structures within the military departments.

(2) The authority of each of the military criminal investigative organizations to investigate allegations of sex crimes and other criminal sexual misconduct and the policies of those organizations for carrying out such investigations.

(3) The training (including training in skills and techniques related to the conduct of interviews) provided by each of those organizations

to agents or prospective agents responsible for conducting or providing support to investigations of alleged sex crimes and other criminal sexual misconduct, including—

(A) the extent to which that training is comparable to the training provided by the Federal Bureau of Investigation and other civilian law enforcement agencies; and

(B) the coordination of training and investigative policies related to alleged sex crimes and other criminal sexual misconduct of each of those organizations with the Federal Bureau of Investigation and other civilian Federal law enforcement agencies.

(4) The procedures and relevant professional standards of each military criminal investigative organization with regard to recruitment and hiring of agents, including an evaluation of the extent to which those procedures and standards provide for—

(A) sufficient screening of prospective agents based on background investigations; and

(B) obtaining sufficient information about the qualifications and relevant experience of prospective agents.

(5) The advantages and disadvantages of establishing, within each of the military criminal investigative organizations or within the Defense Criminal Investigative Service only, of a special unit for the investigation of alleged sex crimes and other criminal sexual misconduct.

(6) The clarity of guidance for, and consistency of investigative tactics used by, each of the military criminal investigative organizations for the investigation of alleged sex crimes and other criminal sexual misconduct, together with a comparison with the guidance and tactics used by the Federal Bureau of Investigation and other civilian law enforcement agencies for such investigations.

(7) The number of allegations of agent misconduct in the investigation of sex crimes and other criminal sexual misconduct for each of those organizations, together with a comparison with the number of such allegations concerning agents of the Federal Bureau of Investigation and other civilian law enforcement agencies for such investigations.

(8) The procedures of each of the military criminal investigative organizations for administrative identification (known as ''titling'') of persons suspected of committing sex crimes or other criminal sexual misconduct, together with a comparison with the comparable procedures of the Federal Bureau of Investigation and other civilian Federal law enforcement agencies for such investigations.

(9) The accuracy, timeliness, and completeness of reporting of sex crimes and other criminal sexual misconduct by each of the military criminal investigative organizations to the National Crime Information Center maintained by the Department of Justice.

(10) Any recommendation for legislation or administrative action to revise the organizational or operational arrangements of the military criminal investigative organizations or to alter recruitment, training, or operational procedures, as they pertain to the investigation of sex crimes and other criminal sexual misconduct.

(c) REPORT.—(1) The Secretary of Defense shall require the organization conducting the study under this section to submit to the Secretary a report on the study not later than one year after the date of the enactment of this Act. The organization shall include in the report its findings and conclusions concerning each of the matters specified in subsection (b).

(2) The Secretary shall submit the report under paragraph (1), together with the Secretary's comments on the report, to Congress not later than 30 days after the date on which the report is submitted to the Secretary under paragraph (1).

(d) MILITARY CRIMINAL INVESTIGATIVE ORGANIZATION DEFINED.—For the purposes of this section, the term ''military criminal investigative organization'' means any of the following:

(1) The Army Criminal Investigation Command.

(2) The Naval Criminal Investigative Service.

(3) The Air Force Office of Special Investigations.

(4) The Defense Criminal Investigative Service.

(e) CRIMINAL SEXUAL MISCONDUCT DEFINED.—For the purposes of this section, the term ''criminal sexual misconduct'' means conduct by a member of the Armed Forces involving sexual abuse, sexual harassment, or other sexual misconduct that constitutes an offense under the Uniform Code of Military Justice.

SEC. 1053. TECHNICAL AND CLERICAL AMENDMENTS.

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

(1) The tables of chapters at the beginning of subtitle A, and at the beginning of part I of subtitle A, are each amended by striking out ''471'' in the item relating to chapter 23 and inserting in lieu thereof ''481''.

(2) The tables of chapters at the beginning of subtitle A, and at the beginning of part IV of subtitle A, are each amended by striking out ''2540'' in the item relating to chapter 152 and inserting in lieu thereof ''2541''.

(3) Section 116(b)(2) is amended by striking out ''such subsection'' and inserting in lieu thereof ''subsection (a)''.

(4) Section 129c(e) is amended by striking out ''section 115a(g)(2)'' and inserting in lieu thereof ''section 115a(e)(2)''.

(5) Section 382(g) is amended by striking out ''the date of the enactment of the National Defense Authorization Act for Fiscal Year 1997'' and inserting in lieu thereof ''September 23, 1996''.

(6) The table of sections at the beginning of subchapter I of chapter 21 is amended by striking out the items relating to 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.''.

(7) Section 445 is amended—

(A) by striking out ''(1)'' before ''Except with'';

(B) by redesignating subparagraphs (A), (B), and (C) as paragraphs (1), (2), and (3), respectively;

(C) by striking out ''(2)'' before ''Whenever it appears'' and inserting in lieu thereof ''(b) INJUNCTIVE RELIEF.—''; and

(D) by striking out ''paragraph (1)'' and inserting in lieu thereof ''subsection (a)''.

(8) Section 858b is amended in the first sentence by striking out ''forfeiture'' and all that follows through ''due that member'' and inserting in lieu thereof ''forfeiture of pay, or of pay and allowances, due that member''.

(9) Section 943(c) is amended—

(A) in the third sentence, by striking out ''such positions'' and inserting in lieu thereof ''positions referred to in the preceding sentences''; and

(B) by capitalizing the initial letter of the third word of the subsection heading.

(10) Section 954 is amended by striking out ''this'' and inserting in lieu thereof ''his''.

(11) Section 972(b) is amended by striking out ''the date of the enactment of the National Defense Authorization Act for Fiscal Year 1996'' in the matter preceding paragraph (1) and inserting in lieu thereof ''February 10, 1996''.

(12) Section 976(f) is amended by striking out ''shall,'' and all that follows and inserting in lieu thereof ''shall be fined under title 18 or imprisoned not more than 5 years, or both, except that, in the case of an organization (as defined in section 18 of such title), the fine shall not be less than $25,000.''.

(13) Section 977 is amended—

(A) in subsection (c), by striking out ''Beginning on October 1, 1996, not more than'' and inserting in lieu thereof ''Not more than''; and

(B) in subsection (d)(2), by striking out ''before October 1, 1996,'' and all that follows through ''so assigned'' the second place it appears.

(14) Section 1129(c) is amended—

(A) by striking out ''the date of the enactment of this section,'' and inserting in lieu thereof ''November 30, 1993,''; and

(B) by striking out ''before the date of the enactment of this section or'' and inserting in lieu thereof ''before such date or''.

(15) Section 1151(b) is amended by striking out ''WITH'' in the subsection heading and inserting in lieu thereof ''WITH''.

(16) Section 1152(g) is amended by inserting ''(1)'' before ''The Secretary may''.

(17) Section 1408(d) is amended—

(A) by striking out ''TO'' in the subsection heading and inserting in lieu thereof ''TO''; and

(B) by redesignating the second paragraph (6) as paragraph (7).

(18) Section 1599c(c)(1)(F) is amended by striking out ''Sections 106(f)'' and inserting in lieu thereof ''Sections 106(e)''.

(19) Section 1763 is amended—

(A) by striking out ''On and after October 1, 1993, the Secretary of Defense'' and inserting in lieu thereof ''The Secretary of Defense''; and

(B) by striking out ''secretaries'' and inserting in lieu thereof ''Secretaries''.

(20) Section 2010(e) is repealed.

(21) Section 2208(k) is repealed.

(22)(A) Section 2306(h) is amended by inserting ''for the purchase of property'' after ''Multiyear contracting authority''.

(B)(i) The heading of section 2306b is amended to read as follows:

''§ 2306b. Multiyear contracts: acquisition of property''.

(ii) The item relating to such section in the table of sections at the beginning of chapter 137 of such title is amended to read as follows:

''2306b. Multiyear contracts: acquisition of property.''.

(23) Section 2306b(k) is amended by striking out ''this subsection'' in the first sentence and inserting in lieu thereof ''this section''.

(24) Section 2315(a) is amended by striking out ''the Information Technology Management Reform Act of 1996'' and inserting in lieu thereof ''division E of the Clinger-Cohen Act of 1996 (40 U.S.C. 1401 et seq.)''.

(25) Section 2371a is amended by inserting ''Defense'' before ''Advanced Research Projects Agency''.

(26) Section 2401a(a) is amended by striking out ''leasing of such vehicles'' and inserting in lieu thereof ''such leasing''.

(27) Section 2466(e) is repealed.

(28) Section 2684(b) is amended by striking out '', United States Code,''.

(29) Section 2885 is amended by striking out ''five 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, 2001''.

(30) Section 12733(3) is amended—

(A) by inserting a comma after ''(B)''; and

(B) by striking out ''the date of the enactment of the National Defense Authorization Act for Fiscal Year 1997'' and inserting in lieu thereof ''September 23, 1996,''.

(b) TITLE 37, UNITED STATES CODE.—Section 205(d) of title 37, United States Code, is amended by striking out the period after ''August 1, 1979'' and inserting in lieu thereof a comma.

(c) PUBLIC LAW 104–201.—Effective as of September 23, 1996, and as if included therein as enacted, the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201) is amended as follows:

(1) Section 367 (110 Stat. 2496) is amended—

(A) in subsection (a), by striking out ''Subchapter II of chapter'' and inserting in lieu thereof ''Chapter''; and

(B) in subsection (b), by striking out ''subchapter'' and inserting in lieu thereof ''chapter''.

(2) Section 614(b)(2)(B) (110 Stat. 2544) is amended by striking out ''the period'' and inserting in lieu thereof ''the semicolon''.

(3) Section 802(1) (110 Stat. 2604) is amended by striking out ''1995'' in the first quoted matter therein and inserting in lieu thereof ''1996''.

(4) Section 829(c) (110 Stat. 2612) is amended—

(A) in paragraph (2), by striking out ''Section 2502(b)'' and inserting in lieu thereof ''Section 2502(c)''; and

(B) by redesignating paragraph (3) as subparagraph (C) of paragraph (2).

(d) OTHER ANNUAL DEFENSE AUTHORIZATION ACTS.—

(1) of The National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106) is amended as follows:

(A) Section 533(b) (110 Stat. 315) is amended by inserting before the period at the end the following: ''and the amendments made by subsection (b), effective as of October 5, 1994''.

(B) Section 1501(d)(1) (110 Stat. 500) is amended by striking out ''337(b)'' and ''2717'' and inserting in lieu thereof ''377(b)'' and ''2737'', respectively.

(2) Section 845 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160; 10 U.S.C. 2371 note) is amended—

(A) in subsection (a), by inserting ''Defense'' before ''Advanced''; and

(B) in the section heading, by inserting ''defense'' after the third word.

(3) The National Defense Authorization Act for Fiscal Year 1993 (Public Law 102–484) is amended as follows:

(A) Section 812(c) (10 U.S.C. 1723 note) is amended by inserting ''and Technology'' after ''for Acquisition''.

(B) Subsection (e) of section 4471 (10 U.S.C. 2501 note) is amended—

(i) by realigning that subsection so as to be flush to the margin; and

(ii) by capitalizing the initial letter of the third word of the subsection heading.

(4) Section 807(b)(2)(A) of the National Defense Authorization Act for Fiscal Years 1992 and 1993 (Public Law 102–190; 10 U.S.C. 2320 note) is amended by inserting before the period the following: ''and Technology''.

(5) The National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510) is amended as follows:

(A) Section 1205 (10 U.S.C. 1746 note) is amended by striking out ''Under Secretary of Defense for Acquisition'' each place it appears and inserting in lieu thereof ''Under Secretary of Defense for Acquisition and Technology''.

(B) Section 2921 (10 U.S.C. 2687 note) is amended—

(i) in subsection (e)(3)(B), by striking out ''Subcommittees'' and inserting in lieu thereof ''Subcommittee''; and

(ii) in subsection (f)(2), by striking out ''the Committees on Armed Services of the Senate and House of Representatives'' and inserting in lieu thereof ''the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives''.

(6) Section 1121(c) of the National Defense Authorization Act for Fiscal Years 1988 and 1989 (Public Law 100–180; 10 U.S.C. 113 note) is amended by striking out ''under this section—'' and all that follow through ''fiscal year 1990'' and inserting in lieu thereof ''under this section may not exceed 5,000 during any fiscal year''.

(d) TITLE 5, UNITED STATES CODE.—Title 5, United States Code, is amended as follows:

(1) Section 3329(b) is amended by striking out ''a position described in subsection (c)'' the second place it appears.

(2) Section 5315 is amended—

(A) in the item relating to the Chief Information Officer of the Department of the Interior, by inserting ''the'' before ''Interior''; and

(B) in the item relating to the Chief Information Officer of the Department of the Treasury, by inserting ''the'' before ''Treasury''.

(3) Section 5316 is amended by striking out ''Atomic Energy'' after ''Assistant to the Secretary of Defense for'' and inserting in lieu thereof ''Nuclear and Chemical and Biological Defense Programs''.

(e) ACQUISITION POLICY STATUTES.—

(1) Section 309 of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 259) is amended by striking out ''and'' at the end of subsection (b)(2).

(2) The Office of Federal Procurement Policy Act is amended as follows:

(A) The item relating to section 27 in the table of contents in section 1 is amended to read as follows:

''Sec. 27. Restrictions on disclosing and obtaining contractor bid or proposal information or source selection information.''.

(B) Section 6(d) (41 U.S.C. 405(d)) is amended—

(i) by striking out the period at the end of paragraph (5)(J) and inserting in lieu thereof a semicolon;

(ii) by moving paragraph (6) two ems to the left; and

(iii) in paragraph (12), by striking out ''small business'' and inserting in lieu thereof ''small businesses''.

(C) Section 35(b)(2) (41 U.S.C. 431(b)(2)) is amended by striking out ''commercial'' and inserting in lieu thereof ''commercially available''.

(3) Section 6 of the Contract Disputes Act of 1978 (41 U.S.C. 605) is amended in subsections (d) and (e) by striking out ''(as in effect on September 30, 1995)'' each place it appears.

(4) Subsections (d)(1) and (e) of section 16 of the Small Business Act (15 U.S.C. 645) are each amended by striking out ''concerns'' and inserting in lieu thereof ''concern''.

(f) 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.

SEC. 1054. DISPLAY OF POW/MIA FLAG.

(a) REQUIRED DISPLAY.—The POW/MIA flag shall be displayed at the locations specified in subsection (c) each year on POW/MIA flag display days. Such display shall serve (1) as the symbol of the Nation's concern and commitment to achieving the fullest possible accounting of Americans who, having been prisoners of war or missing in action, still remain unaccounted for, and (2) as the symbol of the Nation's commitment to achieving the fullest possible accounting for Americans who in the future may become prisoners of war, missing in action, or otherwise unaccounted for as a result of hostile action.

(b) DAYS FOR FLAG DISPLAY.—(1) For purposes of this section, POW/MIA flag display days are the following:

(A) Armed Forces Day, the third Saturday in May.

(B) Memorial Day, the last Monday in May.

(C) Flag Day, June 14.

(D) Independence Day, July 4.

(E) National POW/MIA Recognition Day.

(F) Veterans Day, November 11.

(2) In the case of display at United States Postal Service post offices (required by subsection (c)(8)), POW/MIA flag display days in any year include, in addition to the days specified in paragraph (1), the last business day before each such day that itself is not a business day.

(c) LOCATIONS FOR FLAG DISPLAY.—The locations for the display of the POW/MIA flag under this section are the following:

(1) The Capitol.

(2) The White House.

(3) The Korean War Veterans Memorial and the Vietnam Veterans Memorial.

(4) Each national cemetery.

(5) The buildings containing the primary offices of—

(A) the Secretary of State;

(B) the Secretary of Defense;

(C) the Secretary of Veterans Affairs; and

(D) the Director of the Selective Service System.

(6) Each major military installation, as designated by the Secretary of Defense.

(7) Each Department of Veterans Affairs medical center.

(8) Each United States Postal Service post office.

(d) COORDINATION WITH OTHER DISPLAY REQUIREMENT.—Display of the POW/MIA flag at the Capitol pursuant to paragraph (1) of subsection (c) is in addition to the display of that flag in the Rotunda of the Capitol required by Senate Concurrent Resolution 5 of the 101st Congress, agreed to on February 22, 1989 (103 Stat. 2533).

(e) REQUIREMENTS CONCERNING DISPLAY AT SPECIFIED LOCATIONS.—(1) Display of the POW/MIA flag at the buildings specified in paragraphs (1), (2), (5), and (7) of subsection (c) shall be on, or on the grounds of, each such building.

(2) Display of that flag pursuant to paragraph (5) of subsection (c) at the buildings containing the primary offices of the officials specified in that paragraph shall be in an area visible to the public.

(3) Display of that flag at United States Postal Service post offices pursuant to paragraph (8) of subsection (c) shall be on the grounds or in the public lobby of each such post office.

(f) POW/MIA FLAG DEFINED.—As used in this section, the term ''POW/MIA flag'' means the National League of Families POW/MIA flag recognized officially and designated by section 2 of Public Law 101–355 (36 U.S.C. 189).

(g) REGULATIONS FOR IMPLEMENTATION.—Within 180 days after the date of the enactment of this Act, the head of each department, agency, or other establishment responsible for a location specified in subsection (c) (other than the Capitol) shall prescribe such regulations as necessary to carry out this section.

(h) PROCUREMENT AND DISTRIBUTION OF FLAGS.—Within 30 days after the date of the enactment of this Act, the Administrator of General Services shall procure POW/MIA flags and distribute them as necessary to carry out this section.

(i) REPEAL OF PRIOR LAW.—Section 1084 of Public Law 102–190 (36 U.S.C. 189 note) is repealed.

SEC. 1055. CERTIFICATION REQUIRED BEFORE OBSERVANCE OF MORATORIUM ON USE BY ARMED FORCES OF ANTIPERSONNEL LANDMINES.

Any moratorium imposed by law (whether enacted before, on, or after the date of the enactment of this Act) on the use of antipersonnel landmines by the Armed Forces may be implemented only if (and after) the Secretary of Defense, after consultation with the Chairman of the Joint Chiefs of Staff, certifies to Congress that—

(1) the moratorium will not adversely affect the ability of United States forces to defend against attack on land by hostile forces; and

(2) the Armed Forces have systems that are effective substitutes for antipersonnel landmines.

SEC. 1056. PROTECTION OF SAFETY-RELATED INFORMATION VOLUNTARILY PROVIDED BY AIR CARRIERS.

(a) AUTHORITY TO PROTECT INFORMATION.—Section 2640 of title 10, United States Code, is amended—

(1) by redesignating subsections (h) and (i) as subsections (i) and (j), respectively; and

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

''(h) AUTHORITY TO PROTECT SAFETY-RELATED INFORMATION VOLUNTARILY PROVIDED BY AN AIR CARRIER.—(1) In any case in which an air carrier voluntarily provides safety-related information to the Secretary for purposes of this section, the Secretary may (notwithstanding any

other provision of law) withhold the information from public disclosure if the Secretary determines that—

''(A) disclosure of the information would inhibit the air carrier from voluntarily providing safety-related information to the Secretary; and

''(B) the information would aid—

''(i) the Secretary in carrying out his responsibilities under this section; or

''(ii) the head of another agency in carrying out the safety responsibilities of the agency.

''(2) If the Secretary provides to the head of another agency safety-related information described in paragraph (1) with respect to which the Secretary has made a determination described in that paragraph, the head of that agency shall (notwithstanding any other provision of law) withhold the information from public disclosure.''.

(b) APPLICABILITY.—Subsection (h) of section 2640 of title 10, United States Code, as added by subsection (a), shall apply with respect to requests for information made on or after the date of the enactment of this Act.

SEC. 1057. NATIONAL GUARD CHALLENGE PROGRAM TO CREATE OPPORTUNITIES FOR CIVILIAN YOUTH.

(a) PROGRAM AUTHORITY.—Chapter 5 of title 32, United States Code, is amended by adding at the end the following new section:

''§ 509. National Guard Challenge Program of opportunities for civilian youth

''(a) PROGRAM AUTHORITY AND PURPOSE.—The Secretary of Defense, acting through the Chief of the National Guard Bureau, may conduct a National Guard civilian youth opportunities program (to be known as the 'National Guard Challenge Program') to use the National Guard to provide military-based training, including supervised work experience in community service and conservation projects, to civilian youth who cease to attend secondary school before graduating so as to improve the life skills and employment potential of such youth.

''(b) CONDUCT OF THE PROGRAM.—The Secretary of Defense shall provide for the conduct of the National Guard Challenge Program in such States as the Secretary considers to be appropriate, except that Federal expenditures under the program may not exceed $50,000,000 for any fiscal year.

''(c) PROGRAM AGREEMENTS.—(1) To carry out the National Guard Challenge Program in a State, the Secretary of Defense shall enter into an agreement with the Governor of the State or, in the case of the District of Columbia, with the commanding general of the District of Columbia National Guard, under which the Governor or the commanding general will establish, organize, and administer the National Guard Challenge Program in the State.

''(2) The agreement may provide for the Secretary to provide funds to the State for civilian personnel costs attributable to the use of civilian employees of the National Guard in the conduct of the National Guard Challenge Program.

''(d) MATCHING FUNDS REQUIRED.—The amount of assistance provided under this section to a State program of the National Guard Challenge Program may not exceed—

''(1) for fiscal year 1998, 75 percent of the costs of operating the State program during that year;

''(2) for fiscal year 1999, 70 percent of the costs of operating the State program during that year;

''(3) for fiscal year 2000, 65 percent of the costs of operating the State program during that year; and

''(4) for fiscal year 2001 and each subsequent fiscal year, 60 percent of the costs of operating the State program during that year.

''(e) PERSONS ELIGIBLE TO PARTICIPATE IN PROGRAM.—A school dropout from secondary school shall be eligible to participate in the National Guard Challenge Program. The Secretary of Defense shall prescribe the standards and procedures for selecting participants from among school dropouts.

''(f) AUTHORIZED BENEFITS FOR PARTICIPANTS.—(1) To the extent provided in an agreement entered into in accordance with subsection (c) and subject to the approval of the Secretary of Defense, a person selected for training in the National Guard Challenge Program may receive the following benefits in connection with that training:

''(A) Allowances for travel expenses, personal expenses, and other expenses.

''(B) Quarters.

''(C) Subsistence.

''(D) Transportation.

''(E) Equipment.

''(F) Clothing.

''(G) Recreational services and supplies.

''(H) Other services.

''(I) Subject to paragraph (2), a temporary stipend upon the successful completion of the training, as characterized in accordance with procedures provided in the agreement.

''(2) In the case of a person selected for training in the National Guard Challenge Program who afterwards becomes a member of the Civilian Community Corps under subtitle E of title I of the National and Community Service Act of 1990 (42 U.S.C. 12611 et seq.), the person may not receive a temporary stipend under paragraph (1)(I) while the person is a member of that Corps. The person may receive the temporary stipend after completing service in the Corps unless the person elects to receive benefits provided under subsection (f) or (g) of section 158 of such Act (42 U.S.C. 12618).

''(g) PROGRAM PERSONNEL.—(1) Personnel of the National Guard of a State in which the National Guard Challenge Program is conducted may serve on full-time National Guard duty for the purpose of providing command, administrative, training, or supporting services for the program. For the performance of those services, any such personnel may be ordered to duty under section 502(f) of this title for not longer than the period of the program.

''(2) A Governor participating in the National Guard Challenge Program and the commanding general of the District of Columbia National Guard (if the District of Columbia National Guard is participating in the program) may procure by contract the temporary full time services of such civilian personnel as may be necessary to augment National Guard personnel in carrying out the National Guard Challenge Program in that State.

''(3) Civilian employees of the National Guard performing services for the National Guard Challenge Program and contractor personnel performing such services may be required, when appropriate to achieve the purposes of the program, to be members of the National Guard and to wear the military uniform.

''(h) EQUIPMENT AND FACILITIES.—(1) Equipment and facilities of the National Guard, including military property of the United States issued to the National Guard, may be used in carrying out the National Guard Challenge Program.

''(2) Activities under the National Guard Challenge Program shall be considered noncombat activities of the National Guard for purposes of section 710 of this title.

''(i) STATUS OF PARTICIPANTS.—(1) A person receiving training under the National Guard Challenge Program shall be considered an employee of the United States for the purposes of the following provisions of law:

''(A) Subchapter I of chapter 81 of title 5 (relating to compensation of Federal employees for work injuries).

''(B) Section 1346(b) and chapter 171 of title 28 and any other provision of law relating to the liability of the United States for tortious conduct of employees of the United States.

''(2) In the application of the provisions of law referred to in paragraph (1)(A) to a person referred to in paragraph (1)—

''(A) the person shall not be considered to be in the performance of duty while the person is not at the assigned location of training or other activity or duty authorized in accordance with a program agreement referred to in subsection (c), except when the person is traveling to or from that location or is on pass from that training or other activity or duty;

''(B) the person's monthly rate of pay shall be deemed to be the minimum rate of pay provided for grade GS–2 of the General Schedule under section 5332 of title 5; and

''(C) the entitlement of a person to receive compensation for a disability shall begin on the day following the date on which the person's participation in the National Guard Challenge Program is terminated.

''(3) A person referred to in paragraph (1) may not be considered an employee of the United States for any purpose other than a purpose set forth in that paragraph.

''(j) SUPPLEMENTAL RESOURCES.—(1) To carry out the National Guard Challenge Program in a State, the Governor of the State or, in the case of the District of Columbia, the commanding general of the District of Columbia National Guard may supplement funds made available under the program out of other resources (including gifts) available to the Governor or the commanding general. The Governor or the commanding general may accept, use, and dispose of gifts or donations of money, other property, or services for the National Guard Challenge Program.

''(k) REPORT.—Within 90 days after the end of each fiscal year, the Secretary of Defense shall submit to Congress a report on the design, conduct, and effectiveness of the National Guard Challenge Program during the preceding fiscal year. In preparing the report, the Secretary shall coordinate with the Governor of each State in which the National Guard Challenge Program is carried out and, if the program is carried out in the District of Columbia, with the commanding general of the District of Columbia National Guard.

''(l) DEFINITIONS.—In this section:

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

''(2) The term 'school dropout' means an individual who is no longer attending any school and who has not received a secondary school diploma or a certificate from a program of equivalency for such a diploma.''.

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

''509. National Guard Challenge Program of opportunities for civilian youth.''.

SEC. 1058. LEASE OF NON-EXCESS PERSONAL PROPERTY OF THE MILITARY DEPARTMENTS.

(a) RECEIPT OF FAIR MARKET VALUE.—Subsection (b)(4) of section 2667 of title 10, United States Code, is amended by striking out '', in the case of the lease of real property,''.

(b) COMPETITIVE SELECTION.—Such section is further amended—

(1) by redesignating subsection (g) as subsection (h); and

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

''(g)(1) If a proposed lease under subsection (a) involves only personal property, the lease term exceeds one year, and the fair market value of the lease interest exceeds $100,000, as determined by the Secretary concerned, the Secretary shall use competitive procedures to select the lessee.

''(2) Not later than 45 days before entering into a lease referred to in paragraph (1), the Secretary concerned shall submit to Congress written notice describing the terms of the proposed lease and the competitive procedures used to select the lessee.''.

SEC. 1059. COMMENDATION OF MEMBERS OF THE ARMED FORCES AND GOVERNMENT CIVILIAN PERSONNEL WHO SERVED DURING THE COLD WAR.

(a) FINDINGS.—The Congress finds the following:

(1) During the period of the Cold War, from the end of World War II until the collapse of the Soviet Union in 1991, the United States and the Soviet Union engaged in a global military rivalry.

(2) This rivalry, potentially the most dangerous military confrontation in the history of mankind, has come to a close without a direct superpower military conflict.

(3) Military and civilian personnel of the Department of Defense, personnel in the intelligence community, members of the foreign service, and other officers and employees of the United States faithfully performed their duties during the Cold War.

(4) Many such personnel performed their duties while isolated from family and friends and served overseas under frequently arduous conditions in order to protect the United States and achieve a lasting peace.

(5) The discipline and dedication of those personnel were fundamental to the prevention of a superpower military conflict.

(b) CONGRESSIONAL COMMENDATION.—The Congress hereby commends, and expresses its gratitude and appreciation for, the service and sacrifices of the members of the Armed Forces and civilian personnel of the Government who contributed to the historic victory in the Cold War.

TITLE XI—COOPERATIVE THREAT REDUCTION WITH STATES OF FORMER SOVIET UNION

SEC. 1101. 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) of section 406 of title 10, United States Code, as added by section 1110.

(b) FISCAL YEAR 1998 COOPERATIVE THREAT REDUCTION FUNDS DEFINED.—As used in this title, the term ''fiscal year 1998 Cooperative Threat Reduction funds'' means the funds appropriated pursuant to the authorization of appropriations in section 301 for Cooperative Threat Reduction programs.

SEC. 1102. FISCAL YEAR 1998 FUNDING ALLOCATIONS.

(a) IN GENERAL.—Of the fiscal year 1998 Cooperative Threat Reduction funds, not more than the following amounts may be obligated for the purposes specified:

(1) For strategic offensive arms elimination in Russia, $77,900,000.

(2) For strategic nuclear arms elimination in Ukraine, $76,700,000.

(3) For fissile material containers in Russia, $7,000,000.

(4) For planning and design of a chemical weapons destruction facility in Russia, $14,400,000.

(5) For planning, design, and construction of a storage facility for Russian fissile material, $57,700,000.

(6) For weapons storage security in Russia, $23,500,000.

(7) For activities designated as Defense and Military-to-Military Contacts in Russia, Ukraine, and Kazakhstan, $7,000,000.

(8) For military-to-military programs of the United States that focus on countering the threat of proliferation of weapons of mass destruction and that include the security forces of the independent states of the former Soviet Union other than Russia, Ukraine, Belarus, and Kazakstan, $2,000,000.

(9) For activities designated as Other Assessments/Administrative Support $18,500,000.

(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 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. 1103. PROHIBITION ON USE OF FUNDS FOR SPECIFIED PURPOSES.

(a) IN GENERAL.—No fiscal year 1998 Cooperative Threat Reduction funds, and no funds appropriated for Cooperative Threat Reduction 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 pursuant to this Act or any other Act may be obligated or expended for the provision of assistance to Russia or any other state of the former Soviet Union to promote defense conversion.

SEC. 1104. PROHIBITION ON USE OF FUNDS UNTIL SPECIFIED REPORTS ARE SUBMITTED.

No fiscal year 1998 Cooperative Threat Reduction funds may be obligated or expended until 15 days after the date that 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 during the period beginning on September 23, 1996, and ending on the date of the enactment of this Act.

(2) The date on which the Secretary of Defense submits to Congress the annual report required to be submitted not later than January 31, 1998, under section 1206(a) of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 471; 22 U.S.C. 5955 note).

(3) The date on which the Secretary of Defense submits to Congress the report for fiscal year 1997 required under section 1205(c) of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 108 Stat. 2883; 22 U.S.C. 5952 note).

SEC. 1105. LIMITATION ON USE OF FUNDS UNTIL SUBMISSION OF CERTIFICATION.

(a) LIMITATION ON USE OF FUNDS UNTIL SUBMISSION OF CERTIFICATION.—No fiscal year 1998 Cooperative Threat Reduction funds may be obligated or expended for strategic offensive arms elimination projects in Russia related to the START II Treaty (as defined in section 1302(d) of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201; 110 Stat. 2701)) until 30 days after the date on which the President submits to Congress a certification in writing that—

(1) implementation of the projects would benefit the national security interest of the United States; and

(2) Russia has agreed to share the cost for the projects.

(b) REPORT.—Not later than 15 days after the date that the President submits to Congress the certification under subsection (a), the Secretary of Defense shall submit to the congressional defense committees a report describing the arrangement between the United States and Russia with respect to the sharing of costs for strategic offensive arms elimination projects in Russia related to the START II Treaty.

SEC. 1106. USE OF FUNDS FOR CHEMICAL WEAPONS DESTRUCTION FACILITY.

(a) LIMITATION ON USE OF FUNDS UNTIL SUBMISSION OF NOTIFICATIONS TO CONGRESS.—No fiscal year 1998 Cooperative Threat Reduction funds may be obligated or expended for planning and design of a chemical weapons destruction facility until 15 days after the date that is the later of the following:

(1) The date on which the Secretary of Defense submits to Congress notification of an agreement between the United States and Russia with respect to such chemical weapons destruction facility that includes—

(A) an agreement providing for a limitation on the financial contribution by the United States for the facility;

(B) an agreement that the United States will not pay the costs for infrastructure determined by Russia to be necessary to support the facility; and

(C) an agreement on the site of the facility.

(2) The date on which the Secretary of Defense submits to Congress notification that the Government of Russia has formally approved a plan—

(A) that allows for the destruction of chemical weapons in Russia; and

(B) that commits Russia to pay a portion of the cost for the facility.

(b) PROHIBITION ON USE OF FUNDS FOR FACILITY CONSTRUCTION.—No fiscal year 1998 Cooperative Threat Reduction funds authorized to be obligated in section 1102(a)(4) for planning and design of a chemical weapons destruction facility in Russia may be used for construction of such facility.

SEC. 1107. LIMITATION ON USE OF FUNDS FOR STORAGE FACILITY FOR RUSSIAN FISSILE MATERIAL.

(a) LIMITATION ON USE OF FISCAL YEAR 1998 FUNDS.—No fiscal year 1998 Cooperative Threat Reduction funds may be obligated or expended for planning, design, or construction of a storage facility for Russian fissile material until 15 days after the date that is the later of the following:

(1) The date on which the Secretary of Defense submits to Congress notification of an agreement between the United States and Russia that the total share of the cost to the United States for such facility will not exceed $275,000,000.

(2) The date on which the Secretary submits to Congress notification of an agreement between the United States and Russia incorporating the principle of transparency with respect to the use of the facility.

(b) LIMITATION ON USE OF FUNDS FOR FISCAL YEARS BEFORE FISCAL YEAR 1998.—None of the funds appropriated for Cooperative Threat Reduction programs for a fiscal year before fiscal year 1998 and remaining available for obligation on the date of the enactment of this Act may be obligated or expended for planning, design, or construction of a storage facility for Russian fissile material until—

(1) the Secretary of Defense submits to the congressional defense committees a report on the costs and schedule for the planning, design, and construction of the facility and transparency issues relating to the facility; and

(2) 15 days have elapsed following the date of the notification.

SEC. 1108. LIMITATION ON USE OF FUNDS FOR WEAPONS STORAGE SECURITY.

No fiscal year 1998 Cooperative Threat Reduction funds may be obligated or expended for weapons storage security in Russia until—

(1) the Secretary of Defense submits to the congressional defense committees notification of an agreement between the United States and Russia on audits and examinations with respect to weapons storage security; and

(2) 15 days have elapsed following the date of the notification.

SEC. 1109. REPORT TO CONGRESS ON ISSUES REGARDING PAYMENT OF TAXES OR DUTIES ON ASSISTANCE PROVIDED TO RUSSIA UNDER COOPERATIVE THREAT REDUCTION PROGRAMS.

Not later than September 30, 1997, the Secretary of Defense shall submit to Congress a report on—

(1) any disputes between the United States and Russia with respect to payment by the United States of taxes or duties on assistance provided to Russia under a Cooperative Threat Reduction program, including a description of the nature of each dispute, the amount of payment disputed, whether the dispute was resolved, and if the dispute was resolved, the means by which the dispute was resolved;

(2) the actions taken by the Secretary to prevent disputes between the United States and Russia with respect to payment by the United States of taxes or duties on assistance provided to Russia under a Cooperative Threat Reduction program;

(3) any agreements between the United States and Russia with respect to payment by the United States of taxes or duties on assistance provided to Russia under a Cooperative Threat Reduction program; and

(4) any proposals of the Secretary on actions that should be taken to prevent disputes between the United States and Russia with respect to payment by the United States of taxes or duties on assistance provided to Russia under a Cooperative Threat Reduction program.

SEC. 1110. LIMITATION ON OBLIGATION OF FUNDS FOR A SPECIFIED PERIOD.

(a) IN GENERAL.—(1) Chapter 20 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 406. Use of Cooperative Threat Reduction program funds: limitation

''(a) IN GENERAL.—In carrying out Cooperative Threat Reduction programs during any fiscal year, the Secretary of Defense may use funds appropriated for those programs only to the extent that those funds were appropriated for that fiscal year or for either of the two preceding fiscal years.

''(b) DEFINITION OF COOPERATIVE THREAT REDUCTION PROGRAMS.—In this section, the term 'Cooperative Threat Reduction programs' means 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, components, and weapons-related technology and expertise.

''(4) Programs to expand military-to-military and defense contacts.''.

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

''406. Use of Cooperative Threat Reduction program funds: limitation.''.

(b) EFFECTIVE DATE.—Section 406 of title 10, United States Code, as added by subsection (a), shall apply with respect to fiscal years beginning with fiscal year 1998.

SEC. 1111. 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 XII—MATTERS RELATING TO OTHER NATIONS

SEC. 1201. REPORTS TO CONGRESS RELATING TO UNITED STATES FORCES IN BOSNIA.

(a) SECRETARY OF DEFENSE REPORTS ON NONMILITARY TASKS CARRIED OUT BY UNITED STATES FORCES.—(1) The Secretary of Defense shall submit to the congressional defense committees two reports identifying each activity being carried out, as of the date of the report, by covered United States forces in Bosnia that is an activity that (as determined by the Secretary) is expected to be performed by an international or local civilian organization once the multinational peacekeeping mission in Bosnia is concluded.

(2) For purposes of this paragraph, covered United States forces in Bosnia are United States ground forces in the Republic of Bosnia and Herzegovina that are assigned to the multinational peacekeeping force known as the Stabilization Force (SFOR) or to any other multinational peacekeeping force that is a successor to the Stabilization Force.

(3) The Secretary shall include in each report under paragraph (1), for each activity identified in that paragraph, the following:

(A) The number of United States military personnel involved.

(B) Whether forces assigned to the SFOR (or successor multinational force) from other nations also participated in that activity.

(C) The justification for using military forces rather than civilian organizations to perform that activity.

(4) The first report under paragraph (1) shall be submitted not later than December 1, 1997. The second such report shall be submitted not later than March 31, 1998.

(b) PRESIDENTIAL REPORT ON POLITICAL AND MILITARY CONDITIONS IN BOSNIA.—(1) Not later than December 15, 1997, the President shall submit to Congress a report on the political and military conditions in the Republic of Bosnia and Herzegovina (hereafter in this section referred to as Bosnia-Herzegovina). Of the funds available to the Secretary of Defense for fiscal year 1998 for the operation of United States ground forces in Bosnia-Herzegovina during that fiscal year, no more than 60 percent may be expended before the report is submitted.

(2) The report under paragraph (1) shall include a discussion of the following:

(A) The date on which the transition from the multinational force known as the Stabilization Force to the planned multinational successor force to be known as the Deterrence Force will occur and how the decision as to that date will impact the estimates of costs associated with the operation of United States ground forces in Bosnia-Herzegovina during fiscal year 1998 as contained in the President's budget for fiscal year 1998.

(B) The military and political considerations that will affect the decision to carry out such a transition.

(C) The incremental, per-month cost increases the Department of Defense resulting from a decision to delay the transition from the Stabilization Force to the Deterrence Force.

(D) The unresolved political, economic, and military issues within Bosnia-Herzegovina that may affect the estimate of the Secretary of the costs of complete withdrawal of United States forces from Bosnia-Herzegovina, the timeframe for force reductions for such withdrawal, and the timing of complete withdrawal of United States forces from Bosnia-Herzegovina.

(E) A detailed explanation and timetable for carrying out the President's commitment to withdraw all United States ground forces from Bosnia-Herzegovina by the end of June 1998, including the planned date of commencement and completion of the withdrawal.

(F) Any plan to maintain or expand other Bosnia-related operations (such as the operation designated as Operation Deliberate Guard) if tensions in Bosnia-Herzegovina remain sufficient to delay the transition from the Stabilization Force to the Deterrence Force and the estimated cost associated with each such operation.

(G) Whether allied nations participating in the Bosnia mission have similar plans to increase and maintain troop strength or maintain ground forces in Bosnia-Herzegovina and, if so, the identity of each such country and a description of that country's plans.

(3) As used in this subsection, the term ''Stabilization Force'' (referred to as ''SFOR'') means the follow-on force to the Implementation Force (known as ''IFOR'') in the Republic of Bosnia and Herzegovina and other countries in the region, authorized under United Nations Security Council Resolution 1008 (December 12, 1996).

SEC. 1202. ONE-YEAR EXTENSION OF COUNTERPROLIFERATION AUTHORITIES.

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 1996,'' and by inserting '', or $15,000,000 for fiscal year 1998'' before the period at the end; and

(2) in subsection (f), by striking out ''1997'' and inserting in lieu thereof ''1998''.

SEC. 1203. REPORT ON FUTURE MILITARY CAPABILITIES AND STRATEGY OF THE 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 the probable course of military-technological development in the People's Liberation Army and the development of Chinese grand strategy, security strategy, and military strategy, and of military organizations and operational concepts, through 2015.

(b) MATTERS TO BE INCLUDED.—The report shall include analyses and forecasts of the following:

(1) The goals of Chinese grand strategy, security strategy, and military strategy.

(2) Trends in Chinese political grand strategy meant to establish the People's Republic of China as the leading political power in the Asia-Pacific region and as a political and military presence in other regions of the world, including Central Asia, Southwest Asia, Europe, and Latin America.

(3) Developments in Chinese military doctrine, focusing on (but not limited to) efforts to exploit the emerging Revolution in Military Affairs or to conduct preemptive strikes.

(4) Efforts by the People's Republic of China to develop long-range air-to-air or air defense missiles designed to target special support aircraft such as Airborne Warning and Control System (AWACS) aircraft, Joint Surveillance and Target Attack Radar System (JSTARS) aircraft, or other command and control, intelligence, airborne early warning, or electronic warfare aircraft.

(5) Efforts by the People's Republic of China to develop a capability to conduct ''information warfare'' at the strategic, operational, and tactical levels of war.

(6) Efforts by the People's Republic of China to develop a capability to establish control of space or to deny access and use of military and commercial space systems in times of crisis or war, including programs to place weapons in space or to develop earth-based weapons capable of attacking space-based systems.

(7) Trends that would lead the People's Republic of China toward the development of advanced intelligence, surveillance, and reconnaissance capabilities, including gaining access to commercial or third-party systems with military significance.

(8) Efforts by the People's Republic of China to develop highly accurate and stealthy ballistic

and cruise missiles, including sea-launched cruise missiles, particularly in numbers sufficient to conduct attacks capable of overwhelming projected defense capabilities in the Asia-Pacific region.

(9) Development by the People's Republic of China of command and control networks, particularly those capable of battle management of long-range precision strikes.

(10) Programs of the People's Republic of China involving unmanned aerial vehicles, particularly those with extended ranges or loitering times or potential strike capabilities.

(11) Exploitation by the People's Republic of China for military purposes of the Global Positioning System or other similar systems (including commercial land surveillance satellites), with such analysis and forecasts focusing particularly on those signs indicative of an attempt to increase accuracy of weapons or situational awareness of operating forces.

(12) Development by the People's Republic of China of capabilities for denial of sea control, including such systems as advanced sea mines, improved submarine capabilities, or land-based sea-denial systems.

(13) Continued development by the People's Republic of China of follow-on forces, particularly forces capable of rapid air or amphibious assault.

(c) SUBMISSION OF REPORT.—The report shall be submitted to Congress not later than March 15, 1998.

SEC. 1204. TEMPORARY USE OF GENERAL PURPOSE VEHICLES AND NONLETHAL MILITARY EQUIPMENT UNDER ACQUISITION AND CROSS SERVICING AGREEMENTS.

Section 2350(1) of title 10, United States Code, is amended by striking out ''other items'' in the second sentence and all that follows through ''United States Munitions List'' and inserting in lieu thereof ''other nonlethal items of military equipment which are not designated as significant military equipment on the United States Munitions List promulgated''.

DIVISION B—MILITARY CONSTRUCTION AUTHORIZATIONS

SEC. 2001. SHORT TITLE.

This division may be cited as the ''Military Construction Authorization Act for Fiscal Year 1998''.

TITLE XXI—ARMY

SEC. 2101. AUTHORIZED ARMY CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(1), the Secretary of the Army may acquire real property and carry out military construction projects for the installations and locations inside the United States, and in the amounts, set forth in the following table:

Army: Inside the United States

State	Installation or Location	Amount
Arizona	Fort Huachuca	$20,000,000
California	Fort Irwin	$11,150,000
	Naval Weapons Station, Concord	$23,000,000
Colorado	Fort Carson	$47,300,000
Georgia	Fort Gordon	$22,000,000
	Hunter Army Air Field, Fort Stewart	$54,000,000
Hawaii	Schofield Barracks	$44,000,000
Indiana	Crane Army Ammunition Activity	$7,700,000
Kansas	Fort Leavenworth	$63,000,000
	Fort Riley	$25,800,000
Kentucky	Fort Campbell	$43,700,000
	Fort Knox	$7,200,000
Missouri	Fort Leonard Wood	$3,200,000
New Jersey	Fort Monmouth	$2,050,000
New Mexico	White Sands Missile Range	$6,900,000
New York	Fort Drum	$24,400,000
North Carolina	Fort Bragg	$61,900,000
Oklahoma	Fort Sill	$25,000,000
South Carolina	Fort Jackson	$5,400,000
	Naval Weapons Station, Charleston	$7,700,000
Texas	Fort Bliss	$7,700,000
	Fort Hood	$27,200,000
	Fort Sam Houston	$16,000,000
Virginia	Fort A.P. Hill	$5,400,000
	Fort Myer	$8,200,000
	Fort Story	$2,050,000
Washington	Fort Lewis	$33,000,000
CONUS Classified	Classified Location	$6,500,000
	Total	$614,900,000

(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	Amount
Germany	Ansbach	$22,000,000
	Heidelberg	$8,800,000
	Mannheim	$6,200,000
	Military Support Group, Kaiserslautern	$6,000,000
Korea	Camp Casey	$5,100,000

Army: Outside the United States—Continued

Country	Installation or Location	Amount
	Camp Castle	$8,400,000
	Camp Humphreys	$32,000,000
	Camp Red Cloud	$23,600,000
	Camp Stanley	$7,000,000
Overseas Classified	Overseas Classified	$37,000,000
	Total	$156,100,000

SEC. 2102. FAMILY HOUSING.

(a) CONSTRUCTION AND ACQUISITION.—Using amounts appropriated pursuant to 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 or Location	Purpose	Amount
Arizona	Fort Huachuca	55 Units	$8,000,000
Hawaii	Schofield Barracks	132 Units	$26,600,000
Maryland	Fort George Meade	56 Units	$7,900,000
New Jersey	Picatinny Arsenal	35 Units	$7,300,000
North Carolina	Fort Bragg	174 Units	$20,150,000
Texas	Fort Bliss	91 Units	$12,900,000
	Fort Hood	130 Units	$18,800,000
		Total	$103,950,000

(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 $9,550,000.

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 sections 2104(a)(5)(A), the Secretary of the Army may improve existing military family housing units in an amount not to exceed $89,200,000.

SEC. 2104. AUTHORIZATION OF APPROPRIATIONS, ARMY.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1997, for military construction, land acquisition, and military family housing functions of the Department of the Army in the total amount of $2,055,364,000 as follows:

(1) For military construction projects inside the United States authorized by section 2101(a), $425,850,000.

(2) For the military construction projects outside the United States authorized by section 2101(b), $162,600,000.

(3) For unspecified minor military construction projects authorized by section 2805 of title 10, United States Code, $6,000,000.

(4) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $71,577,000.

(5) For military family housing functions:

(A) For construction and acquisition, planning and design and improvement of military family housing and facilities, $200,400,000.

(B) For support of military family housing (including the functions described in section 2833 of title 10, United States Code), $1,148,937,000.

(6) For the construction of the National Range Control Center, White Sands Missile Range, New Mexico, authorized by section 2101(a) of the Military Construction Authorization Act for Fiscal Year 1997 (division B of Public Law 104–201; 110 Stat. 2763), $18,000,000.

(7) For the construction of the whole barracks complex renewal, Fort Knox, Kentucky, authorized by section 2101(a) of the Military Construction Authorization Act for Fiscal Year 1997 (division B of Public Law 104–201; 110 Stat. 2763), $22,000,000.

(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 2101 of this Act may not exceed—

(1) the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a);

(2) $14,400,000 (the balance of the amount authorized under section 2101(a) for the construction of the Force XXI Soldier Development School at Fort Hood, Texas);

(3) $24,000,000 (the balance of the amount authorized under section 2101(a) for rail yard expansion at Fort Carson, Colorado);

(4) $43,000,000 (the balance of the amount authorized under section 2101(a) for the construction of a disciplinary barracks at Fort Leavenworth, Kansas);

(5) $36,500,000 (the balance of the amount authorized under section 2101(a) for the construction of a barracks at Hunter Army Airfield, Fort Stewart, Georgia);

(6) $44,200,000 (the balance of the amount authorized under section 2101(a) for the construction of a barracks at Fort Bragg, North Carolina); and

(7) $17,000,000 (the balance of the amount authorized under section 2101(a) for the construction of a barracks at Fort Sill, Oklahoma).

SEC. 2105. CORRECTION IN AUTHORIZED USES OF FUNDS, FORT IRWIN, CALIFORNIA.

In the case of amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(1) of the Military Construction Authorization Act for Fiscal Year 1995 (division B of Public Law 103–337; 108 Stat. 3029) and section 2104(a)(1) of the Military Construction Authorization Act for Fiscal Year 1996 (division B of Public Law 104–106; 110 Stat. 524) for a military construction project for Fort Irwin, California, involving the construction of an air field for the National Training Center at Barstow-Daggett, California, the Secretary of the Army may use such amounts for the construction of a heliport at the same location.

TITLE XXII—NAVY

SEC. 2201. AUTHORIZED NAVY CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(1), the Secretary of the Navy may acquire real property and carry out military construction projects for the installations and locations inside the United States, and in the amounts, set forth in the following table:

Navy: Inside the United States

State	Installation or Location	Amount
Arizona	Marine Corps Air Station, Yuma	$12,250,000
	Navy Detachment, Camp Navajo	$11,426,000
California	Marine Corps Air Station, Camp Pendleton	$24,150,000

Navy: Inside the United States—Continued

State	Installation or Location	Amount
	Marine Corps Air Station, Miramar	$8,700,000
	Marine Corps Air-Ground Combat Center, Twentynine Palms	$3,810,000
	Marine Corps Base, Camp Pendleton	$60,069,000
	Naval Air Facility, El Centro	$11,000,000
	Naval Air Station, North Island	$19,600,000
	Naval Amphibious Base, Coronado	$10,100,000
	Naval Construction Battalion Center, Port Hueneme	$3,200,000
Connecticut	Naval Submarine Base, New London	$18,300,000
Florida	Naval Air Station, Jacksonville	$3,480,000
	Naval Air Station, Whiting Field	$1,300,000
	Naval Station, Mayport	$17,940,000
Hawaii	Marine Corps Air Station, Kaneohe Bay	$19,000,000
	Naval Communications and Telecommunications Area Master Station Eastern Pacific, Honolulu	$3,900,000
	Naval Station, Pearl Harbor	$25,000,000
Illinois	Naval Training Center, Great Lakes	$41,220,000
Indiana	Naval Surface Warfare Center, Crane	$4,120,000
Maryland	Naval Electronics System Command, St. Ingoes	$2,610,000
Mississippi	Naval Air Station, Meridian	$7,050,000
North Carolina	Marine Corps Air Station, Cherry Point	$8,800,000
	Marine Corps Air Station, New River	$19,900,000
Rhode Island	Naval Undersea Warfare Center Division, Newport	$8,900,000
South Carolina	Marine Corps Air Station, Beaufort	$17,730,000
	Marine Corps Reserve Detachment Parris Island	$3,200,000
Texas	Naval Air Station, Corpus Christi	$800,000
Virginia	AEGIS Training Center, Dahlgren	$6,600,000
	Fleet Combat Training Center, Dam Neck	$7,000,000
	Naval Air Station, Norfolk	$18,240,000
	Naval Air Station, Oceana	$34,000,000
	Naval Amphibious Base, Little Creek	$8,685,000
	Naval Shipyard, Norfolk, Portsmouth	$29,410,000
	Naval Station, Norfolk	$18,850,000
	Naval Surface Warfare Center, Dahlgren	$13,880,000
	Naval Weapons Station, Yorktown	$14,547,000
Washington	Naval Air Station, Whidbey Island	$1,100,000
	Puget Sound Naval Shipyard, Bremerton	$4,400,000
	Total	$524,267,000

(b) OUTSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(2), 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	$30,100,000
Guam	Naval Communications and Telecommunications Area Master Station Western Pacific, Guam	$4,050,000
Italy	Naval Air Station, Sigonella	$21,440,000
	Naval Support Activity, Naples	$8,200,000
Puerto Rico	Naval Station, Roosevelt Roads	$500,000
United Kingdom	Joint Maritime Communications Center, St. Mawgan	$2,330,000
	Total	$66,620,000

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 or Location	Purpose	Amount
California	Marine Corps Air Station, Miramar	166 Units	$28,881,000

Navy: Family Housing—Continued

State	Installation or Location	Purpose	Amount
	Marine Corps Air-Ground Combat Center, Twentynine Palms	132 Units	$23,891,000
	Marine Corps Base, Camp Pendleton	171 Units	$22,518,000
	Naval Air Station, Lemoore	128 Units	$23,226,000
	Naval Complex, San Diego	94 Units	$13,500,000
Hawaii	Naval Complex, Pearl Harbor	84 Units	$17,900,000
Louisiana	Naval Complex, New Orleans	100 Units	$11,930,000
Texas	Naval Complex, Kingsville and Corpus Christi	212 Units	$22,250,000
Washington	Naval Complex, Bangor	118 Units	$15,700,000
		Total	$179,796,000

(b) PLANNING AND DESIGN.—Using amounts appropriated pursuant to the authorization of appropriation 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 $15,100,000.

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 $214,282,000.

SEC. 2204. AUTHORIZATION OF APPROPRIATIONS, NAVY.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1997, for military construction, land acquisition, and military family housing functions of the Department of the Navy in the total amount of $2,053,025,000 as follows:

(1) For military construction projects inside the United States authorized by section 2201(a), $524,267,000.

(2) For military construction projects outside the United States authorized by section 2201(b), $66,120,000.

(3) For unspecified minor construction projects authorized by section 2805 of title 10, United States Code, $9,960,000.

(4) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $46,659,000.

(5) For military family housing functions:

(A) For construction and acquisition, planning and design and improvement of military family housing and facilities, $409,178,000.

(B) For support of military housing (including functions described in section 2833 of title 10, United States Code), $976,504,000.

(6) For construction of bachelor enlisted quarters at Naval Hospital, Great Lakes, Illinois, authorized by section 2201(a) of the Military Construction Authorization Act for Fiscal Year 1997 (division B of Public Law 104–201; 110 Stat. 2766), $5,200,000.

(7) For construction of bachelor enlisted quarters at Naval Station, Roosevelt Roads, Puerto Rico, authorized by section 2201(a) of the Military Construction Authorization Act for Fiscal Year 1997 (division B of Public Law 104–201; 110 Stat. 2767), $14,600,000.

(8) For construction of a large anecohic chamber facility at Patuxent River Naval Air Warfare Center, 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), $9,000,000.

(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 the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a).

(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 $8,463,000, which represents the combination of project savings resulting from favorable bids, reduced overhead costs, and cancellations due to force structure changes.

SEC. 2205. AUTHORIZATION OF MILITARY CONSTRUCTION PROJECT AT NAVAL AIR STATION, PASCAGOULA, MISSISSIPPI, FOR WHICH FUNDS HAVE BEEN APPROPRIATED.

(a) AUTHORIZATION.—The table in section 2201(a) of the Military Construction Authorization Act for Fiscal Year 1997 (division B of Public Law 104–201; 110 Stat. 2766) is amended—

(1) by striking out the amount identified as the total and inserting in lieu thereof ''$594,982,000''; and

(2) by inserting after the item relating to Stennis Space Center, Mississippi, the following new item:

	Naval Air Station, Pascagoula	$4,990,000

(b) CONFORMING AMENDMENTS.—Section 2204(a) of such Act (110 Stat. 2769) is amended—

(1) in the matter preceding the paragraphs, by striking out ''$2,213,731,000'' and inserting in lieu thereof ''$2,218,721,000''; and

(2) in paragraph (1), by striking out ''$579,312,000'' and inserting in lieu thereof ''$584,302,000''.

TITLE XXIII—AIR FORCE

SEC. 2301. AUTHORIZED AIR FORCE CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(1), the Secretary of the Air Force may acquire real property and carry out military construction 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	$14,874,000
Alaska	Clear Air Station	$67,069,000
	Eielson Air Force Base	$7,764,000
	Indian Mountain	$1,991,000
Arizona	Luke Air Force Base	$10,000,000
Arkansas	Little Rock Air Force Base	$3,400,000
California	Edwards Air Force Base	$2,887,000
	Vandenberg Air Force Base	$26,876,000
Colorado	Buckley Air National Guard Base	$6,718,000

Air Force: Inside the United States—Continued

State	Installation or Location	Amount
	Falcon Air Force Station	$10,551,000
	Peterson Air Force Base	$4,081,000
	United States Air Force Academy	$15,229,000
Florida	Eglin Auxiliary Field 9	$6,470,000
	MacDill Air Force Base	$1,543,000
Georgia	Moody Air Force Base	$9,100,000
	Robins Air Force Base	$27,763,000
Idaho	Mountain Home Air Force Base	$17,719,000
Kansas	McConnell Air Force Base	$11,669,000
Louisiana	Barksdale Air Force Base	$19,410,000
Mississippi	Keesler Air Force Base	$30,855,000
Missouri	Whiteman Air Force Base	$40,419,000
Nevada	Nellis Air Force Base	$1,950,000
New Jersey	McGuire Air Force Base	$18,754,000
North Carolina	Pope Air Force Base	$20,656,000
North Dakota	Grand Forks Air Force Base	$8,560,000
	Minot Air Force Base	$5,200,000
Ohio	Wright-Patterson Air Force Base	$19,350,000
Oklahoma	Tinker Air Force Base	$9,655,000
	Vance Air Force Base	$6,700,000
South Carolina	Shaw Air Force Base	$6,072,000
South Dakota	Ellsworth Air Force Base	$6,600,000
Tennessee	Arnold Air Force Base	$20,650,000
Texas	Dyess Air Force Base	$10,000,000
	Laughlin Air Force Base	4,800,000
	Randolph Air Force Base	$2,488,000
Utah	Hill Air Force Base	$6,470,000
Virginia	Langley Air Force Base	$4,031,000
Washington	Fairchild Air Force Base	$7,366,000
	McChord Air Force Base	$9,655,000
CONUS Classified	Classified Location	$6,175,000
	Total	$511,520,000

(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	Spangdahlem Air Base	$18,500,000
Italy	Aviano Air Base	$15,220,000
Korea	Kunsan Air Base	$10,325,000
	Osan Air Base	$11,100,000
Portugal	Lajes Field, Azores	$4,800,000
United Kingdom	Royal Air Force, Lakenheath	$11,400,000
Overseas Classified	Classified Location	$31,100,000
	Total	$102,445,000

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 or Location	Purpose	Amount
Arizona	Davis-Monthan Air Force Base	70 Units	$9,800,000
California	Edwards Air Force Base	95 Units	$16,800,000
	Travis Air Force Base	70 Units	$9,714,000
	Vandenberg Air Force Base	108 Units	$17,100,000
Delaware	Dover Air Force Base	Ancillary Facility	$831,000
District of Columbia	Bolling Air Force Base	46 Units	$5,100,000

Air Force: Family Housing—Continued

State	Installation or Location	Purpose	Amount
Florida	MacDill Air Force Base	58 Units	$10,000,000
	Tyndall Air Force Base	32 Units	$4,200,000
Georgia	Robins Air Force Base	60 Units	$6,800,000
Idaho	Mountain Home Air Force Base	60 Units	$11,032,000
Kansas	McConnell Air Force Base	19 Units	$2,951,000
	McConnell Air Force Base	Ancillary Facility	$581,000
Mississippi	Columbus Air Force Base	50 Units	$6,200,000
	Keesler Air Force Base	40 Units	$5,000,000
Montana	Malmstrom Air Force Base	28 Units	$4,842,000
New Mexico	Kirtland Air Force Base	180 Units	$20,900,000
North Dakota	Grand Forks Air Force Base	42 Units	$7,936,000
Texas	Dyess Air Force Base	70 Units	$10,503,000
	Goodfellow Air Force Base	3 Units	$500,000
	Lackland Air Force Base	50 Units	$7,400,000
	Sheppard Air Force Base	40 Units	$7,400,000
Wyoming	F. E. Warren Air Force Base	52 Units	$6,853,000
		Total	$172,443,000

(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 $11,971,000.

SEC. 2303. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.

Subject to section 2835 of title 10, United States Code, and using amounts appropriated pursuant to the authorization of appropriations 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 $156,995,000.

SEC. 2304. AUTHORIZATION OF APPROPRIATIONS, AIR FORCE.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1997, for military construction, land acquisition, and military family housing functions of the Department of the Air Force in the total amount of $1,810,090,000 as follows:

(1) For military construction projects inside the United States authorized by section 2301(a), $505,435,000.

(2) For military construction projects outside the United States authorized by section 2301(b), $102,445,000.

(3) For unspecified minor construction projects authorized by section 2805 of title 10, United States Code, $8,545,000.

(4) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $45,880,000.

(5) For military housing functions:

(A) For construction and acquisition, planning and design and improvement of military family housing and facilities, $341,409,000.

(B) For support of military family housing (including the functions described in section 2833 of title 10, United States Code), $830,234,000.

(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—

(1) the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a); and

(2) $11,000,000 (the balance of the amount authorized under section 2301(a) for the construction of a B–2 low observability restoration facility at Whiteman Air Force Base, Missouri).

(c) ADJUSTMENT.—The total amount authorized to be appropriated pursuant to paragraphs (1) through (5) of subsection (a) is the sum of the amounts authorized to be appropriated in such paragraphs, reduced by $23,858,000, which represents the combination of project savings resulting from favorable bids, reduced overhead costs, and cancellations due to force structure changes.

SEC. 2305. AUTHORIZATION OF MILITARY CONSTRUCTION PROJECT AT MCCONNELL AIR FORCE BASE, KANSAS, FOR WHICH FUNDS HAVE BEEN APPROPRIATED.

(a) AUTHORIZATION.—The table in section 2301(a) of the Military Construction Authorization Act for Fiscal Year 1997 (division B of Public Law 104–201; 110 Stat. 2771) is amended in the item relating to McConnell Air Force Base, Kansas, by striking out ''$19,130,000'' in the amount column and inserting in lieu thereof ''$25,830,000''.

(b) CONFORMING AMENDMENTS.—Section 2304 of such Act (110 Stat. 2774) is amended—

(1) in the matter preceding the paragraph, by striking out ''$1,894,594,000'' and inserting in lieu thereof ''$1,901,294,000'' and

(2) in paragraph (1), by striking out ''$603,834,000'' and inserting in lieu thereof ''$610,534,000''.

TITLE XXIV—DEFENSE AGENCIES

SEC. 2401. AUTHORIZED DEFENSE AGENCIES CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2405(a)(1), the Secretary of Defense may acquire real property and carry out military construction projects for the installations and locations inside the United States, and in the amounts, set forth in the following table:

Defense Agencies: Inside the United States.

Agency	Installation or Location	Amount
Defense Commissary Agency	Fort Lee, Virginia	$9,300,000
Defense Finance and Accounting Service	Columbus Center, Ohio	$9,722,000
	Naval Air Station, Millington, Tennessee	$6,906,000
	Naval Station, Norfolk, Virginia	$12,800,000
	Naval Station, Pearl Harbor, Hawaii	$10,000,000
Defense Intelligence Agency	Bolling Air Force Base, District of Columbia	$7,000,000
	Redstone Arsenal, Alabama	$32,700,000
Defense Logistics Agency	Defense Distribution Depot—DDNV, Virginia	$16,656,000

Defense Agencies: Inside the United States.—Continued

Agency	Installation or Location	Amount
	Defense Distribution New Cumberland—DDSP, Pennsylvania	$15,500,000
	Defense Fuel Support Point, Craney Island, Virginia	$22,100,000
	Defense General Supply Center, Richmond (DLA), Virginia	$5,200,000
	Elmendorf Air Force Base, Alaska	$21,700,000
	Naval Air Station, Jacksonville, Florida	$9,800,000
	Truax Field, Wisconsin	$4,500,000
	Westover Air Reserve Base, Massachusetts	$4,700,000
	CONUS Various, CONUS Various	$11,275,000
Defense Medical Facilities Office	Fort Campbell, Kentucky	$13,600,000
	Fort Detrick, Maryland	$5,300,000
	Fort Lewis, Washington	$5,000,000
	Hill Air Force Base, Utah	$3,100,000
	Holloman Air Force Base, New Mexico	$3,000,000
	Lackland Air Force Base, Texas	$3,000,000
	Marine Corps Combat Dev Com, Quantico, Virginia	$19,000,000
	McGuire Air Force Base, New Jersey	$35,217,000
	Naval Air Station, Pensacola, Florida	$2,750,000
	Naval Station, Everett, Washington	$7,500,000
	Naval Station, San Diego, California	$2,100,000
	Naval Submarine Base, New London, Connecticut	$2,300,000
	Robins Air Force Base, Georgia	$19,000,000
	Tinker Air Force Base, Oklahoma	$6,500,000
	Wright-Patterson Air Force Base, Ohio	$2,750,000
National Security Agency	Fort Meade, Maryland	$29,800,000
Special Operations Command	Eglin Auxiliary Field 3, Florida	$6,100,000
	Fort Benning, Georgia	$12,314,000
	Fort Bragg, North Carolina	$1,500,000
	Hurlburt Field, Florida	$2,450,000
	Naval Amphibious Base, Coronado, California	$7,400,000
	Total	$389,440,000

(b) OUTSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2405(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
Ballistic Missile Defense Organization	Pacific Missile Range, Kwajalein Atoll	$4,565,000
Defense Logistics Agency	Defense Fuel Support Point, Guam	$16,000,000
	Moron Air Base, Spain	$14,400,000
Defense Medical Facilities Office	Andersen Air Force Base, Guam	$3,700,000
	Total	$38,665,000

SEC. 2402. MILITARY HOUSING PLANNING AND DESIGN.

Using amounts appropriated pursuant to the authorization of appropriations in section 2405(a)(13)(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 $50,000.

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 2405(a)(12)(A), the Secretary of Defense may improve existing military family housing units in an amount not to exceed $4,900,000.

SEC. 2404. ENERGY CONSERVATION PROJECTS.

Using amounts appropriated pursuant to the authorization of appropriations in section 2405(a)(10), the Secretary of Defense may carry out energy conservation projects under section 2865 of title 10, United States Code.

SEC. 2405. AUTHORIZATION OF APPROPRIATIONS, DEFENSE AGENCIES.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1997, 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 $2,711,761,000 as follows:

(1) For military construction projects inside the United States authorized by section 2401(a), $382,390,000

(2) For military construction projects outside the United States authorized by section 2401(a), $34,965,000.

(3) For military construction projects at Anniston Army Depot, Alabama, ammunition demilitarization facility, authorized by section 2101(a) of the Military Construction Authorization Act for Fiscal Year 1993 (division B of the Public Law 102–484; 106 Stat. 2587), which was originally authorized as an Army construction project, but which became a Defense Agencies construction project by reason of the amendments made by section 142 of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 108 Stat. 2689), $9,900,000.

(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), $20,000,000.

(5) For military construction projects at Umatilla Army Depot, Oregon, 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), as amended by section 2407 of the Military Construction Authorization Act for Fiscal Year 1996 (110 Stat. 539) and section 2407(2) of this Act, $57,427,000.

(6) For military construction projects at 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), $14,200,000.

(7) For contingency construction projects of the Secretary of Defense under section 2804 of title 10, United States Code, $9,844,000.

(8) For unspecified minor construction projects under section 2805 of title 10, United States Code, $25,257,000.

(9) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $34,350,000.

(10) For Energy Conservation projects authorized by section 2403, $25,000,000.

(11) 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), $2,060,854,000.

(12) For military family housing functions:

(A) For improvement and planning of military family housing and facilities, $4,950,000.

(B) For support of military housing (including functions described in section 2833 of title 10, United States Code), $32,724,000 of which not more than $27,673,000 may be obligated or expended for the leasing of military family housing units worldwide.

(b) LIMITATION OF 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 the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a).

SEC. 2406. CORRECTION IN AUTHORIZED USES OF FUNDS, MCCLELLAN AIR FORCE BASE, CALIFORNIA.

In the case of amounts appropriated pursuant to the authorization of appropriations in section 2405(a)(1) of the Military Construction Authorization Act for Fiscal Year 1995 (division B of Public Law 103–337; 108 Stat. 3041) for a military construction project involving the upgrade of the hospital facility at McClellan Air Force Base, California, the Secretary of Defense may use such amounts for the following medical construction projects authorized by section 2401 of this Act:

(1) The Aeromedical Clinic Addition at Andersen Air Base, Guam, in the amount of $3,700,000.

(2) The Occupational Health Clinic Facility at Tinker Air Force Base, Oklahoma, in the amount of $6,500,000.

SEC. 2407. MODIFICATION OF AUTHORITY TO CARRY OUT FISCAL YEAR 1995 PROJECTS.

The table in section 2401 of the Military Construction Authorization Act for Fiscal Year 1995 (division B of Public Law 103–337; 108 Stat. 3040), as amended by section 2407 of the Military Construction Authorization Act for Fiscal Year 1996 (division B of Public Law 104–106; 110 Stat. 539), under the agency heading relating to Chemical Weapons and Munitions Destruction, is further amended—

(1) in the item relating to Pine Bluff Arsenal, Arkansas, by striking out ''$115,000,000'' in the amount column and inserting in lieu thereof ''$134,000,000''; and

(2) in the item relating to Umatilla Army Depot, Oregon, by striking out ''$186,000,000'' in the amount column and inserting in lieu thereof ''$187,000,000''.

TITLE XXV—NORTH ATLANTIC TREATY ORGANIZATION SECURITY INVESTMENT PROGRAM

SEC. 2501. AUTHORIZED NATO CONSTRUCTION AND LAND ACQUISITION PROJECTS.

The Secretary of Defense may make contributions for the North Atlantic Treaty Organization Security Investment program as provided in section 2806 of title 10, United States Code, in an amount not to exceed the sum of the amount authorized to be appropriated for this purpose in section 2502 and the amount collected from the North Atlantic Treaty Organization as a result of construction previously financed by the United States.

SEC. 2502. AUTHORIZATION OF APPROPRIATIONS, NATO.

Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1997, for contributions by the Secretary of Defense under section 2806 of title 10, United States Code, for the share of the United States of the cost of projects for the North Atlantic Treaty Organization Security Investment program authorized by section 2501, in the amount of $166,300,000.

TITLE XXVI—GUARD AND RESERVE FORCES FACILITIES

SEC. 2601. AUTHORIZED GUARD AND RESERVE CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) IN GENERAL.—There are authorized to be appropriated for fiscal years beginning after September 30, 1997, 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, $45,098,000; and

(B) for the Army Reserve, $69,831,000.

(2) For the Department of the Navy, for the Naval and Marine Corps Reserve, $40,561,000.

(3) For the Department of the Air Force—

(A) for the Air National Guard of the United States, $137,275,000; and

(B) for the Air Force Reserve, $34,443,000.

(b) ADJUSTMENT.—The amount authorized to be appropriated pursuant to subsection (a)(1)(B) is reduced by $7,900,000, which represents the combination of project savings resulting from favorable bids, reduced overhead costs, and cancellations due to force structure changes.

SEC. 2602. AUTHORIZATION OF MILITARY CONSTRUCTION PROJECTS FOR WHICH FUNDS HAVE BEEN APPROPRIATED.

(a) ARMY NATIONAL GUARD, HILO, HAWAII.—Paragraph (1)(A) of section 2601 of the Military Construction Authorization Act for Fiscal Year 1997 (division B of Public Law 104–201; 110 Stat. 2780) is amended by striking out ''$59,194,000'' and inserting in lieu thereof ''$65,094,000'' to account for a project involving additions and alterations to an Army aviation support facility in Hilo, Hawaii.

(b) NAVAL AND MARINE CORPS RESERVE, NEW ORLEANS.—Paragraph (2) of such section is amended by striking out ''$32,779,000'' and inserting in lieu thereof ''$37,579,000'' to account for a project for the construction of bachelor enlisted quarters at Naval Air Station, New Orleans, Louisiana.

SEC. 2603. ARMY RESERVE CONSTRUCTION PROJECT, SALT LAKE CITY, UTAH.

With regard to the military construction project for the Army Reserve concerning construction of a reserve center and organizational maintenance shop in Salt Lake City, Utah, to be carried out using funds appropriated pursuant to the authorization of appropriations in section 2601(1)(B), the Secretary of the Army may enter into an agreement with the State of Utah under which the State agrees to provide financial or in-kind contributions toward land acquisition, site preparation, environmental assessment and remediation, relocation, and other costs in connection with the project.

TITLE XXVII—EXPIRATION AND EXTENSION OF AUTHORIZATIONS

SEC. 2701. EXPIRATION OF AUTHORIZATIONS AND AMOUNTS REQUIRED TO BE SPECIFIED BY LAW.

(a) EXPIRATION OF AUTHORIZATIONS AFTER THREE YEARS.—Except as provided in subsection (b), all authorizations contained in titles XXI through XXVI for military construction projects, land acquisition, family housing projects and facilities, and contributions to the North Atlantic Treaty Organization Security Investment program (and authorizations of appropriations therefor) shall expire on the later of—

(1) October 1, 2000; or

(2) the date for the enactment of an Act authorizing funds for military construction for fiscal year 2001.

(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, 2000; or

(2) the date of the enactment of an Act authorizing funds for fiscal year 2001 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 1995 PROJECTS.

(a) EXTENSION.—Notwithstanding section 2701 of the Military Construction Authorization Act for Fiscal Year 1995 (division B of Public Law 103–337, 108 Stat. 3046), authorizations for the projects set forth in the tables in subsection (b), as provided in section 2101, 2201, 2202, 2301, 2302, 2401, or 2601 of that Act, shall remain in effect until October 1, 1998, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 1999, whichever is later.

(b) TABLES.—The tables referred to in subsection (a) are as follows:

Army: Extension of 1995 Project Authorization

State	Installation or Location	Project	Amount
California	Fort Irwin	National Training Center Airfield Phase I	$10,000,000

Navy: Extension of 1995 Project Authorizations

State	Installation or Location	Project	Amount
Maryland	Indian Head Naval Surface Warfare Center	Upgrade Power Plant	$4,000,000
	Indian Head Naval Surface Warfare Center	Denitrification/Acid Mixing Facility	$6,400,000
Virginia	Norfolk Marine Corps Security Force Battalion Atlantic	Bachelor Enlisted Quarters	$6,480,000
Washington	Naval Station Puget Sound, Everett	New Construction (Housing Office)	$780,000
Conus Classified	Classified Location	Aircraft Fire/Rescue & Vehicle Maintenance Facility	$2,200,000

Air Force: Extension of 1995 Project Authorizations

State	Installation or Location	Project	Amount
California	Beale Air Force Base	Consolidated Support Center	$10,400,000
	Los Angeles Air Force Station	Family Housing (50 Units)	$8,962,000
North Carolina	Pope Air Force Base	Combat Control Team Facility	$2,400,000
	Pope Air Force Base	Fire Training Center	$1,100,000

Defense Agencies: Extension of 1995 Project Authorizations

State	Installation or Location	Project	Amount
Alabama	Anniston Army Depot	Carbon Filtration System	$5,000,000
Arkansas	Pine Bluff Arsenal	Ammunition Demilitarization Facility	$115,000,000
California	Defense Contract Management Office, El Segundo	Administrative Facility	$5,100,000
Oregon	Umatilla Army Depot	Ammunition Demilitarization Facility	$186,000,000

Army National Guard: Extension of 1995 Project Authorization

State	Installation or Location	Project	Amount
California	Camp Roberts	Combat Pistol Range	$952,000

Naval Reserve: Extension of 1995 Project Authorization

State	Installation or Location	Project	Amount
Georgia	Naval Air Station Marietta	Training Center.	$2,650,000

SEC. 2703. EXTENSION OF AUTHORIZATIONS OF CERTAIN FISCAL YEAR 1994 PROJECTS.

(a) EXTENSION.—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 table in subsection (b), as provided in section 2201 of that Act and extended by section 2702 of the Military Construction Authorization Act for Fiscal Year 1997 (division B of Public Law 104–201; 110 Stat. 2783), shall remain in effect until October 1, 1998, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 1999, whichever is later.

(b) TABLE.—The table referred to in subsection (a) is as follows:

Navy: Extension of 1994 Project Authorizations

State	Installation or Location	Project	Amount
California	Camp Pendleton Marine Corps Base	Sewage Facility	$7,930,000
Connecticut	New London Naval Submarine Base	Hazardous Waste Facility	$1,450,000

SEC. 2704. EXTENSION OF AUTHORIZATIONS OF CERTAIN FISCAL YEAR 1993 PROJECTS.

(a) EXTENSION.—Notwithstanding section 2701 of the Military Construction Authorization Act for Fiscal Year 1993 (division B of Public Law 102–484; 106 Stat. 2602), the authorizations for the projects set forth in the tables in subsection (b), as provided in section 2101 or 2601 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) and section 2703 of the Military Construction Authorization Act for Fiscal Year 1997 (division B of Public Law 104–201; 110 Stat. 2784), shall remain in effect until October 1, 1998, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 1999, 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

Army National Guard: Extension of 1993 Project Authorization

State	Installation or Location	Project	Amount
Alabama	Union Springs	Armory	$813,000

SEC. 2705. EXTENSION OF AUTHORIZATIONS OF CERTAIN FISCAL YEAR 1992 PROJECTS.

(a) EXTENSION.—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 2101 of that Act and extended by section 2702 of the Military Construction Authorization Act for Fiscal Year 1995 (division B of Public Law 103–337; 108 Stat. 3047), section 2703 of the Military Construction Authorization Act for Fiscal Year 1996 (division B of Public Law 104–106; 110 Stat. 543), and section 2704 of the Military Construction Authorization Act for Fiscal Year 1997 (division B of Public Law 104–201; 110 Stat. 2784), shall remain in effect until October 1, 1998, or the date of the enactment of an Act authorizing funds for military construction for fiscal year 1999, 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. 2706. EXTENSION OF AVAILABILITY OF FUNDS FOR CONSTRUCTION OF OVER-THE-HORIZON RADAR IN PUERTO RICO.

Amounts appropriated under the heading ''DRUG INTERDICTION AND COUNTER-DRUG ACTIVITIES, DEFENSE'' in the Department of Defense Appropriations Act, 1995 (Public Law 103–335; 108 Stat. 2615), and transferred to the ''Military Construction, Navy'' appropriation for construction of a Relocatable Over-the-Horizon Radar at Naval Station Roosevelt Roads, Puerto Rico, shall remain available for obligation until October 1, 1998, or the date of the enactment of an Act authorizing funds for military

construction for fiscal year 1999, whichever is later.

SEC. 2707. EFFECTIVE DATE.

Titles XXI, XXII, XXIII, XXIV, XXV, and XXVI shall take effect on the later of—

(1) October 1, 1997; 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. USE OF MOBILITY ENHANCEMENT FUNDS FOR UNSPECIFIED MINOR CONSTRUCTION.

(a) CONGRESSIONAL NOTIFICATION.—Subsection (b)(2) of section 2805 of title 10, United States Code, is amended by adding at the end the following new sentence: ''This paragraph shall apply even though the project is to be carried out using funds made available to enhance the deployment and mobility of military forces and supplies.''.

(b) RESTRICTION ON USE OF OPERATION AND MAINTENANCE FUNDS.—Subsection (c) of such section is amended—

(1) in paragraph (1), by striking out ''paragraph (2)'' and inserting in lieu thereof ''paragraphs (2) and (3)''; and

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

''(3) The limitations specified in paragraph (1) shall not apply if the unspecified minor military construction project is to be carried out using funds made available to enhance the deployment and mobility of military forces and supplies.''.

(c) TECHNICAL AMENDMENTS.—Such section is further amended—

(1) in subsection (a)(1)—

(A) by striking out ''minor military construction projects'' in the first sentence and inserting in lieu thereof ''unspecified minor military construction projects'';

(B) by striking out ''A minor'' in the second sentence and inserting in lieu thereof ''An unspecified minor''; and

(C) by striking out ''a minor'' in the last sentence and inserting in lieu thereof ''an unspecified minor'';

(2) in subsection (b)(1), by striking out ''A minor'' and inserting in lieu thereof ''An unspecified minor'';

(3) in subsection (b)(2), by striking out ''a minor'' and inserting in lieu thereof ''an unspecified minor''; and

(4) in subsection (c), by striking out ''unspecified military'' each place it appears and inserting in lieu thereof ''unspecified minor military''.

SEC. 2802. LIMITATION ON USE OF OPERATION AND MAINTENANCE FUNDS FOR FACILITY REPAIR PROJECTS.

Section 2811 of title 10, United States Code, is amended by adding at the end the following new subsections:

''(d) CONGRESSIONAL NOTIFICATION.—When a decision is made to carry out a repair project under this section with an estimated cost in excess of $10,000,000, the Secretary concerned shall submit to the appropriate committees of Congress a report containing—

''(1) the justification for the repair project and the current estimate of the cost of the project; and

''(2) the justification for carrying out the project under this section.

''(e) REPAIR PROJECT DEFINED.—In this section, the term 'repair project' means a project to restore a real property facility, system, or component to such a condition that it may effectively be used for its designated functional purpose.''.

SEC. 2803. LEASING OF MILITARY FAMILY HOUSING, UNITED STATES SOUTHERN COMMAND, MIAMI, FLORIDA.

(a) LEASES TO EXCEED MAXIMUM RENTAL.—Section 2828(b) of title 10, United States Code, is amended—

(1) in paragraph (2), by striking out ''paragraph (3)'' and inserting in lieu thereof ''paragraphs (3) and (4)'';

(2) by redesignating paragraph (4) as paragraph (5); and

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

''(4) The Secretary of the Army may lease not more than eight housing units in the vicinity of Miami, Florida, for key and essential personnel, as designated by the Secretary, for the United States Southern Command for which the expenditure for the rental of such units (including the cost of utilities, maintenance, and operation, including security enhancements) exceeds the expenditure limitations in paragraphs (2) and (3). The total amount for all leases under this paragraph may not exceed $280,000 per year, and no lease on any individual housing unit may exceed $60,000 per year.''.

(b) CONFORMING AMENDMENT.—Paragraph (5) of such section, as redesignated by subsection (a)(2), is amended by striking out ''paragraphs (2) and (3)'' and inserting in lieu thereof ''paragraphs (2), (3), and (4)''.

SEC. 2804. USE OF FINANCIAL INCENTIVES PROVIDED AS PART OF ENERGY SAVINGS AND WATER CONSERVATION ACTIVITIES.

(a) ENERGY SAVINGS.—Section 2865 of title 10, United States Code, is amended—

(1) in subsection (b)(1), by striking out ''and financial incentives described in subsection (d)(2)'';

(2) in subsection (d)(2), by adding at the end the following new sentence: ''Financial incentives received under this paragraph or section 2866(a)(2) of this title shall be credited to an appropriation account designated by the Secretary of Defense.''; and

(3) in subsection (f), by adding at the end the following new sentence: ''Each report shall also describe the types and amount of financial incentives received under subsection (d)(2) and section 2866(a)(2) of this title during the period covered by the report and the appropriation account or accounts to which the incentives were credited.''.

(b) WATER CONSERVATION.—Section 2866(b) of such title is amended—

(1) by striking out ''SAVINGS.—'' in the subsection heading and inserting in lieu thereof ''SAVINGS AND FINANCIAL INCENTIVES.—(1)''; and

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

''(2) Financial incentives received under this section shall be used as provided in section 2865(d)(2) of this title.''.

SEC. 2805. CONGRESSIONAL NOTIFICATION REQUIREMENTS REGARDING USE OF DEPARTMENT OF DEFENSE HOUSING FUNDS FOR INVESTMENTS IN NONGOVERNMENTAL ENTITIES.

Section 2875 of title 10, United States Code, is amended by adding at the end the following new subsection:

''(e) CONGRESSIONAL NOTIFICATION REQUIRED.—Amounts in the Department of Defense Family Housing Improvement Fund or the Department of Defense Military Unaccompanied Housing Improvement Fund may be used to make a cash investment under this section in a nongovernmental entity only after the end of the 30-day period beginning on the date the Secretary of Defense submits written notice of, and justification for, the investment to the appropriate committees of Congress.''.

Subtitle B—Real Property And Facilities Administration

SEC. 2811. INCREASE IN CEILING FOR MINOR LAND ACQUISITION PROJECTS.

(a) INCREASE.—Section 2672 of title 10, United States Code, is amended by striking out ''$200,000'' both places it appears in subsection (a) and inserting in lieu thereof ''$500,000''.

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

''§ 2672. Acquisition: interests in land when cost is not more than $500,000''.

(2) The table of sections at the beginning of chapter 159 of such title is amended by striking out the item relating to section 2672 and inserting in lieu thereof the following new item:

''2672. Acquisition: interests in land when cost is not more than $500,000.''.

SEC. 2812. ADMINISTRATIVE EXPENSES FOR CERTAIN REAL PROPERTY TRANSACTIONS.

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

''§ 2695. Acceptance of funds to cover administrative expenses relating to certain real property transactions

''(a) AUTHORITY TO ACCEPT.—In connection with a real property transaction described in subsection (b) with a non-Federal person or entity, the Secretary of a military department may accept amounts provided by the person or entity to cover administrative expenses incurred by the Secretary in entering into the transaction.

''(b) COVERED TRANSACTIONS.—Subsection (a) applies to the following transactions:

''(1) The conveyance or exchange of real property.

''(2) The grant of an easement over, in, or upon real property of the United States.

''(3) The lease or license of real property of the United States.

''(c) USE OF AMOUNTS COLLECTED.—Amounts collected under subsection (a) for administrative expenses shall be credited to the appropriation, fund, or account from which the expenses were paid. Amounts so credited shall be merged with funds in such appropriation, fund, or account and shall be available for the same purposes and subject to the same limitations as the funds with which merged.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 159 of such title is amended by adding at the end the following:

''2695. Acceptance of funds to cover administrative expenses relating to certain real property transactions.''.

SEC. 2813. DISPOSITION OF PROCEEDS FROM SALE OF AIR FORCE PLANT 78, BRIGHAM CITY, UTAH.

Notwithstanding subparagraph (A) of section 204(h)(2) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 485(h)(2)), the entire amount derived from the sale of Air Force Plant 78 in Brigham City, Utah, and deposited in the special account in the Treasury established pursuant to such section shall, to the extent provided in appropriations Acts, be available to the Secretary of the Air Force for facility maintenance, repair, or environmental restoration at other industrial plants of the Department of the Air Force.

Subtitle C—Defense Base Closure and Realignment

SEC. 2821. CONSIDERATION OF MILITARY INSTALLATIONS AS SITES FOR NEW FEDERAL FACILITIES.

(a) 1988 LAW.—Section 204(b)(5) of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100–526; 10 U.S.C. 2687 note) is amended—

(1) in subparagraph (A), by striking out ''subparagraph (B)'' and inserting in lieu thereof ''subparagraphs (B) and (C)''; and

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

''(C)(i) Before acquiring non-Federal real property as the location for a new or replacement Federal facility of any type, the head of the Federal agency acquiring the property shall consult with the Secretary regarding the feasibility and cost advantages of using Federal property or facilities at a military installation to be closed or realigned under this title as the location for the new or replacement facility. In considering the availability and suitability of a specific military installation, the Secretary and the head of the Federal agency involved shall consult with the redevelopment authority with

respect to the installation and comply with the redevelopment plan for the installation.

''(ii) Not later than 30 days after acquiring non-Federal real property as the location for a new or replacement Federal facility, the head of the Federal agency acquiring the property shall submit to Congress a report containing the results of the consultation under clause (i) and the reasons why military installations referred to in such clause that are located within the area to be served by the new or replacement Federal facility or within a 200-mile radius of the new or replacement facility, whichever area is greater, were considered to be unsuitable or unavailable for the site of the new or replacement facility.''.

(b) 1990 LAW.—Section 2905(b)(5) of the Defense Base Closure and Realignment Act of 1990 (Public Law 101–510; 10 U.S.C. 2687 note) is amended—

(1) in subparagraph (A), by striking out ''subparagraph (B)'' and inserting in lieu thereof ''subparagraphs (B) and (C)''; and

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

''(C)(i) Before acquiring non-Federal real property as the location for a new or replacement Federal facility of any type, the head of the Federal agency acquiring the property shall consult with the Secretary regarding the feasibility and cost advantages of using Federal property or facilities at a military installation to be closed or realigned under this part as the location for the new or replacement facility. In considering the availability and suitability of a specific military installation, the Secretary and the head of the Federal agency involved shall consult with the redevelopment authority with respect to the installation and comply with the redevelopment plan for the installation.

''(ii) Not later than 30 days after acquiring non-Federal real property as the location for a new or replacement Federal facility, the head of the Federal agency acquiring the property shall submit to Congress a report containing the results of the consultation under clause (i) and the reasons why military installations referred to in such clause that are located within the area to be served by the new or replacement Federal facility or within a 200-mile radius of the new or replacement facility, whichever area is greater, were considered to be unsuitable or unavailable for the site of the new or replacement facility.''.

SEC. 2822. PROHIBITION AGAINST CONVEYANCE OF PROPERTY AT MILITARY INSTALLATIONS TO STATE-OWNED SHIPPING COMPANIES.

(a) PROHIBITION AGAINST DIRECT CONVEYANCE.—In disposing of real property in connection with the closure of a military installation 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), the Secretary of Defense may not convey any portion of the property (by sale, lease, or other method) to a State-owned shipping company.

(b) PROHIBITION AGAINST INDIRECT CONVEYANCE.—The Secretary of Defense shall impose as a condition on each conveyance of real property located at such an installation the requirement that the property may not be subsequently conveyed (by sale, lease, or other method) to a State-owned shipping company.

(c) REVERSIONARY INTEREST.—If the Secretary determines at any time that real property located at such an installation and conveyed under the Defense Base Closure and Realignment Act of 1990 has been conveyed to a State-owned shipping company in violation of subsection (b) or is otherwise being used by a State-owned shipping company in violation of such 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.

(d) DEFINITION.—In this section, the term ''State-owned shipping company'' means a commercial shipping company owned or controlled by a foreign country.

Subtitle D—Land Conveyances

Part I—Army Conveyances

SEC. 2831. LAND CONVEYANCE, JAMES T. COKER ARMY RESERVE CENTER, DURANT, OKLAHOMA.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey, without consideration, to Big Five Community Services, Incorporated, a nonprofit organization operating in Durant, Oklahoma, all right, title, and interest of the United States in and to a parcel of real property located at 1500 North First Street in Durant, Oklahoma, and containing the James T. Coker Army Reserve Center, if the Secretary determines that the Reserve Center is excess to the needs of the Armed Forces.

(b) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by Big Five Community Services, Incorporated.

(c) CONDITION ON CONVEYANCE.—The conveyance authorized under subsection (a) shall be subject to the condition that Big Five Community Services, Incorporated, retain the conveyed property for educational purposes.

(d) REVERSION.—If the Secretary determines at any time that the real property conveyed under subsection (a) is not being used for the purpose specified in subsection (c), 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.

(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.

SEC. 2832. LAND CONVEYANCE, FORT A. P. HILL, VIRGINIA.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey to Caroline County, Virginia (in this section referred to as the ''County''), all right, title, and interest of the United States in and to a parcel of unimproved real property consisting of approximately 10 acres located at Fort A. P. Hill, Virginia. The purpose of the conveyance is to permit the County to establish a solid waste transfer and recycling facility on the property.

(b) CONSIDERATION.—As consideration for the conveyance under subsection (a), the County shall permit the Army, at no cost, to dispose of not less than 1,800 tons of solid waste annually at the facility established on the conveyed property. The obligation of the County to accept solid waste under this subsection shall not commerce until after the solid waste transfer and recycling facility on the conveyed property becomes operational, and the establishment of a solid waste collection and transfer site on the .36-acre parcel described in subsection (d)(2) shall not be construed to impose the obligation.

(c) DISCLAIMER.—The United States shall not be responsible for the provision or cost of utilities or any other improvements necessary to carry out the conveyance under subsection (a) or to establish or operate the solid waste transfer and recycling facility intended for the property.

(d) REVERSION.—(1) Except as provided in paragraph (2), if the Secretary determines that a solid waste transfer and recycling facility is not operational, before December 31, 1999, on the real property conveyed under subsection (a), 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.

(2) Paragraph (1) shall not apply with respect to a parcel of approximately .36 acres of the approximately 10-acre parcel to be conveyed under subsection (a), which is included in the larger conveyance to permit the County to establish a solid waste collection and transfer site for residential waste.

(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.

SEC. 2833. EXPANSION OF LAND CONVEYANCE, INDIANA ARMY AMMUNITION PLANT, CHARLESTOWN, INDIANA.

(a) ADDITIONAL CONVEYANCE.—Subsection (a) of section 2858 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 571) is amended—

(1) by inserting ''(1)'' before ''The Secretary of the Army''; and

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

''(2) The Secretary may also convey to the State, without consideration, an additional parcel of real property at the Indiana Army Ammunition Plant consisting of approximately 500 acres located along the Ohio River.''.

(b) CONFORMING AMENDMENTS.—Such section is further amended by striking out ''conveyance'' both places it appears in subsections (b) and (d) and inserting in lieu thereof ''conveyances''.

SEC. 2834. MODIFICATION OF LAND CONVEYANCE, LOMPOC, CALIFORNIA.

(a) CHANGE IN AUTHORIZED USES OF LAND.—Section 834(b)(1) of the Military Construction Authorization Act, 1985 (Public Law 98–407; 98 Stat. 1526), is amended by striking out subparagraphs (A) and (B) and inserting in lieu thereof the following new subparagraphs:

''(A) for educational and recreational purposes;

''(B) for open space; or''.

(b) CONFORMING DEED CHANGES.—With respect to the land conveyance made pursuant to section 834 of the Military Construction Authorization Act, 1985, the Secretary of the Army shall execute and file in the appropriate office or offices an amended deed or other appropriate instrument effectuating the changes to the authorized uses of the conveyed property resulting from the amendment made by subsection (a).

SEC. 2835. MODIFICATION OF LAND CONVEYANCE, ROCKY MOUNTAIN ARSENAL, COLORADO.

Section 5(c) of Public Law 102–402 (106 Stat. 1966) is amended by striking out ''The transferred property shall be sold in advertised sales'' and inserting in lieu thereof ''The Administrator shall convey the transferred property to Commerce City, Colorado, in a negotiated sale,''.

SEC. 2836. CORRECTION OF LAND CONVEYANCE AUTHORITY, ARMY RESERVE CENTER, ANDERSON, SOUTH CAROLINA.

(a) IDENTIFICATION OF RECIPIENT.—Subsection (a) of section 2824 of the Military Construction Authorization Act for Fiscal Year 1997 (division B of Public Law 104–201; 110 Stat. 2793) is amended by striking out ''County of Anderson, South Carolina (in this section referred to as the 'County')'' and inserting in lieu thereof ''Board of Education, Anderson County, South Carolina (in this section referred to as the 'Board')''.

(b) CONFORMING AMENDMENTS.—Subsections (b) and (c) of such section are amended by striking out ''County'' each place it appears and inserting in lieu thereof ''Board''.

SEC. 2837. LAND CONVEYANCE, FORT BRAGG, NORTH CAROLINA.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey, without consideration, to the Town of Spring Lake, North Carolina (in this section referred to as the ''Town''), all right, title, and interest of the United States in and to a parcel of unimproved real property consisting of approximately 50 acres located at Fort Bragg, North Carolina. The purpose of the

conveyance is to improve access by the Town to a waste treatment facility and to permit economic development.

(b) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the Town.

(c) 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. 2838. LAND CONVEYANCE, GIBSON ARMY RESERVE CENTER, CHICAGO, ILLINOIS.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey, without consideration, to the Lawndale Business and Local Development Corporation (in this section referred to as the ''Corporation''), a nonprofit organization organized in the State of Illinois, all right, title, and interest of the United States in and to a parcel of real property, including improvements thereon, that is located at 4454 West Cermak Road in Chicago, Illinois, and contains the Gibson Army Reserve Center.

(b) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the Corporation.

(c) 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. 2839. LAND CONVEYANCE, FORT DIX, NEW JERSEY.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey, without consideration, to the Borough of Wrightstown, New Jersey (in this section referred to as the ''Borough''), all right, title, and interest of the United States in and to a parcel of real property (including improvements thereon) consisting of approximately 44.69 acres located at Fort Dix, New Jersey, for the purpose of permitting the Borough to develop the parcel for educational and economic purposes.

(b) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the Borough.

(c) 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.

Part II—Navy Conveyances

SEC. 2851. CORRECTION OF LEASE AUTHORITY, NAVAL AIR STATION, MERIDIAN, MISSISSIPPI.

(a) CORRECTION OF LESSEE.—Subsection (a) of section 2837 of the Military Construction Authorization Act for Fiscal Year 1997 (division B of Public Law 104–201; 110 Stat. 2798) is amended—

(1) by striking out ''State of Mississippi (in this section referred to as the 'State')'' and inserting in lieu thereof ''County of Lauderdale, Mississippi (in this section referred to as the 'County')''; and

(2) by striking out ''The State'' and inserting in lieu thereof ''The County''.

(b) CONFORMING AMENDMENTS.—Subsections (b) and (c) of such section are amended by striking out ''State'' each place it appears and inserting in lieu thereof ''County''.

Part III—Air Force Conveyances

SEC. 2861. LAND TRANSFER, EGLIN AIR FORCE BASE, FLORIDA.

(a) TRANSFER.—Jurisdiction over the real property withdrawn by Executive Order 4525, dated October 1, 1826, which consists of approximately 440 acres of land at Cape San Blas, Gulf County, Florida, and any improvements thereon, is transferred from the administrative jurisdiction of the Secretary of Transportation to the administrative jurisdiction of the Secretary of the Air Force, without reimbursement. Executive Order 4525 is revoked, and the transferred real property shall be administered by the Secretary of the Air Force pursuant to the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 471 et seq.) and such other laws as may be applicable to Federal real property.

(b) USE OF PROPERTY.—The real property transferred under subsection (a) may be used in conjunction with operations at Eglin Air Force Base, Florida.

(c) 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 Air Force. The cost of the survey shall be borne by the Secretary of the Air Force.

SEC. 2862. STUDY OF LAND EXCHANGE OPTIONS, SHAW AIR FORCE BASE, SOUTH CAROLINA.

Section 2874 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 583) is amended by adding at the end the following new subsection:

''(g) STUDY OF EXCHANGE OPTIONS.—To facilitate the use of a land exchange to acquire the real property described in subsection (a), the Secretary of the Air Force shall conduct a study to identify real property in the possession of the Air Force (located in the State of South Carolina or elsewhere) that satisfies the requirements of subsection (b)(2), is acceptable to the party holding the property to be acquired, and is otherwise suitable for exchange under this section. Not later than three months after the date of the enactment of the National Defense Authorization Act for Fiscal Year 1998, the Secretary shall submit to Congress a report containing the results of the study.''.

SEC. 2863. LAND CONVEYANCE, MARCH AIR FORCE BASE, CALIFORNIA.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Air Force may convey to Air Force Village West, Incorporated (in this section referred to as the ''Corporation''), of Riverside, California, all right, title, and interest of the United States in and to a parcel of real property located at March Air Force Base, California, and consisting of approximately 75 acres, as more fully described in subsection (c).

(2) If the Secretary does not make the conveyance authorized by paragraph (1) to the Corporation on or before January 1, 2006, the Secretary shall convey the real property instead to the March Joint Powers Authority, the redevelopment authority established for March Air Force Base.

(b) CONSIDERATION.—As consideration for the conveyance under subsection (a), the Corporation shall pay to the United States an amount equal to the fair market value of the real property, as determined by the Secretary.

(c) LAND DESCRIPTION.—The real property to be conveyed under this section is contiguous to land conveyed to the Corporation pursuant to section 835 of the Military Construction Authorization Act, 1985 (Public Law 98–407; 98 Stat. 1527), and lies within sections 27, 28, 33, and 34 of Township 3 South, Range 4 West, San Bernardino Base and Meridian, County of Riverside, California. The exact acreage and legal description of the real property shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the party receiving the property.

(d) TECHNICAL CORRECTIONS REGARDING PREVIOUS CONVEYANCE.—Section 835 of the Military Construction Authorization Act, 1985 (Public Law 98–407; 98 Stat. 1527), is amended—

(1) in subsection (b), by striking out ''subsection (b)'' and inserting in lieu thereof ''subsection (a)''; and

(2) in subsection (c), by striking out ''Clark Street,'' and all that follows through the period and inserting in lieu thereof ''Village West Drive, on the west by Allen Avenue, on the south by 8th Street, and the north is an extension of 11th Street between Allen Avenue and Clark Street.''.

Subtitle E—Other Matters

SEC. 2881. REPEAL OF REQUIREMENT TO OPERATE NAVAL ACADEMY DAIRY FARM.

(a) OPERATION.—(1) Chapter 603 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 6976. Operation of Naval Academy dairy farm

''(a) DISCRETION REGARDING CONTINUED OPERATION.—(1) Subject to paragraph (2), the Secretary of the Navy may terminate or reduce the dairy or other operations conducted at the Naval Academy dairy farm located in Gambrills, Maryland.

''(2) Notwithstanding the termination or reduction of operations at the Naval Academy dairy farm under paragraph (1), the real property containing the dairy farm (consisting of approximately 875 acres)—

''(A) may not be declared to be excess real property to the needs of the Navy or transferred or otherwise disposed of by the Navy or any Federal agency; and

''(B) shall be maintained in its rural and agricultural nature.

''(b) LEASE AUTHORITY.—(1) Subject to paragraph (2), to the extent that the termination or reduction of operations at the Naval Academy dairy farm permit, the Secretary of the Navy may lease the real property containing the dairy farm, and any improvements and personal property thereon, to such persons and under such terms as the Secretary considers appropriate. In leasing any of the property, the Secretary may give a preference to persons who will continue dairy operations on the property.

''(2) Any lease of property at the Naval Academy dairy farm shall be subject to a condition that the lessee maintain the rural and agricultural nature of the leased property.

''(c) EFFECT OF OTHER LAWS.—Nothing in section 6971 of this title shall be construed to require the Secretary of the Navy or the Superintendent of the Naval Academy to operate a dairy farm for the Naval Academy in Gambrills, Maryland, or any other location.''.

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

''6976. Operation of Naval Academy dairy farm.''.

(b) CONFORMING REPEAL OF EXISTING REQUIREMENTS.—Section 810 of the Military Construction Authorization Act, 1968 (Public Law 90–110; 81 Stat. 309), is repealed.

SEC. 2882. LONG-TERM LEASE OF PROPERTY, NAPLES ITALY.

(a) AUTHORITY.—Subject to subsection (d), the Secretary of the Navy may acquire by long-term lease structures and real property relating to a regional hospital complex in Naples, Italy, that the Secretary determines to be necessary for purposes of the Naples Improvement Initiative.

(b) LEASE TERM.—Notwithstanding section 2675 of title 10, United States Code, the lease authorized by subsection (a) shall be for a term of not more than 20 years.

(c) EXPIRATION OF AUTHORITY.—The authority of the Secretary to enter into a lease under subsection (a) shall expire on September 30, 2002.

(d) AUTHORITY CONTINGENT ON APPROPRIATIONS ACTS.—The authority of the Secretary to enter into a lease under subsection (a) is available only to the extent or in the amount provided in advance in appropriations Acts.

SEC. 2883. DESIGNATION OF MILITARY FAMILY HOUSING AT LACKLAND AIR FORCE BASE, TEXAS, IN HONOR OF FRANK TEJEDA, A FORMER MEMBER OF THE HOUSE OF REPRESENTATIVES.

The military family housing developments to be constructed at two locations on Government property at Lackland Air Force Base, Texas, under the authority of subchapter IV of chapter 169 of title 10, United States Code, shall be designated by the Secretary of the Air Force, at an appropriate time, as follows:

(1) The northern development shall be designated as ''Frank Tejeda Estates North''.

(2) The southern development shall be designated as ''Frank Tejeda Estates South''.

TITLE XXIX—SIKES ACT IMPROVEMENT

SEC. 2901. SHORT TITLE.

This title may be cited as the ''Sikes Act Improvement Amendments of 1997''.

SEC. 2902. DEFINITION OF SIKES ACT FOR PURPOSES OF AMENDMENTS.

In this title, the term ''Sikes Act'' means the Act entitled ''An Act to promote effectual planning, development, maintenance, and coordination of wildlife, fish, and game conservation and rehabilitation in military reservations'', approved September 15, 1960 (16 U.S.C. 670a et seq.), commonly referred to as the ''Sikes Act''.

SEC. 2903. CODIFICATION OF SHORT TITLE OF ACT.

The Sikes Act (16 U.S.C. 670a et seq.) is amended by inserting before title I the following new section:

''SECTION 1. SHORT TITLE.

''This Act may be cited as the 'Sikes Act'.''.

SEC. 2904. INTEGRATED NATURAL RESOURCE MANAGEMENT PLANS.

(a) PLANS REQUIRED.—Section 101(a) of the Sikes Act (16 U.S.C. 670a(a)) is amended—

(1) by striking out ''is authorized to'' and inserting in lieu thereof ''shall'';

(2) by striking out ''in each military reservation in accordance with a cooperative plan'' and inserting in lieu thereof the following: ''on military installations. Under the program, the Secretary shall prepare and implement for each military installation in the United States an integrated natural resource management plan'';

(3) by inserting after ''reservation is located'' the following: '', except that the Secretary is not required to prepare such a plan for a military installation if the Secretary determines that preparation of such a plan for the installation is not appropriate''; and

(4) by inserting ''(1)'' after ''(a)'' and adding at the end the following new paragraph:

''(2) Consistent with essential military requirements to enhance the national security of the United States, the Secretary of Defense shall manage each military installation to provide—

''(A) for the conservation of fish and wildlife on the military installation and sustained multipurpose uses of those resources, including hunting, fishing, and trapping; and

''(B) public access that is necessary or appropriate for those uses.''.

(b) CONFORMING AMENDMENTS.—Title I of the Sikes Act is amended—

(1) in section 101(b) (16 U.S.C. 670a(b)), in the matter preceding paragraph (1), by striking out ''cooperative plan'' and inserting in lieu thereof ''integrated natural resource management plan'';

(2) in section 101(b)(4) (16 U.S.C. 670a(b)(4)), by striking out ''cooperative plan'' each place it appears and inserting in lieu thereof ''integrated natural resource management plan'';

(3) in section 101(c) (16 U.S.C. 670a(c)), in the matter preceding paragraph (1) by striking out ''a cooperative plan'' and inserting in lieu thereof ''an integrated natural resource management plan'';

(4) in section 101(d) (16 U.S.C. 670a(d)), in the matter preceding paragraph (1) by striking out ''cooperative plans'' and inserting in lieu thereof ''integrated natural resource management plans'';

(5) in section 101(e) (16 U.S.C. 670a(e)), by striking out ''Cooperative plans'' and inserting in lieu thereof ''Integrated natural resource management plans'';

(6) in section 102 (16 U.S.C. 670b), by striking out ''a cooperative plan'' and inserting in lieu thereof ''an integrated natural resource management plan'';

(7) in section 103 (16 U.S.C. 670c), by striking out ''a cooperative plan'' and inserting in lieu thereof ''an integrated natural resource management plan'';

(8) in section 106(a) (16 U.S.C. 670f(a)), by striking out ''cooperative plans'' and inserting in lieu thereof ''integrated natural resource management plans''; and

(9) in section 106(c) (16 U.S.C. 670f(c)), by striking out ''cooperative plans'' and inserting in lieu thereof ''integrated natural resource management plans''.

(c) CONTENTS OF PLANS.—Section 101(b) of the Sikes Act (16 U.S.C. 670a(b)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (C), by striking out ''and'' after the semicolon;

(B) in subparagraph (D), by striking out the semicolon at the end and inserting in lieu thereof a comma; and

(C) by adding at the end the following new subparagraphs:

''(E) wetland protection and restoration, and wetland creation where necessary, for support of fish or wildlife,

''(F) consideration of conservation needs for all biological communities, and

''(G) the establishment of specific natural resource management goals, objectives, and timeframes for proposed actions;'';

(2) by striking out paragraph (3);

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

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

''(2) shall for the military installation for which it is prepared—

''(A) address the needs for fish and wildlife management, land management, forest management, and wildlife-oriented recreation,

''(B) ensure the integration of, and consistency among, the various activities conducted under the plan,

''(C) ensure that there is no net loss in the capability of installation lands to support the military mission of the installation,

''(D) provide for sustained use by the public of natural resources, to the extent that such use is not inconsistent with the military mission of the installation or the needs of fish and wildlife management,

''(E) provide the public access to the installation that is necessary or appropriate for that use, to the extent that access is not inconsistent with the military mission of the installation, and

''(F) provide for professional enforcement of natural resource laws and regulations;''; and

(5) in paragraph (4)(A), by striking out ''collect the fees therefor,'' and inserting in lieu thereof ''collect, spend, administer, and account for fees therefor,''.

(d) PUBLIC COMMENT.—Section 101 of the Sikes Act (16 U.S.C. 670a) is amended by adding at the end the following new subsection:

''(f) PUBLIC COMMENT.—The Secretary of Defense shall provide an opportunity for public comment on each integrated natural resource management plan prepared under subsection (a).''.

SEC. 2905. REVIEW FOR PREPARATION OF INTEGRATED NATURAL RESOURCE MANAGEMENT PLANS.

(a) REVIEW OF MILITARY INSTALLATIONS.—

(1) REVIEW.—The Secretary of each military department shall, by not later than nine months after the date of the enactment of this Act—

(A) review each military installation in the United States that is under the jurisdiction of that Secretary to determine the military installations for which the preparation of an integrated natural resource management plan under section 101 of the Sikes Act, as amended by this title, is appropriate; and

(B) submit to the Secretary of Defense a report on those determinations.

(2) REPORT TO CONGRESS.—The Secretary of Defense shall, by not later than 12 months after the date of the enactment of this Act, submit to the Congress a report on the reviews conducted under paragraph (1). The report shall include—

(A) a list of those military installations reviewed under paragraph (1) for which the Secretary of Defense determines the preparation of an integrated natural resource management plan is not appropriate; and

(B) for each of the military installations listed under subparagraph (A), an explanation of the reasons such a plan is not appropriate.

(b) DEADLINE FOR INTEGRATED NATURAL RESOURCE MANAGEMENT PLANS.—Not later than two years after the date of the submission of the report required under subsection (a)(2), the Secretary of Defense shall, for each military installation for which the Secretary has not determined under subsection (a)(2)(A) that preparation of an integrated natural resource management plan is not appropriate—

(1) prepare and begin implementing such a plan mutually agreed to by the Secretary of the Interior and the head of the appropriate State agencies under section 101(a) of the Sikes Act, as amended by this title; or

(2) in the case of a military installation for which there is in effect a cooperative plan under section 101(a) of the Sikes Act on the day before the date of the enactment of this Act, complete negotiations with the Secretary of the Interior and the heads of the appropriate State agencies regarding changes to that plan that are necessary for the plan to constitute an integrated natural resource plan that complies with that section, as amended by this title.

(c) PUBLIC COMMENT.—The Secretary of Defense shall provide an opportunity for the submission of public comments on—

(1) integrated natural resource management plans proposed pursuant to subsection (b)(1); and

(2) changes to cooperative plans proposed pursuant to subsection (b)(2).

SEC. 2906. ANNUAL REVIEWS AND REPORTS.

Section 101 of the Sikes Act (16 U.S.C. 670a) is amended by adding after subsection (f) (as added by section 2904(d)) the following new subsection:

''(g) REVIEWS AND REPORTS.—

''(1) SECRETARY OF DEFENSE.—The Secretary of Defense shall, by not later than March 1 of each year, review the extent to which integrated natural resource management plans were prepared or in effect and implemented in accordance with this Act in the preceding year, and submit a report on the findings of that review to the committees. Each report shall include—

''(A) the number of integrated natural resource management plans in effect in the year covered by the report, including the date on which each plan was issued in final form or most recently revised;

''(B) the amount of moneys expended on conservation activities conducted pursuant to those plans in the year covered by the report, including amounts expended under the Legacy Resource Management Program established under section 8120 of the Act of November 5, 1990 (Public Law 101–511; 104 Stat. 1905); and

''(C) an assessment of the extent to which the plans comply with the requirements of subsection (b)(1) and (2), including specifically the extent to which the plans ensure in accordance with subsection (b)(2)(C) that there is no net loss of lands to support the military missions of military installations.

''(2) SECRETARY OF THE INTERIOR.—The Secretary of the Interior, by not later than March 1 of each year and in consultation with State

agencies responsible for conservation or management of fish or wildlife, shall submit a report to the committees on the amount of moneys expended by the Department of the Interior and those State agencies in the year covered by the report on conservation activities conducted pursuant to integrated natural resource management plans.

''(3) COMMITTEES DEFINED.—For purposes of this subsection, the term 'committees' means the Committee on Resources and the Committee on National Security of the House of Representatives and the Committee on Armed Services and the Committee on Environment and Public Works of the Senate.''.

SEC. 2907. TRANSFER OF WILDLIFE CONSERVATION FEES FROM CLOSED MILITARY INSTALLATIONS.

Section 101(b)(4)(B) of the Sikes Act (16 U.S.C. 670a(b)(4)(B)) is amended by inserting before the period at the end the following: '', unless that military installation is subsequently closed, in which case the fees may be transferred to another military installation to be used for the same purposes''.

SEC. 2908. FEDERAL ENFORCEMENT OF INTEGRATED NATURAL RESOURCE MANAGEMENT PLANS AND ENFORCEMENT OF OTHER LAWS.

Title I of the Sikes Act (16 U.S.C. 670a et seq.) is amended—

(1) by redesignating section 106, as amended by section 2904(b), as section 109; and

(2) by inserting after section 105 the following new section:

''SEC. 106. FEDERAL ENFORCEMENT OF OTHER LAWS.

''All Federal laws relating to the conservation of natural resources on Federal lands may be enforced by the Secretary of Defense with respect to violations of those laws which occur on military installations within the United States.''.

SEC. 2909. NATURAL RESOURCE MANAGEMENT SERVICES.

Title I of the Sikes Act (16 U.S.C. 670a et seq.) is amended by inserting after section 106 (as added by section 2908) the following new section:

''SEC. 107. NATURAL RESOURCE MANAGEMENT SERVICES.

''The Secretary of each military department shall ensure that sufficient numbers of professionally trained natural resource management personnel and natural resource law enforcement personnel are available and assigned responsibility to perform tasks necessary to comply with this Act, including the preparation and implementation of integrated natural resource management plans.''.

SEC. 2910. DEFINITIONS.

Title I of the Sikes Act (16 U.S.C. 670a et seq.) is amended by inserting after section 107 (as added by section 2909) the following new section:

''SEC. 108. DEFINITIONS.

''In this title:

''(1) MILITARY INSTALLATION.—The term 'military installation'—

''(A) means any land or interest in land owned by the United States and administered by the Secretary of Defense or the Secretary of a military department; and

''(B) includes all public lands withdrawn from all forms of appropriation under public land laws and reserved for use by the Secretary of Defense or the Secretary of a military department.

''(2) STATE FISH AND WILDLIFE AGENCY.—The term 'State fish and wildlife agency' means an agency of State government that is responsible under State law for managing fish or wildlife resources.

''(3) UNITED STATES.—The term 'United States' means the States, the District of Columbia, and the territories and possessions of the United States.''.

SEC. 2911. COOPERATIVE AGREEMENTS.

(a) COST SHARING.—Section 103a(b) of the Sikes Act (16 U.S.C. 670c–1(b)) is amended by striking out ''matching basis'' each place it appears and inserting in lieu thereof ''cost-sharing basis''.

(b) ACCOUNTING.—Section 103a(c) of the Sikes Act (16 U.S.C. 670c–1(c)) is amended by inserting before the period at the end the following: '', and shall not be subject to section 1535 of that title''.

SEC. 2912. REPEAL OF SUPERSEDED PROVISION.

Section 2 of the Act of October 27, 1986 (Public Law 99–561; 16 U.S.C. 670a–1), is repealed.

SEC. 2913. CLERICAL AMENDMENTS.

Title I of the Sikes Act, as amended by this title, is amended—

(1) in the heading for the title by striking out ''MILITARY RESERVATIONS'' and inserting in lieu thereof ''MILITARY INSTALLATIONS'';

(2) in section 101(a) (16 U.S.C. 670a(a)), by striking out ''the reservation'' and inserting in lieu thereof ''the installation'';

(3) in section 101(b)(4) (16 U.S.C. 670a(b)(4))—

(A) in subparagraph (A), by striking out ''the reservation'' and inserting in lieu thereof ''the installation''; and

(B) in subparagraph (B), by striking out ''the military reservation'' and inserting in lieu thereof ''the military installation'';

(4) in section 101(c) (16 U.S.C. 670a(c))—

(A) in paragraph (1), by striking out ''a military reservation'' and inserting in lieu thereof ''a military installation''; and

(B) in paragraph (2), by striking out ''the reservation'' and inserting in lieu thereof ''the installation'';

(5) in section 102 (16 U.S.C. 670b), by striking out ''military reservations'' and inserting in lieu thereof ''military installations''; and

(6) in section 103 (16 U.S.C. 670c)—

(A) by striking out ''military reservations'' and inserting in lieu thereof ''military installations''; and

(B) by striking out ''such reservations'' and inserting in lieu thereof ''such installations''.

SEC. 2914. AUTHORIZATIONS OF APPROPRIATIONS.

(a) PROGRAMS ON MILITARY INSTALLATIONS.—Subsections (b) and (c) of section 109 of the Sikes Act (as redesignated by section 1408) are each amended by striking out ''1983'' and all that follows through ''1993,'' and inserting in lieu thereof ''1983 through 2000,''.

(b) PROGRAMS ON PUBLIC LANDS.—Section 209 of the Sikes Act (16 U.S.C. 670o) is amended—

(1) in subsection (a), by striking out ''the sum of $10,000,000'' and all that follows through ''to enable the Secretary of the Interior'' and inserting in lieu thereof ''$4,000,000 for each of fiscal years 1998 through 2000, to enable the Secretary of the Interior''; and

(2) in subsection (b), by striking out ''the sum of $12,000,000'' and all that follows through ''to enable the Secretary of Agriculture'' and inserting in lieu thereof ''$5,000,000 for each of fiscal years 1998 through 2000, to enable the Secretary of Agriculture''.

DIVISION C—DEPARTMENT OF ENERGY NATIONAL SECURITY AUTHORIZATIONS AND OTHER AUTHORIZATIONS

TITLE XXXI—DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS

Subtitle A—National Security Programs Authorizations

SEC. 3101. WEAPONS ACTIVITIES.

(a) STOCKPILE STEWARDSHIP.—Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1998 for stockpile stewardship in carrying out weapons activities necessary for national security programs in the amount of $1,733,400,000, to be allocated as follows:

(1) For core stockpile stewardship, $1,257,100,000, to be allocated as follows:

(A) For operation and maintenance, $1,158,290,000.

(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), $98,810,000, to be allocated as follows:

Project 97–D–102, dual-axis radiographic hydrotest facility, Los Alamos National Laboratory, Los Alamos, New Mexico, $46,300,000.

Project 96–D–102, stockpile stewardship facilities revitalization, Phase VI, various locations, $19,810,000.

Project 96–D–103, ATLAS, Los Alamos National Laboratory, Los Alamos, New Mexico, $13,400,000.

Project 96–D–105, contained firing facility addition, Lawrence Livermore National Laboratory, Livermore, California, $19,300,000.

(2) For inertial fusion, $414,800,000, to be allocated as follows:

(A) For operation and maintenance, $217,000,000.

(B) For the following plant project (including maintenance, restoration, planning, construction, acquisition, and modification of facilities, and land acquisition related thereto), $197,800,000, to be allocated as follows:

Project 96–D–111, national ignition facility, location to be determined, $197,800,000.

(3) For technology transfer and education, $61,500,000, to be allocated as follows:

(A) For technology transfer, $52,500,000.

(B) For education, $9,000,000.

(b) STOCKPILE MANAGEMENT.—Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1998 for stockpile management in carrying out weapons activities necessary for national security programs in the amount of $2,024,150,000, to be allocated as follows:

(1) For operation and maintenance, $1,868,265,000.

(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), $155,885,000, to be allocated as follows:

Project 98–D–123, stockpile management restructuring initiative, tritium factory modernization and consolidation, Savannah River Site, Aiken, South Carolina, $11,000,000.

Project 98–D–124, stockpile management restructuring initiative, Y–12 Plant consolidation, Oak Ridge, Tennessee, $6,450,000.

Project 98–D–125, tritium extraction facility, Savannah River Site, Aiken, South Carolina, $9,650,000.

Project 98–D–126, accelerator production of tritium, various locations, $67,865,000.

Project 97–D–122, nuclear materials storage facility renovation, Los Alamos National Laboratory, Los Alamos, New Mexico, $9,200,000.

Project 97–D–124, steam plant wastewater treatment facility upgrade, Y–12 Plant, Oak Ridge, Tennessee, $1,900,000.

Project 96–D–122, sewage treatment quality upgrade (STQU), Pantex Plant, Amarillo, Texas, $6,900,000.

Project 96–D–123, retrofit heating, ventilation, and air conditioning and chillers for ozone protection, Y–12 Plant, Oak Ridge, Tennessee, $2,700,000.

Project 95–D–122, sanitary sewer upgrade, Y–12 Plant, Oak Ridge, Tennessee, $12,600,000.

Project 94–D–124, hydrogen fluoride supply system, Y–12 Plant, Oak Ridge, Tennessee, $1,400,000.

Project 94–D–125, upgrade life safety, Kansas City Plant, Kansas City, Missouri, $2,000,000.

Project 93–D–122, life safety upgrades, Y–12 Plant, Oak Ridge, Tennessee, $2,100,000.

Project 92–D–126, replace emergency notification system, various locations, $3,200,000.

Project 88–D–122, facilities capability assurance program, various locations, $18,920,000.

(c) PROGRAM DIRECTION.—Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1998 for program direction in carrying out weapons activities necessary for national security programs in the amount of $208,500,000.

SEC. 3102. ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT.

(a) ENVIRONMENTAL RESTORATION.—Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1998 for environmental restoration in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $1,000,973,000, of which $388,000,000 shall be allocated to the uranium enrichment decontamination and decommissioning fund.

(b) CLOSURE PROJECTS.—Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1998 for closure projects carried out in accordance with section 3143 of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201; 110 Stat. 2836; 42 U.S.C. 7274n) in the amount of $905,800,000.

(c) WASTE MANAGEMENT.—Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1998 for waste management in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $1,536,344,000, to be allocated as follows:

(1) For operation and maintenance, $1,455,576,000.

(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), $80,768,000, to be allocated as follows:

Project 98–D–401, H-tank farm storm water systems upgrade, Savannah River Site, Aiken, South Carolina, $1,000,000.

Project 97–D–402, tank farm restoration and safe operations, Richland, Washington, $13,961,000.

Project 96–D–408, waste management upgrades, various locations, $8,200,000.

Project 95–D–402, install permanent electrical service, Waste Isolation Pilot Plant, Carlsbad, New Mexico, $176,000.

Project 95–D–405, industrial landfill V and construction/demolition landfill VII, Y–12 Plant, Oak Ridge, Tennessee, $3,800,000.

Project 95–D–407, 219–S secondary containment upgrade, Richland, Washington, $2,500,000.

Project 94–D–404, Melton Valley storage tank capacity increase, Oak Ridge National Laboratory, Oak Ridge, Tennessee, $1,219,000.

Project 94–D–407, initial tank retrieval systems, Richland, Washington, $15,100,000.

Project 93–D–187, high-level waste removal from filled waste tanks, Savannah River Site, Aiken, South Carolina, $17,520,000.

Project 92–D–172, hazardous waste treatment and processing facility, Pantex Plant, Amarillo, Texas, $5,000,000.

Project 89–D–174, replacement high-level waste evaporator, Savannah River Site, Aiken, South Carolina, $1,042,000.

Project 86–D–103, decontamination and waste treatment facility, Lawrence Livermore National Laboratory, Livermore, California, $11,250,000.

(d) TECHNOLOGY DEVELOPMENT.—Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1998 for technology development in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $182,881,000.

(e) NUCLEAR MATERIALS AND FACILITIES STABILIZATION.—Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1998 for nuclear materials and facilities stabilization in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $1,244,021,000, to be allocated as follows:

(1) For operation and maintenance, $1,159,114,000.

(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), $84,907,000, to be allocated as follows:

Project 98–D–453, plutonium stabilization and handling system for plutonium finishing plant, Richland, Washington, $8,136,000.

Project 98–D–700, road rehabilitation, Idaho National Engineering Laboratory, Idaho, $500,000.

Project 97–D–450, Actinide packaging and storage facility, Savannah River Site, Aiken, South Carolina, $18,000,000.

Project 97–D–451, B-Plant safety class ventilation upgrades, Richland, Washington, $2,000,000.

Project 97–D–470, environmental monitoring laboratory, Savannah River Site, Aiken, South Carolina, $5,600,000.

Project 97–D–473, health physics site support facility, Savannah River Site, Aiken, South Carolina, $4,200,000.

Project 96–D–406, spent nuclear fuels canister storage and stabilization facility, Richland, Washington, $16,744,000.

Project 96–D–461, electrical distribution upgrade, Idaho National Engineering Laboratory, Idaho, $2,927,000.

Project 96–D–464, electrical and utility systems upgrade, Idaho Chemical Processing Plant, Idaho National Engineering Laboratory, Idaho, $14,985,000.

Project 96–D–471, chlorofluorocarbon heating, ventilation, and air conditioning and chiller retrofit, Savannah River Site, Aiken, South Carolina, $8,500,000.

Project 95–D–155, upgrade site road infrastructure, Savannah River Site, South Carolina, $2,713,000.

Project 95–D–456, security facilities consolidation, Idaho Chemical Processing Plant, Idaho National Engineering Laboratory, Idaho, $602,000.

(f) PROGRAM DIRECTION.—Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1998 for program direction in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $288,251,000.

(g) POLICY AND MANAGEMENT.—Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1998 for policy and management in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $20,000,000.

(h) ENVIRONMENTAL SCIENCE PROGRAM.—Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1998 for the environmental science program in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $55,000,000.

(i) HANFORD TANK WASTE VITRIFICATION.—Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1998 for the Hanford Tank Waste Vitrification project, subject to the provisions of section 3145, in the amount of $70,000,000.

(j) 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 (h) reduced by the sum of $20,000,000, to be derived from non-safety-related contractor training expenses.

SEC. 3103. OTHER DEFENSE ACTIVITIES.

Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1998 for other defense activities in carrying out programs necessary for national security in the amount of $1,512,551,000, to be allocated as follows:

(1) For verification and control technology, $428,600,000, to be allocated as follows:

(A) For nonproliferation and verification research and development, $190,000,000.

(B) For arms control, $205,000,000.

(C) For intelligence, $33,600,000.

(2) For nuclear safeguards and security, $47,200,000.

(3) For security investigations, $25,000,000.

(4) For emergency management, $17,000,000.

(5) For program direction, $68,900,000.

(6) For worker and community transition assistance, $22,000,000, to be allocated as follows:

(A) For worker and community transition, $20,000,000.

(B) For program direction, $2,000,000.

(7) For fissile materials control and disposition, $103,451,000, to be allocated as follows:

(A) For operation and maintenance, $99,451,000.

(B) For program direction, $4,000,000.

(8) For environment, safety, and health, defense, $73,000,000, to be allocated as follows:

(A) For the Office of Environment, Safety, and Health (Defense), $63,000,000.

(B) For program direction, $10,000,000.

(9) For the Office of Hearings and Appeals, $1,900,000.

(10) For nuclear energy, $47,000,000, to be allocated as follows:

(A) For nuclear technology research and development (electrometallurgical), $12,000,000.

(B) For international nuclear safety (Soviet-designed reactors), $25,000,000.

(C) For Russian plutonium reactor core conversion, $10,000,000.

(11) For naval reactors development, $678,500,000, to be allocated as follows:

(A) For operation and maintenance, $648,920,000.

(B) For program direction, $20,080,000.

(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), $9,500,000, to be allocated as follows:

Project 98–D–200, site laboratory/facility upgrade, various locations, $1,200,000.

Project 97–D–201, advanced test reactor secondary coolant refurbishment, Idaho National Engineering Laboratory, Idaho, $4,100,000.

Project 95–D–200, laboratory systems and hot cell upgrades, various locations, $1,100,000.

Project 90–N–102, expended core facility dry cell project, Naval Reactors Facility, Idaho, $3,100,000.

SEC. 3104. DEFENSE NUCLEAR WASTE DISPOSAL.

Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1998 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 $190,000,000.

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.

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. 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 (e) of section 3102 being carried out by the office.

(B) A program referred to in subsection (a), (b), (c), (e), or (g) 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 for the period beginning on October 1, 1997, and ending on September 30, 1998.

Subtitle C—Program Authorizations, Restrictions, and Limitations

SEC. 3131. BALLISTIC MISSILE DEFENSE NATIONAL LABORATORY PROGRAM.

(a) PROGRAM.—The Secretary of Energy shall establish a program for purposes of making available to the Secretary of Defense the expertise of the national laboratories for the ballistic missile defense programs of the Department of Defense.

(b) TASK FORCE.—The Secretary of Energy shall conduct the program through a task force consisting of the directors of the Los Alamos National Laboratory, the Sandia National Laboratories, and the Lawrence Livermore National Laboratory. The chairmanship of the task force

shall rotate each year among the directors of the laboratories. The director of the Lawrence Livermore National Laboratory shall serve as the first chairman.

(c) ACTIVITIES.—Under the program, the national laboratories shall carry out those activities necessary to respond to requests for assistance from the Secretary of Defense with respect to the ballistic missile defense programs of the Department of Defense. Such activities may include the identification of technical modifications and test techniques, the analysis of physics problems, the consolidation of range and test activities, and the analysis and simulation of theater missile defense deployment problems.

(d) FUNDING.—Of the amounts authorized to be appropriated by section 3101(a)(1), $50,000,000 shall be available only for the program authorized by this section.

Subtitle D—Other Matters

SEC. 3141. PLAN FOR STEWARDSHIP, MANAGEMENT, AND CERTIFICATION OF WARHEADS IN THE NUCLEAR WEAPONS STOCKPILE.

(a) PLAN REQUIREMENT.—The Secretary of Energy shall develop and annually update a plan for maintaining the nuclear weapons stockpile. The plan shall cover, at a minimum, stockpile stewardship, stockpile management, and program direction and shall be consistent with the programmatic and technical requirements of the most recent annual Nuclear Weapons Stockpile Memorandum.

(b) PLAN ELEMENTS.—The plan and each update of the plan shall set forth the following:

(1) The number of warheads (including active and inactive warheads) for each type of warhead in the nuclear weapons stockpile.

(2) The current age of each warhead type, and any plans for stockpile lifetime extensions and modifications or replacement of each warhead type.

(3) The process by which the Secretary of Energy is assessing the lifetime, and requirements for lifetime extension or replacement, of the nuclear and nonnuclear components of the warheads (including active and inactive warheads) in the nuclear weapons stockpile.

(4) The process used in recertifying the safety, security, and reliability of each warhead type in the nuclear weapons stockpile.

(5) Any concerns which would affect the ability of the Secretary of Energy to recertify the safety, security, or reliability of warheads in the nuclear weapons stockpile (including active and inactive warheads).

(c) ANNUAL SUBMISSION OF PLAN TO CONGRESS.—The Secretary of Energy shall submit to Congress the plan developed under subsection (a) not later than March 15, 1998, and shall submit an updated version of the plan not later than March 15 of each year thereafter. The plan shall be submitted in both classified and unclassified form.

(d) REPEAL OF SUPERSEDED REQUIREMENTS.—The following provisions of law are repealed:

(1) Subsection (d) of section 3138 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160; 107 Stat. 1947; 42 U.S.C. 2121 note).

(2) Section 3153 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 624; 42 U.S.C. 2121 note).

(3) Section 3159 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 626; 42 U.S.C. 7271b note).

(4) Section 3156 of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201; 110 Stat. 2841; 42 U.S.C. 7271c).

SEC. 3142. REPEAL OF OBSOLETE REPORTING REQUIREMENTS.

The following provisions of law are repealed:

(1) Subsection (e) of section 1436 of the National Defense Authorization Act, Fiscal Year 1989 (Public Law 100–456; 102 Stat. 2075; 42 U.S.C. 2121 note).

(2) Section 3143 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101–189; 103 Stat. 1681; 42 U.S.C. 7271a).

(3) Section 3134 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102–484; 106 Stat. 2639).

SEC. 3143. REVISIONS TO DEFENSE NUCLEAR FACILITIES WORKFORCE RESTRUCTURING PLAN REQUIREMENTS.

(a) REPEAL OF PERIOD FOR NOTIFICATION OF CHANGES IN WORKFORCE.—Section 3161(c)(1) of the National Defense Authorization Act for Fiscal Year 1993 (42 U.S.C. 7274h(c)(1)) is amended—

(1) by inserting ''and'' at the end of subparagraph (A); and

(2) by striking out subparagraph (B).

(b) REPEAL OF REQUIREMENTS FOR PLAN UPDATES AND SUBMISSION TO CONGRESS.—Subsections (e) and (f) of section 3161 of such Act are repealed.

(c) PROHIBITION ON USE OF FUNDS FOR LOCAL IMPACT ASSISTANCE.—None of the funds authorized to be appropriated to the Department of Energy pursuant to section 3103(6) may be used for local impact assistance from the Department of Energy under section 3161(c)(6) of such Act (42 U.S.C. 7274h(c)(6)).

(d) TREATMENT OF FEDERAL EMPLOYEES.—Section 3161 of such Act, as amended by subsection (b), is further amended by adding at the end the following new subsection:

''(e) TREATMENT OF FEDERAL EMPLOYEES.—This section does not apply to employees of the Department of Energy.''.

(e) EFFECT ON USEC PRIVATIZATION ACT.—Nothing in this section shall be construed as diminishing the obligations of the Secretary of Energy under section 3110(a)(5) of the USEC Privatization Act (Public Law 104–134; 110 Stat. 1321–341; 42 U.S.C. 2297h–8(a)(5)).

(f) TERMINATION.—Section 3161 of such Act (42 U.S.C. 7274h) is repealed, effective on September 30, 1999.

SEC. 3144. EXTENSION OF AUTHORITY FOR APPOINTMENT OF CERTAIN SCIENTIFIC, ENGINEERING, AND TECHNICAL PERSONNEL.

Section 3161 of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 108 Stat. 3095; 42 U.S.C. 7231 note) is amended—

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

(2) in subsection (d)(1), by striking out ''1997'' and inserting in lieu thereof ''1999''.

SEC. 3145. REPORT ON PROPOSED CONTRACT FOR HANFORD TANK WASTE VITRIFICATION PROJECT.

(a) PRIOR NOTICE TO CONGRESSIONAL DEFENSE COMMITTEES BEFORE ENTERING INTO CONTRACT.—(1) The Secretary of Energy may not enter into a contract for the Hanford Tank Waste Vitrification project until—

(A) the Secretary submits a report on the proposed contract to the congressional defense committees; and

(B) a period of 30 days of continuous session of Congress has expired following the date on which the report is submitted.

(2) For purposes of paragraph (1)(B), the continuity of a session of Congress is broken only by an adjournment of the Congress sine die, and 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 such 30-day period.

(b) REPORT.—A report under subsection (a)(1) shall include the following:

(A) A description of the activities to be carried out under the contract.

(B) A description of the funds expended, and the funds obligated but not expended, as of the date of the report on remediation of Hanford tank waste since 1989.

(C) A description of the contractual and financial aspects of the contract, including any provisions relating to the risk of nonperformance and risk assumption by the United States and the contractor or contractors.

(D) An analysis of the cost to the United States of the proposed contract, including a detailed analysis of the annual budget authority and outlay requirements for the life of the project.

(E) If the proposed contract contemplates construction of two projects, an analysis of the basis for the selection of the two projects, and a detailed analysis of the costs to the United States of two projects compared to the costs to the United States of one project.

(F) If the proposed contract provides for financing of the project (or projects) by an entity or entities other than the United States, a detailed analysis of the costs of such financing compared to the costs of financing the project (or projects) by the United States.

SEC. 3146. LIMITATION ON CONDUCT OF SUBCRITICAL NUCLEAR WEAPONS TESTS.

The Secretary of Energy may not conduct any subcritical nuclear weapons tests using funds available to the Secretary for fiscal year 1998 until 30 days after the Secretary submits to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a detailed report on the manner in which funds available to the Secretary for fiscal years 1996 and 1997 to conduct such tests were used.

SEC. 3147. LIMITATION ON USE OF CERTAIN FUNDS UNTIL FUTURE USE PLANS ARE SUBMITTED.

(a) LIMITATION.—The Secretary of Energy may not use more than 80 percent of the funds available to the Secretary pursuant to the authorization of appropriations in section 3102(f) (relating to policy and management) until the Secretary submits the plans described in subsection (b).

(b) PLANS.—The plans referred to in subsection (a) are the draft future use plan and the final future use plan required under section 3153(f) of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201; 110 Stat. 2840; 42 U.S.C. 7274k).

SEC. 3148. PLAN FOR EXTERNAL OVERSIGHT OF NATIONAL LABORATORIES.

(a) PLAN REQUIREMENT.—The Secretary of Energy, acting through the Assistant Secretary for Defense Programs, shall develop a plan for the external oversight of the national laboratories.

(b) PLAN ELEMENTS.—The plan shall—

(1) provide for the establishment of an external oversight committee comprised of representatives of industry and academia for the purpose of making recommendations to the Secretary of Energy and the congressional defense committees on the productivity of the laboratories and on the excellence, relevance, and appropriateness of the research conducted by the laboratories; and

(2) provide for the establishment of a competitive peer review process for funding basic research at the laboratories.

(c) SUBMISSION TO CONGRESS.—The Secretary of Energy shall submit the plan to the congressional defense committees not later than 120 days after the date of the enactment of this Act.

(d) NATIONAL LABORATORIES COVERED.—For purposes of this section, the national laboratories are—

(1) the Lawrence Livermore National Laboratory, Livermore, California;

(2) the Los Alamos National Laboratory, Los Alamos, New Mexico;

(3) the Sandia National Laboratories, Albuquerque, New Mexico; and

(4) the Nevada Test Site.

SEC. 3149. UNIVERSITY-BASED RESEARCH CENTER.

(a) FINDINGS.—The Congress finds the following:

(1) The maintenance of scientific and engineering competence in the United States is vital to long-term national security and the defense

and national security missions of the Department of Energy.

(2) Engaging the universities and colleges of the Nation in research on long-range problems of vital national security interest will be critical to solving the technology challenges faced within the defense and national programs of the Department of Energy in the next century.

(3) Enhancing collaboration among the national laboratories, universities and colleges, and industry will contribute significantly to the performance of these Department of Energy missions.

(b) CENTER.—The Secretary of Energy shall establish a university-based research center at a location that can develop the most effective collaboration among national laboratories, universities and colleges, and industry in support of scientific and engineering advancement in key Department of Energy defense program areas.

(c) FUNDING.—Of the funds authorized to be appropriated to the Department of Energy in fiscal year 1998, the Secretary shall make $5,000,000 available for the establishment and operation of the Center.

SEC. 3150. STOCKPILE STEWARDSHIP PROGRAM.

(a) FINDINGS.—Congress finds the following:

(1) Eliminating the threat posed by nuclear weapons to the United States is an important national security goal.

(2) As long as nuclear threats remain, the nuclear deterrent of the United States must be effective and reliable.

(3) A safe, secure, effective, and reliable United States nuclear stockpile is central to the current nuclear deterrence strategy of the United States.

(4) The Secretary of Energy has undertaken a stockpile stewardship and management program to ensure the safety, security, effectiveness, and reliability of the nuclear weapons stockpile of the United States, consistent with all United States treaty requirements and the requirements of the nuclear deterrence strategy of the United States.

(5) It is the policy of the current administration that new nuclear weapon designs are not required to effectively implement the nuclear deterrence strategy of the United States.

(b) POLICY.—It is the policy of the United States that—

(1) activities of the stockpile stewardship program shall be directed toward ensuring that the United States possesses a safe, secure, effective, and reliable nuclear stockpile, consistent with the national security requirements of the United States; and

(2) stockpile stewardship activities of the United States shall be conducted in conformity with the terms of the Treaty on the Non-Proliferation of Nuclear Weapons (TIAS 6839) and the Comprehensive Test Ban Treaty signed by the President on September 24, 1996, when and if that treaty enters into force.

SEC. 3151. REPORTS ON ADVANCED SUPERCOMPUTER SALES TO CERTAIN FOREIGN NATIONS.

(a) REPORTS.—The Secretary of Energy shall require that any company that is a participant in the Accelerated Strategic Computing Initiative (ASCI) program of the Department of Energy report to the Secretary and to the Secretary of Defense each sale by that company to a country designated as a Tier III country of a computer capable of operating at a speed in excess of 2,000,000 theoretical operations per second (MTOPS). The report shall include a description of the following with respect to each such sale:

(1) The anticipated end-use of the computer sold.

(2) The software included with the computer.

(3) Any arrangement under the terms of the sale regarding—

(A) upgrading the computer;

(B) servicing of the computer; or

(C) the furnishing of spare parts for the computer.

(b) COVERED COUNTRIES.—For purposes of this section, the countries designated as Tier III countries are the countries listed as ''computer tier 3'' eligible countries in part 740.7 of title 15 of the Code of Federal Regulations, as in effect on June 10, 1997 (or any successor list).

(c) QUARTERLY SUBMISSION OF REPORTS.—The Secretary of Energy shall require that reports under subsection (a) be submitted quarterly.

(d) ANNUAL REPORT.—The Secretary of Energy shall submit to Congress an annual report containing all information received under subsection (a) during the preceding year. The first annual report shall be submitted not later than July 1, 1998.

TITLE XXXII—DEFENSE NUCLEAR FACILITIES SAFETY BOARD

SEC. 3201. AUTHORIZATION.

There are authorized to be appropriated for fiscal year 1998, $17,500,000 for the operation of the Defense Nuclear Facilities Safety Board under chapter 21 of the Atomic Energy Act of 1954 (42 U.S.C. 2286 et seq.).

SEC. 3202. PLAN FOR TRANSFER OF FACILITIES FROM JURISDICTION OF DEFENSE NUCLEAR FACILITIES SAFETY BOARD TO JURISDICTION OF NUCLEAR REGULATORY COMMISSION.

(a) PLAN REQUIREMENT.—(1) The Defense Nuclear Facilities Safety Board (in this section referred to as the ''Board'') shall develop, in consultation with the Secretary of Energy and the Nuclear Regulatory Commission, a plan for—

(A) increasing the authority of the Nuclear Regulatory Commission to include the regulation of Department of Energy defense nuclear facilities; and

(B) decreasing or eliminating the functions of the Board with respect to such facilities under chapter 21 of the Atomic Energy Act of 1954 (42 U.S.C. 2286 et seq.).

(2) The plan shall be submitted to Congress not later than six months after the date of the enactment of this Act.

(b) PLAN ELEMENTS.—The plan shall include the following:

(1) A list of facilities as described in subsection (c).

(2) A schedule for the orderly transfer of such facilities from the jurisdiction of the Board to the jurisdiction of the Nuclear Regulatory Commission.

(3) Recommendations on the order in which the facilities should be transferred, including such recommendations as the Board considers appropriate with respect to the suitability of the various facilities for transfer and the appropriateness for the various facilities of the schedule for conducting the transfer.

(4) Such other provisions as the Board considers necessary to carry out an orderly transfer under paragraph (2).

(c) LIST OF FACILITIES.—The plan shall contain a list of all Department of Energy defense nuclear facilities, grouped according to the following criteria:

(1) Facilities that are similar to facilities regulated by the Nuclear Regulatory Commission on the date of the enactment of this Act.

(2) Facilities that are in compliance with Department of Energy nuclear safety requirements and Board recommendations in existence on the date of the enactment of this Act.

(3) Facilities the regulation of which would involve the Nuclear Regulatory Commission in unique national security interests, including the classified design and configuration of a nuclear weapon or explosive device.

(d) FACILITY DEFINED.—In this section, the term ''Department of Energy defense nuclear facility'' has the meaning provided by section 318 of the Atomic Energy Act of 1954 (42 U.S.C. 2286g), except that the term includes such a facility that is under construction or is planned by the Secretary of Energy to be constructed.

(e) REPEAL OF PROHIBITION ON USE OF FUNDS.—Section 210 of the Department of Energy National Security and Military Applications of Nuclear Energy Authorization Act of 1981 (42 U.S.C. 7272) is repealed.

TITLE XXXIII—NATIONAL DEFENSE STOCKPILE

SEC. 3301. AUTHORIZED USES OF STOCKPILE FUNDS.

(a) OBLIGATION OF STOCKPILE FUNDS.—During fiscal year 1998, the National Defense Stockpile Manager may obligate up to $73,000,000 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. 3302. DISPOSAL OF BERYLLIUM COPPER MASTER ALLOY IN NATIONAL DEFENSE STOCKPILE.

(a) DISPOSAL AUTHORIZATION.—Pursuant to section 5(b) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98d(b)), the National Defense Stockpile Manager may dispose of all beryllium copper master alloy from the National Defense Stockpile provided for in section 4 of such Act (50 U.S.C. 98c) as part of continued efforts to modernize the Stockpile.

(b) PRECONDITION FOR DISPOSAL.—Before beginning the disposal of beryllium copper master alloy under subsection (a), the National Defense Stockpile Manager shall certify to Congress that the disposal of beryllium copper master alloy will not adversely affect the capability of the National Defense Stockpile to supply the strategic and critical material needs of the United States.

(c) CONSULTATION WITH MARKET IMPACT COMMITTEE.—In disposing of beryllium copper master alloy under subsection (a), the National Defense Stockpile Manager shall consult with the Market Impact Committee established under section 10(c) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h–1(c)) to ensure that the disposal of beryllium copper master alloy does not disrupt the domestic beryllium industry.

(d) EXTENDED SALES CONTRACTS.—The National Defense Stockpile Manager shall provide for the use of long-term sales contracts for the disposal of beryllium copper master alloy under subsection (a) so that the domestic beryllium industry can re-absorb this material into the market in a gradual and nondisruptive manner. However, no such contract shall provide for the disposal of beryllium copper master alloy over a period longer than eight years, beginning on the date of the commencement of the first contract under this section.

(e) 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 beryllium copper master alloy.

(f) BERYLLIUM COPPER MASTER ALLOY DEFINED.—For purposes of this section, the term ''beryllium copper master alloy'' means an alloy of nominally four percent beryllium in copper.

SEC. 3303. DISPOSAL OF TITANIUM SPONGE IN NATIONAL DEFENSE STOCKPILE.

(a) DISPOSAL REQUIRED.—Subject to subsection (b), the National Defense Stockpile Manager shall dispose of 34,800 short tons of titanium sponge contained in the National Defense

Stockpile provided for in section 4 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98c) and excess to stockpile requirements.

(b) CONSULTATION WITH MARKET IMPACT COMMITTEE.—In disposing of titanium sponge under subsection (a), the National Defense Stockpile Manager shall consult with the Market Impact Committee established under section 10(c) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h–1(c)) to ensure that the disposal of titanium sponge does not disrupt the domestic titanium industry.

(c) RELATIONSHIP TO OTHER DISPOSAL AUTHORITY.—The disposal authority provided in subsection (a) is new disposal authority and is in addition to, and shall not affect, any other disposal authority provided by law regarding titanium sponge.

SEC. 3304. CONDITIONS ON TRANSFER OF STOCKPILED PLATINUM RESERVES FOR TREASURY USE.

(a) IMPOSITION OF CONDITIONS.—Any transfer of platinum contained in the National Defense Stockpile provided for in section 4 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98c) to the Secretary of the Treasury for use to mint and issue bullion and proof platinum coins or for any other purpose shall be subject to the conditions contained in this section.

(b) YEARLY LIMITATION.—The quantity of platinum transferred from the stockpile to the Secretary of the Treasury may not exceed 200,000 troy ounces during any fiscal year, of which not more than 81,600 troy ounces per year may be platinum of the highest quality specification.

(c) REPLACEMENT UPON NOTICE.—The Secretary of the Treasury shall replace platinum received from the stockpile within one year after receiving notice from the Secretary of Defense specifying the quantity and quality of transferred platinum to be replaced and the need for replacement.

(d) COSTS.—Any transfer of platinum from the stockpile to the Secretary of the Treasury shall be made without the expenditure of any funds available to the Department of Defense. The Secretary of the Treasury shall be responsible for all costs incurred in connection with the transfer, subsequent to the transfer, or in connection with the replacement of the transferred platinum, such as transportation, storage, testing, refining, or casting costs.

SEC. 3305. RESTRICTIONS ON DISPOSAL OF CERTAIN MANGANESE FERRO.

(a) REQUIREMENT FOR REMELTING BY DOMESTIC FERROALLOY PRODUCERS.—High carbon manganese ferro in the National Defense Stockpile that does not meet the National Defense Stockpile classification of Grade One, Specification 30(a), as revised May 22, 1992, may be sold only for remelting by a domestic ferroalloy producer unless the President determines that a domestic ferroalloy producer is not available to acquire the material. After the date of the enactment of this Act, the President may not reclassify high carbon manganese ferro stored in the National Defense Stockpile as of that date.

(b) DOMESTIC FERROALLOY PRODUCER DEFINED.—For purposes of this section, the term ''domestic ferroalloy producer'' means a company or other business entity that, as determined by the President—

(1) is engaged in operations to upgrade manganese ores of metallurgical grade or manganese ferro; and

(2) conducts a significant level of its research, development, engineering, and upgrading operations in the United States.

(c) CONSULTATION WITH MARKET IMPACT COMMITTEE.—In disposing of high carbon manganese ferro in the National Defense Stockpile, the National Defense Stockpile Manager shall consult with the Market Impact Committee established under section 10(c) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h–1(c)) to ensure that the disposal of high carbon manganese ferro does not disrupt the domestic manganese ferro industry.

(d) CONFORMING REPEAL.—Section 3304 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 629) is repealed.

SEC. 3306. REQUIRED PROCEDURES FOR DISPOSAL OF STRATEGIC AND CRITICAL MATERIALS.

Section 6(b) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98e(b)) is amended in the first sentence by striking out ''materials from the stockpile shall be made by formal advertising or competitive negotiation procedures.'' and inserting in lieu thereof ''strategic and critical materials from the stockpile shall be made in accordance with the next sentence.''.

TITLE XXXIV—NAVAL PETROLEUM RESERVES

SEC. 3401. AUTHORIZATION OF APPROPRIATIONS.

There is hereby authorized to be appropriated to the Secretary of Energy $117,000,000 for fiscal year 1998 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 1998.

Notwithstanding section 7430(b)(2) of title 10, United States Code, during fiscal year 1998, 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.

SEC. 3403. TERMINATION OF ASSIGNMENT OF NAVY OFFICERS TO OFFICE OF NAVAL PETROLEUM AND OIL SHALE RESERVES.

(a) TERMINATION OF ASSIGNMENT REQUIREMENT.—Section 2 of Public Law 96–137 (42 U.S.C. 7156a) is repealed.

(b) EFFECT ON EXISTING ASSIGNMENTS.—In the case of an officer of the Navy assigned, as of the date of the enactment of this Act, to a management position within the Office of Naval Petroleum and Oil Shale Reserves, the Secretary of the Navy may continue such assignment notwithstanding the repeal of section 2 of Public Law 96–137 (42 U.S.C. 7156a), except that such assignment may not extend beyond the date of the sale of Naval Petroleum Reserve Numbered 1 (Elk Hills) pursuant to subtitle B of title XXXIV of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 10 U.S.C. 7420 note).

TITLE XXXV—PANAMA CANAL COMMISSION

Subtitle A—Authorization of Expenditures From Revolving Fund

SEC. 3501. SHORT TITLE.

This subtitle may be cited as the ''Panama Canal Commission Authorization Act for Fiscal Year 1998''.

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 1998.

(b) LIMITATIONS.—For fiscal year 1998, the Panama Canal Commission may expend from funds in the Panama Canal Revolving Fund not more than $85,000 for official reception and representation expenses, of which—

(1) not more than $23,000 may be used for official reception and representation expenses of the Supervisory Board of the Commission;

(2) not more than $12,000 may be used for official reception and representation expenses of the Secretary of the Commission; and

(3) not more than $50,000 may be used for official reception and representation expenses of the Administrator of the Commission.

SEC. 3503. PURCHASE OF VEHICLES.

Notwithstanding any other provision 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 built in the United States, the purchase price of which shall not exceed $22,000 per vehicle.

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—Facilitation of Panama Canal Transition

SEC. 3511. SHORT TITLE; REFERENCES.

(a) SHORT TITLE.—This subtitle may be cited as the ''Panama Canal Transition Facilitation Act of 1997''.

(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. 3512. DEFINITIONS RELATING TO CANAL TRANSITION.

Section 3 (22 U.S.C. 3602) is amended by adding at the end the following new subsection:

''(d) For purposes of this Act:

''(1) The term 'Canal Transfer Date' means December 31, 1999, such date being the date specified in the Panama Canal Treaty of 1977 for the transfer of the Panama Canal from the United States of America to the Republic of Panama.

''(2) The term 'Panama Canal Authority' means the entity created by the Republic of Panama to succeed the Panama Canal Commission as of the Canal Transfer Date.''.

PART I—TRANSITION MATTERS RELATING TO COMMISSION OFFICERS AND EMPLOYEES

SEC. 3521. AUTHORITY FOR THE ADMINISTRATOR OF THE COMMISSION TO ACCEPT APPOINTMENT AS THE ADMINISTRATOR OF THE PANAMA CANAL AUTHORITY.

(a) AUTHORITY FOR DUAL ROLE.—Section 1103 (22 U.S.C. 3613) is amended by adding at the end the following new subsection:

''(c) The Congress consents, for purposes of the 8th clause of article I, section 9 of the Constitution of the United States, to the acceptance by the individual serving as Administrator of the Commission of appointment by the Republic of Panama to the position of Administrator of the Panama Canal Authority. Such consent is effective only if that individual, while serving in both such positions, serves as Administrator of the Panama Canal Authority without compensation, except for payments by the Republic of Panama of travel and entertainment expenses, including per diem payments.''.

(b) WAIVER OF CERTAIN CONFLICT-OF-INTEREST STATUTES.—Such section is further amended by adding at the end the following new subsections:

''(d) The Administrator, with respect to participation in any matter as Administrator of the Panama Canal Commission (whether such participation is before, on, or after the date of the enactment of the Panama Canal Transition Facilitation Act of 1997), shall not be subject to section 208 of title 18, United States Code, insofar as the matter relates to prospective employment as Administrator of the Panama Canal Authority.

''(e) If the Republic of Panama appoints as the Administrator of the Panama Canal Authority the individual serving as the Administrator of the Commission and if that individual accepts the appointment—

''(1) the Foreign Agents Registration Act of 1938, as amended (22 U.S.C. 611 et seq.), shall not apply to that individual with respect to service as the Administrator of the Panama Canal Authority;

''(2) that individual, with respect to participation in any matter as the Administrator of the Panama Canal Commission, is not subject to section 208 of title 18, United States Code, insofar as the matter relates to service as, or performance of the duties of, the Administrator of the Panama Canal Authority; and

''(3) that individual, with respect to official acts performed as the Administrator of the Panama Canal Authority, is not subject to the following:

''(A) Sections 203 and 205 of title 18, United States Code.

''(B) Effective upon termination of the individual's appointment as Administrator of the Panama Canal Commission at noon on the Canal Transfer Date, section 207 of title 18, United States Code.

''(C) Sections 501(a) and 502(a)(4) of the Ethics in Government Act of 1978 (5 U.S.C. App.), with respect to compensation received for, and service in, the position of Administrator of the Panama Canal Authority.''.

SEC. 3522. POST-CANAL TRANSFER PERSONNEL AUTHORITIES.

(a) WAIVER OF CERTAIN POST-EMPLOYMENT RESTRICTIONS FOR COMMISSION PERSONNEL BECOMING EMPLOYEES OF THE PANAMA CANAL AUTHORITY.—Section 1112 (22 U.S.C. 3622) is amended by adding at the end the following new subsection:

''(e) Effective as of the Canal Transfer Date, section 207 of title 18, United States Code, shall not apply to an individual who is an officer or employee of the Panama Canal Authority, but only with respect to official acts of that individual as an officer or employee of the Authority and only in the case of an individual who was an officer or employee of the Commission and whose employment with the Commission was terminated at noon on the Canal Transfer Date.''.

(b) CONSENT OF CONGRESS FOR ACCEPTANCE BY RESERVE AND RETIRED MEMBERS OF THE ARMED FORCES OF EMPLOYMENT BY PANAMA CANAL AUTHORITY.—Such section is further amended by adding after subsection (e), as added by subsection (a), the following new subsection:

''(f)(1) The Congress consents to the following persons accepting civil employment (and compensation for that employment) with the Panama Canal Authority for which the consent of the Congress is required by the last paragraph of section 9 of article I of the Constitution of the United States, relating to acceptance of emoluments, offices, or titles from a foreign government:

''(A) Retired members of the uniformed services.

''(B) Members of a reserve component of the armed forces.

''(C) Members of the Commisioned Reserve Corps of the Public Health Service.

''(2) The consent of the Congress under paragraph (1) is effective without regard to subsection (b) of section 908 of title 37, United States Code (relating to approval required for employment of Reserve and retired members by foreign governments).''.

SEC. 3523. ENHANCED AUTHORITY OF COMMISSION TO ESTABLISH COMPENSATION OF COMMISSION OFFICERS AND EMPLOYEES.

(a) REPEAL OF LIMITATIONS ON COMMISSION AUTHORITY.—The following provisions are repealed:

(1) Section 1215 (22 U.S.C. 3655), relating to basic pay.

(2) Section 1219 (22 U.S.C. 3659), relating to salary protection upon conversion of pay rate.

(3) Section 1225 (22 U.S.C. 3665), relating to minimum level of pay and minimum annual increases.

(b) SAVINGS PROVISION.—Section 1202 (22 U.S.C. 3642) is amended by adding at the end the following new subsection:

''(c) In the case of an individual who is an officer or employee of the Commission on the day before the date of the enactment of the Panama Canal Transition Facilitation Act of 1997 and who has not had a break in service with the Commission since that date, the rate of basic pay for that officer or employee on or after that date may not be less than the rate in effect for that officer or employee on the day before that date of enactment except—

''(1) as provided in a collective bargaining agreement;

''(2) as a result of an adverse action against the officer or employee; or

''(3) pursuant to a voluntary demotion.''.

(c) CROSS-REFERENCE AMENDMENTS.—(1) Section 1216 (22 U.S.C. 3656) is amended by striking out ''1215'' and inserting in lieu thereof ''1202''.

(2) Section 1218 (22 U.S.C. 3658) is amended by striking out ''1215'' and ''1217'' and inserting in lieu thereof ''1202'' and ''1217(a)'', respectively.

SEC. 3524. TRAVEL, TRANSPORTATION, AND SUBSISTENCE EXPENSES FOR COMMISSION PERSONNEL NO LONGER SUBJECT TO FEDERAL TRAVEL REGULATION.

(a) REPEAL OF APPLICABILITY OF TITLE 5 PROVISIONS.—(1) Section 1210 (22 U.S.C. 3650) is amended by striking out subsections (a), (b), and (c).

(2) Section 1224 (22 U.S.C. 3664) is amended—

(A) by striking out paragraph (10); and

(B) by redesignating paragraphs (11) through (20) as paragraphs (10) through (19), respectively.

(b) CONFORMING AMENDMENTS.—(1) Section 1210 is further amended—

(A) by redesignating subsection (d)(1) as subsection (a) and in that subsection striking out ''paragraph (2)'' and inserting in lieu thereof ''subsection (b)''; and

(B) by redesignating subsection (d)(2) as subsection (b) and in that subsection—

(i) striking out ''Notwithstanding paragraph (1), an'' and inserting in lieu thereof ''An''; and

(ii) striking out ''referred to in paragraph (1)'' and inserting in lieu thereof ''who is a citizen of the Republic of Panama''.

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

''AIR TRANSPORTATION''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on January 1, 1999.

SEC. 3525. ENHANCED RECRUITMENT AND RETENTION AUTHORITIES.

(a) RECRUITMENT, RELOCATION, AND RETENTION BONUSES.—Section 1217 (22 U.S.C. 3657) is amended—

(1) by redesignating subsection (c) as subsection (e);

(2) in subsection (e) (as so redesignated), by striking out ''for the same or similar work performed in the United States by individuals employed by the Government of the United States'' and inserting in lieu thereof ''of the individual to whom the compensation is paid''; and

(3) by inserting after subsection (b) the following new subsections:

''(c)(1) The Commission may pay a recruitment bonus to an individual who is newly appointed to a position with the Commission, or a relocation bonus to an employee of the Commission who must relocate to accept a position, if the Commission determines that the Commission would be likely, in the absence of such a bonus, to have difficulty in filling the position.

''(2) A recruitment or relocation bonus may be paid to an employee under this subsection only if the employee enters into an agreement with the Commission to complete a period of employment with the Commission established by the Commission. If the employee voluntarily fails to complete such period of employment or is separated from service in such employment as a result of an adverse action before the completion of such period, the employee shall repay the entire amount of the bonus.

''(3) A relocation bonus under this subsection may be paid as a lump sum. A recruitment bonus under this subsection shall be paid on a pro rata basis over the period of employment covered by the agreement under paragraph (2). A bonus under this subsection may not be considered to be part of the basic pay of an employee.

''(d)(1) The Commission may pay a retention bonus to an employee of the Commission if the Commission determines that—

''(A) the employee has unusually high or unique qualifications and those qualifications make it essential for the Commission to retain the employee for a period specified by the Commission ending not later than the Canal Transfer Date, or the Commission otherwise has a special need for the services of the employee making it essential for the Commission to retain the employee for a period specified by the Commission ending not later than the Canal Transfer Date; and

''(B) the employee would be likely to leave employment with the Commission before the end of that period if the retention bonus is not paid.

''(2) A retention bonus under this subsection—

''(A) shall be in a fixed amount;

''(B) shall be paid on a pro rata basis (over the period specified by the Commission as essential for the retention of the employee), with such payments to be made at the same time and in the same manner as basic pay; and

''(C) may not be considered to be part of the basic pay of an employee.

''(3) A decision by the Commission to exercise or to not exercise the authority to pay a bonus under this subsection shall not be subject to review under any statutory procedure or any agency or negotiated grievance procedure except under any of the laws referred to in section 2302(d) of title 5, United States Code.''.

(b) EDUCATIONAL SERVICES.—Section 1321(e)(2) (22 U.S.C. 3731(e)(2)) is amended by striking out ''and persons'' and inserting in lieu thereof '', to other Commission employees when determined by the Commission to be necessary for their recruitment or retention, and to other persons''.

SEC. 3526. TRANSITION SEPARATION INCENTIVE PAYMENTS.

Chapter 2 of title I (22 U.S.C. 3641 et seq.) is amended by adding at the end of subchapter III the following new section:

''TRANSITION SEPARATION INCENTIVE PAYMENTS

''SEC. 1233. (a) In applying to the Commission and employees of the Commission the provisions of section 663 of the Treasury, Postal Service, and General Government Appropriations Act, 1997 (as contained in section 101(f) of division A of Public Law 104–208; 110 Stat. 3009–383), relating to voluntary separation incentives for employees of certain Federal agencies (in this section referred to as 'section 663')—

''(1) the term 'employee' shall mean an employee of the Commission who has served in the Republic of Panama in a position with the Commission for a continuous period of at least three years immediately before the employee's separation under an appointment without time limitation and who is covered under the Civil Service Retirement System or the Federal Employees' Retirement System under subchapter III of chapter 83 or chapter 84, respectively, of title 5, United States Code, other than—

''(A) an employee described in any of subparagraphs (A) through (F) of subsection (a)(2) of section 663; or

''(B) an employee of the Commission who, during the 24-month period preceding the date

of separation, has received a recruitment or relocation bonus under section 1217(c) of this Act or who, within the 12-month period preceding the date of separation, received a retention bonus under section 1217(d) of this Act;

''(2) the strategic plan under subsection (b) of section 663 shall include (in lieu of the matter specified in subsection (b)(2) of that section)—

''(A) the positions to be affected, identified by occupational category and grade level;

''(B) the number and amounts of separation incentive payments to be offered; and

''(C) a description of how such incentive payments will facilitate the successful transfer of the Panama Canal to the Republic of Panama;

''(3) a separation incentive payment under section 663 may be paid to a Commission employee only to the extent necessary to facilitate the successful transfer of the Panama Canal by the United States of America to the Republic of Panama as required by the Panama Canal Treaty of 1977;

''(4) such a payment—

''(A) may be in an amount determined by the Commission not to exceed $25,000; and

''(B) may be made (notwithstanding the limitation specified in subsection (c)(2)(D) of section 663) in the case of an eligible employee who voluntarily separates (whether by retirement or resignation) during the 90-day period beginning on the date of the enactment of this section or during the period beginning on October 1, 1998, and ending on December 31, 1998;

''(5) in the case of not more than 15 employees who (as determined by the Commission) are unwilling to work for the Panama Canal Authority after the Canal Transfer Date and who occupy critical positions for which (as determined by the Commission) at least two years of experience is necessary to ensure that seasoned managers are in place on and after the Canal Transfer Date, such a payment (notwithstanding paragraph (4))—

''(A) may be in an amount determined by the Commission not to exceed 50 percent of the basic pay of the employee; and

''(B) may be made (notwithstanding the limitation specified in subsection (c)(2)(D) of section 663) in the case of such an employee who voluntarily separates (whether by retirement or resignation) during the 90-day period beginning on the date of the enactment of this section; and

''(6) the provisions of subsection (f) of section 663 shall not apply.

''(b) A decision by the Commission to exercise or to not exercise the authority to pay a transition separation incentive under this section shall not be subject to review under any statutory procedure or any agency or negotiated grievance procedure except under any of the laws referred to in section 2302(d) of title 5, United States Code.''.

SEC. 3527. LABOR-MANAGEMENT RELATIONS.

Section 1271 (22 U.S.C. 3701) is amended by adding at the end the following new subsection:

''(c)(1) This subsection applies to any matter that becomes the subject of collective bargaining between the Commission and the exclusive representative for any bargaining unit of employees of the Commission during the period beginning on the date of the enactment of this subsection and ending on the Canal Transfer Date.

''(2)(A) The resolution of impasses resulting from collective bargaining between the Commission and any such exclusive representative during that period shall be conducted in accordance with such procedures as may be mutually agreed upon between the Commission and the exclusive representative (without regard to any otherwise applicable provisions of chapter 71 of title 5, United States Code). Such mutually agreed upon procedures shall become effective upon transmittal by the Chairman of the Commission to the Congress of notice of the agreement to use those procedures and a description of those procedures.

''(B) The Federal Services Impasses Panel shall not have jurisdiction to resolve any impasse between the Commission and any such exclusive representative in negotiations over a procedure for resolving impasses.

''(3) If the Commission and such an exclusive representative do not reach an agreement concerning a procedure for resolving impasses with respect to a bargaining unit and transmit notice of the agreement under paragraph (2) on or before July 1, 1998, the following shall be the procedure by which collective bargaining impasses between the Commission and the exclusive representative for that bargaining unit shall be resolved:

''(A) If bargaining efforts do not result in an agreement, the parties shall request the Federal Mediation and Conciliation Service to assist in achieving an agreement.

''(B) If an agreement is not reached within 45 days after the date on which either party requests the assistance of the Federal Mediation and Conciliation Service in writing (or within such shorter period as may be mutually agreed upon by the parties), the parties shall be considered to be at an impasse and shall request the Federal Services Impasses Panel of the Federal Labor Relations Authority to decide the impasse.

''(C) If the Federal Services Impasses Panel fails to issue a decision within 90 days after the date on which its services are requested (or within such shorter period as may be mutually agreed upon by the parties), the efforts of the Panel shall be terminated.

''(D) In such a case, the Chairman of the Panel (or another member in the absence of the Chairman) shall immediately determine the matter by a drawing (conducted in such manner as the Chairman (or, in the absence of the Chairman, such other member) determines appropriate) between the last offer of the Commission and the last offer of the exclusive representative, with the offer chosen through such drawing becoming the binding resolution of the matter.

''(4) In the case of a notice of agreement described in paragraph (2)(A) that is transmitted to the Congress as described in the second sentence of that paragraph after July 1, 1998, the impasse resolution procedures covered by that notice shall apply to any impasse between the Commission and the other party to the agreeement that is unresolved on the date on which that notice is transmitted to the Congress.''.

SEC. 3528. AVAILABILITY OF PANAMA CANAL REVOLVING FUND FOR SEVERANCE PAY FOR CERTAIN EMPLOYEES SEPARATED BY PANAMA CANAL AUTHORITY AFTER CANAL TRANSFER DATE.

(a) AVAILABILITY OF REVOLVING FUND.—Section 1302(a) (22 U.S.C. 3712(a)) is amended by adding at the end the following new paragraph:

''(10) Payment to the Panama Canal Authority, not later than the Canal Transfer Date, of such amount as is computed by the Commission to be the future amount of severance pay to be paid by the Panama Canal Authority to employees whose employment with the Authority is terminated, to the extent that such severance pay is attributable to periods of service performed with the Commission before the Canal Transfer Date (and assuming for purposes of such computation that the Panama Canal Authority, in paying severance pay to terminated employees, will provide for crediting of periods of service with the Commission).''.

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

(1) by striking out ''for—'' in the matter preceding paragraph (1) and inserting in lieu thereof ''for the following purposes:'';

(2) by capitalizing the initial letter of the first word in each of paragraphs (1) through (9);

(3) by striking out the semicolon at the end of each of paragraphs (1) through (7) and inserting in lieu thereof a period; and

(4) by striking out ''; and'' at the end of paragraph (8) and inserting in lieu thereof a period.

PART II—TRANSITION MATTERS RELATING TO OPERATION AND ADMINISTRATION OF CANAL

SEC. 3541. ESTABLISHMENT OF PROCUREMENT SYSTEM AND BOARD OF CONTRACT APPEALS.

Title III of the Panama Canal Act of 1979 (22 U.S.C. 3601 et seq.) is amended by inserting after the title heading the following new chapter:

''CHAPTER 1—PROCUREMENT

''PROCUREMENT SYSTEM

''SEC. 3101. (a) PANAMA CANAL ACQUISITION REGULATION.—(1) The Commission shall establish by regulation a comprehensive procurement system. The regulation shall be known as the 'Panama Canal Acquisition Regulation' (in this section referred to as the 'Regulation') and shall provide for the procurement of goods and services by the Commission in a manner that—

''(A) applies the fundamental operating principles and procedures in the Federal Acquisition Regulation;

''(B) uses efficient commercial standards of practice; and

''(C) is suitable for adoption and uninterrupted use by the Republic of Panama after the Canal Transfer Date.

''(2) The Regulation shall contain provisions regarding the establishment of the Panama Canal Board of Contract Appeals described in section 3102.

''(b) SUPPLEMENT TO REGULATION.—The Commission shall develop a Supplement to the Regulation (in this section referred to as the 'Supplement') that identifies both the provisions of Federal law applicable to procurement of goods and services by the Commission and the provisions of Federal law waived by the Commission under subsection (c).

''(c) WAIVER AUTHORITY.—(1) Subject to paragraph (2), the Commission shall determine which provisions of Federal law should not apply to procurement by the Commission and may waive those laws for purposes of the Regulation and Supplement.

''(2) For purposes of paragraph (1), the Commission may not waive—

''(A) section 27 of the Office of Federal Procurement Policy Act (41 U.S.C. 423);

''(B) the Contract Disputes Act of 1978 (41 U.S.C. 601 et seq.), other than section 10(a) of such Act (41 U.S.C 609(a)); or

''(C) civil rights, environmental, or labor laws.

''(d) CONSULTATION WITH ADMINISTRATOR FOR FEDERAL PROCUREMENT POLICY.—In establishing the Regulation and developing the Supplement, the Commission shall consult with the Administrator for Federal Procurement Policy.

''(e) EFFECTIVE DATE.—The Regulation and the Supplement shall take effect on the date of publication in the Federal Register, or January 1, 1999, whichever is earlier.

''PANAMA CANAL BOARD OF CONTRACT APPEALS

''SEC. 3102. (a) ESTABLISHMENT.—(1) The Secretary of Defense, in consultation with the Commission, shall establish a board of contract appeals, to be known as the Panama Canal Board of Contract Appeals, in accordance with section 8 of the Contract Disputes Act of 1978 (41 U.S.C. 607). Except as otherwise provided by this section, the Panama Canal Board of Contract Appeals (in this section referred to as the 'Board') shall be subject to the Contract Disputes Act of 1978 (41 U.S.C. 601 et seq.) in the same manner as any other agency board of contract appeals established under that Act.

''(2) The Board shall consist of three members. At least one member of the Board shall be licensed to practice law in the Republic of Panama. Individuals appointed to the Board shall take an oath of office, the form of which shall be prescribed by the Secretary of Defense.

''(b) EXCLUSIVE JURISDICTION TO DECIDE APPEALS.—Notwithstanding section 10(a)(1) of the Contract Disputes Act of 1978 (41 U.S.C. 609(a)(1)) or any other provision of law, the Board shall have exclusive jurisdiction to decide

an appeal from a decision of a contracting officer under section 8(d) of such Act (41 U.S.C. 607(d)).

''(c) EXCLUSIVE JURISDICTION TO DECIDE PROTESTS.—The Board shall decide protests submitted to it under this subsection by interested parties in accordance with subchapter V of title 31, United States Code. Notwithstanding section 3556 of that title, section 1491(b) of title 28, United States Code, and any other provision of law, the Board shall have exclusive jurisdiction to decide such protests. For purposes of this subsection—

''(1) except as provided in paragraph (2), each reference to the Comptroller General in sections 3551 through 3555 of title 31, United States Code, is deemed to be a reference to the Board;

''(2) the reference to the Comptroller General in section 3553(d)(3)(C)(ii) of such title is deemed to be a reference to both the Board and the Comptroller General;

''(3) the report required by paragraph (1) of section 3554(e) of such title shall be submitted to the Comptroller General as well as the committees listed in such paragraph;

''(4) the report required by paragraph (2) of such section shall be submitted to the Comptroller General as well as Congress; and

''(5) section 3556 of such title shall not apply to the Board, but nothing in this subsection shall affect the right of an interested party to file a protest with the appropriate contracting officer.

''(d) PROCEDURES.—The Board shall prescribe such procedures as may be necessary for the expeditious decision of appeals and protests under subsections (b) and (c).

''(e) COMMENCEMENT.—The Board shall begin to function as soon as it has been established and has prescribed procedures under subsection (d), but not later than January 1, 1999.

''(f) TRANSITION.—The Board shall have jurisdiction under subsection (b) and (c) over any appeals and protests filed on or after the date on which the Board begins to function. Any appeals and protests filed before such date shall remain before the forum in which they were filed.

''(g) OTHER FUNCTIONS.—The Board may perform functions similar to those described in this section for such other matters or activities of the Commission as the Commission may determine and in accordance with regulations prescribed by the Commission.''.

SEC. 3542. TRANSACTIONS WITH THE PANAMA CANAL AUTHORITY.

Section 1342 (22 U.S.C. 3752) is amended—

(1) by designating the text of the section as subsection (a); and

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

''(b) The Commission may provide office space, equipment, supplies, personnel, and other in-kind services to the Panama Canal Authority on a nonreimbursable basis.

''(c) Any executive department or agency of the United States may, on a reimbursable basis, provide to the Panama Canal Authority materials, supplies, equipment, work, or services requested by the Panama Canal Authority, at such rates as may be agreed upon by that department or agency and the Panama Canal Authority.''.

SEC. 3543. TIME LIMITATIONS ON FILING OF CLAIMS FOR DAMAGES.

(a) FILING OF ADMINISTRATIVE CLAIMS WITH COMMISSION.—Sections 1411(a) (22 U.S.C. 3771(a)) and 1412 (22 U.S.C. 3772) are each amended in the last sentence by striking out ''within 2 years after'' and all that follows through ''of 1985,'' and inserting in lieu thereof ''within one year after the date of the injury or the date of the enactment of the Panama Canal Transition Facilitation Act of 1997,''.

(b) FILING OF JUDICIAL ACTIONS.—The penultimate sentence of section 1416 (22 U.S.C. 3776) is amended—

(1) by striking out ''one year'' the first place it appears and inserting in lieu thereof ''180 days''; and

(2) by striking out ''claim, or'' and all that follows through ''of 1985,'' and inserting in lieu thereof ''claim or the date of the enactment of the Panama Canal Transition Facilitation Act of 1997,''.

SEC. 3544. TOLLS FOR SMALL VESSELS.

Section 1602(a) (22 U.S.C. 3792(a)) is amended—

(1) in the first sentence, by striking out ''supply ships, and yachts'' and inserting in lieu thereof ''and supply ships''; and

(2) by adding at the end the following new sentence: ''Tolls for small vessels (including yachts), as defined by the Commission, may be set at rates determined by the Commission without regard to the preceding provisions of this subsection.''.

SEC. 3545. DATE OF ACTUARIAL EVALUATION OF FECA LIABILITY.

Section 5(a) of the Panama Canal Commission Compensation Fund Act of 1988 (22 U.S.C. 3715c(a)) is amended by striking out ''Upon the termination of the Panama Canal Commission'' and inserting in lieu thereof ''By March 31, 1998''.

SEC. 3546. APPOINTMENT OF NOTARIES PUBLIC.

Section 1102a (22 U.S.C. 3612a) is amended—

(1) by redesignating subsection (g) as subsection (h); and

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

''(g)(1) The Commission may appoint any United States citizen to have the general powers of a notary public to perform, on behalf of Commission employees and their dependents outside the United States, any notarial act that a notary public is required or authorized to perform within the United States. Unless an earlier expiration is provided by the terms of the appointment, any such appointment shall expire three months after the Canal Transfer Date.

''(2) Every notarial act performed by a person acting as a notary under paragraph (1) shall be as valid, and of like force and effect within the United States, as if executed by or before a duly authorized and competent notary public in the United States.

''(3) The signature of any person acting as a notary under paragraph (1), when it appears with the title of that person's office, is prima facie evidence that the signature is genuine, that the person holds the designated title, and that the person is authorized to perform a notarial act.''.

SEC. 3547. COMMERCIAL SERVICES.

Section 1102b (22 U.S.C. 3612b) is amended by adding at the end the following new subsection:

''(e) The Commission may conduct and promote commercial activities related to the management, operation, or maintenance of the Panama Canal. Any such commercial activity shall be carried out consistent with the Panama Canal Treaty of 1977 and related agreements.''.

SEC. 3548. TRANSFER FROM PRESIDENT TO COMMISSION OF CERTAIN REGULATORY FUNCTIONS RELATING TO EMPLOYMENT CLASSIFICATION APPEALS.

Sections 1221(a) and 1222(a) (22 U.S.C. 3661(a), 3662(a)) are amended by striking out ''President'' and inserting in lieu thereof ''Commission''.

SEC. 3549. ENHANCED PRINTING AUTHORITY.

Section 1306(a) (22 U.S.C. 3714b(a)) is amended by striking out ''Section 501'' and inserting in lieu thereof ''Sections 501 through 517 and 1101 through 1123''.

SEC. 3550. TECHNICAL AND CONFORMING AMENDMENTS.

(a) CLERICAL AMENDMENTS.—The table of contents in section 1 is amended—

(1) by striking out the item relating to section 1210 and inserting in lieu thereof the following:

''Sec. 1210. Air transportation.'';

(2) by striking out the items relating to sections 1215, 1219, and 1225;

(3) by inserting after the item relating to section 1232 the following new item:

''Sec. 1233. Transition separation incentive payments.'';

and

(4) by inserting after the item relating to the heading of title III the following:

''CHAPTER 1—PROCUREMENT

''Sec. 3101. Procurement system.

''Sec. 3102. Panama Canal Board of Contract Appeals.''.

(b) AMENDMENT TO REFLECT PRIOR CHANGE IN COMPENSATION OF ADMINISTRATOR.—Section 5315 of title 5, United States Code, is amended by striking out the following:

''Administrator of the Panama Canal Commission.''.

(c) AMENDMENTS TO REFLECT CHANGE IN TRAVEL AND TRANSPORTATION EXPENSES AUTHORITY.—(1) Section 5724(a)(3) of title 5, United States Code, is amended by striking out '', the Commonwealth of Puerto Rico,'' and all that follows through ''Panama Canal Act of 1979'' and inserting in lieu thereof ''or the Commonwealth of Puerto Rico''.

(2) Section 5724a(j) of such title is amended—

(A) by inserting ''and'' after ''Northern Mariana Islands,''; and

(B) by striking out ''United States, and'' and all that follows through the period at the end and inserting in lieu thereof ''United States.''.

(3) The amendments made by this subsection shall take effect on January 1,1999.

(d) MISCELLANEOUS TECHNICAL AMENDMENTS.—

(1) Section 3(b) (22 U.S.C. 3602(b)) is amended by striking out ''the Canal Zone Code'' and all that follows through ''other laws'' the second place it appears and inserting in lieu thereof ''laws of the United States and regulations issued pursuant to such laws''.

(2)(A) The following provisions are each amended by striking out ''the effective date of this Act'' and inserting in lieu thereof ''October 1, 1979'': sections 3(b), 3(c), 1112(b), and 1321(c)(1).

(B) Section 1321(c)(2) is amended by striking out ''such effective date'' and inserting in lieu thereof ''October 1, 1979''.

(C) Section 1231(c)(3)(A) (22 U.S.C. 3671(c)(3)(A)) is amended by striking out ''the day before the effective date of this Act'' and inserting in lieu thereof ''September 30, 1979''.

(3) Section 1102a(h), as redesignated by section 3546(1), is amended by striking out ''section 1102B'' and inserting in lieu thereof ''section 1102b''.

(4) Section 1110(b)(2) (22 U.S.C. 3620(b)(2)) is amended by striking out ''section 16 of the Act of August 1, 1956 (22 U.S.C. 2680a),'' and inserting in lieu thereof ''section 207 of the Foreign Service Act of 1980 (22 U.S.C. 3927)''.

(5) Section 1212(b)(3) (22 U.S.C. 3652(b)(3)) is amended by striking out ''as last in effect before the effective date of section 3530 of the Panama Canal Act Amendments of 1996'' and inserting in lieu thereof ''as in effect on September 22, 1996''.

(6) Section 1243(c)(2) (22 U.S.C. 3681(c)(2)) is amended by striking out ''retroactivity'' and inserting in lieu thereof ''retroactively''.

(7) Section 1341(f) (22 U.S.C. 3751(f)) is amended by striking out ''sections 1302(c)'' and inserting in lieu thereof ''sections 1302(b)''.

TITLE XXXVI—MARITIME ADMINISTRATION

SEC. 3601. AUTHORIZATION OF APPROPRIATIONS FOR FISCAL YEAR 1998.

Funds are hereby authorized to be appropriated for fiscal year 1998, to be available without fiscal year limitation if so provided in appropriations Act, for the use of the Department of Transportation for the Maritime Administration as follows:

(1) For expenses necessary for operations and training activities, $70,000,000.

(2) For expenses under the loan guarantee program authorized by title XI of the Merchant Marine Act, 1936 (46 App. U.S.C. 1271 et seq.), $39,000,000 of which—

(A) $35,000,000 is for the cost (as defined in section 502(5) of the Federal Credit Reform Act of 1990 (2 U.S.C. 661a(5))) of loan guarantees under the program; and

(B) $4,000,000 is for administrative expenses related to loan guarantee commitments under the program.

SEC. 3602. REPEAL OF OBSOLETE ANNUAL REPORT REQUIREMENT CONCERNING RELATIVE COST OF SHIPBUILDING IN THE VARIOUS COASTAL DISTRICTS OF THE UNITED STATES.

(a) REPEAL.—Section 213 of the Merchant Marine Act, 1936 (46 App. U.S.C. 1123), is amended by striking out paragraph (c).

(b) CONFORMING AMENDMENTS.—Such section is further amended—

(1) by striking out ''on—'' in the matter preceding paragraph (a) and inserting in lieu thereof ''on the following:'';

(2) by redesignating paragraphs (a) and (b) as paragraphs (1) and (2), respectively;

(3) by striking out the semicolon at the end of each of those paragraphs and inserting in lieu thereof a period; and

(4) by realigning those paragraphs so as to be indented 2 ems from the left margin.

SEC. 3603. PROVISIONS RELATING TO MARITIME SECURITY FLEET PROGRAM.

(a) AUTHORITY OF CONTRACTORS TO OPERATE SELF-PROPELLED TANK VESSELS IN NONCONTIGUOUS DOMESTIC TRADES.—Section 656(b) of the Merchant Marine Act, 1936 (46 App. U.S.C. 1187e(b)) is amended by inserting ''(1)'' after ''(b)'', and by adding at the end the following new paragraph:

''(2) Subsection (a) shall not apply to operation by a contractor of a self-propelled tank vessel in a noncontiguous domestic trade, or to ownership by a contractor of an interest in a self-propelled tank vessel that operates in a noncontiguous domestic trade.''.

(b) RELIEF FROM DELAY IN CERTAIN OPERATIONS FOLLOWING DOCUMENTATION.—Section 652(c) of the Merchant Marine Act, 1936 (46 U.S.C. 1187a(c)) is amended by adding at the end the following: ''The third sentence of section 901(b)(1) shall not apply to a vessel included in an operating agreement under this subtitle.''.

SEC. 3604. AUTHORITY TO UTILIZE REPLACEMENT VESSELS AND CAPACITY.

Section 653(d)(1) of the Merchant Marine Act, 1936 (46 App. U.S.C. 1187c(d)(1)) is amended to read as follows:

''(1) a contractor or other person that commits to make available a vessel or vessel capacity under the Emergency Preparedness Program or another primary sealift readiness program approved by the Secretary of Defense may, during the activation of that vessel or capacity under that program, operate or employ in foreign commerce a foreign-flag vessel or foreign-flag vessel capacity as a temporary replacement for the activated vessel or capacity; and''.

SEC. 3605. AUTHORITY TO CONVEY NATIONAL DEFENSE RESERVE FLEET VESSEL.

(a) AUTHORITY TO CONVEY.—The Secretary of Transportation may convey all right, title, and interest of the United States Government in and to the vessel GOLDEN BEAR (United States official number 239932) to the Artship Foundation, located in Oakland, California (in this section referred to as the ''recipient''), for use as a multi-cultural center for the arts.

(b) TERMS OF CONVEYANCE.—

(1) DELIVERY OF VESSEL.—In carrying out subsection (a), the Secretary shall deliver the vessel—

(A) at the place where the vessel is located on the date of conveyance;

(B) in its condition on that date; and

(C) at no cost to the United States Government.

(2) ADDITIONAL TERMS.—The Secretary may require such additional terms in connection with the conveyance authorized by this section as the Secretary considers appropriate.

(c) OTHER UNNEEDED EQUIPMENT.—The Secretary may convey to the recipient of the vessel conveyed under this section any unneeded equipment from other vessels in the National Defense Reserve Fleet, for use to restore the vessel conveyed under this section to museum quality.

The CHAIRMAN. No amendments to the committee amendment in the nature of a substitute are in order except amendments printed in House Report 105–137, amendments considered printed in the report, and amendments en bloc described in section 3 of the resolution.

Except as specified in section 5 of the resolution, each amendment shall be considered only in the order printed in the report, may be offered only by a Member designated in the report, shall be considered as having been read, and shall not be subject to a demand for a division of the question.

Unless otherwise specified in the report or in the resolution, each amendment printed in the report shall be debatable for 10 minutes, equally divided and controlled by the proponent and an opponent of the amendment, and shall not be subject to amendment, except that the chairman and ranking minority member of the Committee on National Security each may offer one pro forma amendment for the purpose of further debate on any pending amendment.

Consideration of amendments 8 and 9 printed in part 1 of the report shall begin with an additional period of general debate, which shall be confined to the subject of the United States forces in Bosnia and shall not exceed 1 hour, equally divided and controlled by the chairman and ranking minority member.

It shall be in order at any time for the chairman of the Committee on National Security or his designee to offer amendments en bloc consisting of amendments printed in part 2 of the report not earlier disposed of or germane modifications of any such amendment. The amendments en bloc shall be considered as having been read, except that modifications shall be reported, shall be debatable for 20 minutes, equally divided and controlled by the chairman and ranking minority member of the committee, or their designees, shall not be subject to amendment and shall not be subject to a demand for a division of the question.

The original proponent of an amendment included in the amendments en bloc may insert a statement in the CONGRESSIONAL RECORD immediately before disposition of the amendments en bloc.

The Chairman of the Committee of the Whole may postpone until a time during further consideration in the Committee of the Whole a request for a recorded vote on any amendment made in order by the resolution and may reduce to not less than 5 minutes the time for voting by electronic device on any postponed question that immediately follows another vote by electronic device without intervening business, provided that the time for voting by electronic device on the first in any series of questions shall not be less than 15 minutes.

The Chairman of the Committee of the Whole may recognize for consideration of amendments made in order by the resolution out of the order in which they are printed, but not sooner than 1 hour after the chairman of the Committee on National Security or a designee announces from the floor a request to that effect.

It is now in order to consider amendment No. 1 printed in part 1 of House Report 105–137.

AMENDMENT NO. 1 OFFERED BY MR. SANDERS

Mr. SANDERS. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 1 offered by Mr. SANDERS:

At the end of the bill (page 540, after line 21) insert the following new section:

SEC. 3606. REDUCTION OF OVERALL AUTHORIZED SPENDING LEVELS

The total amount provided under Divisions A, B, and C respectively of this bill shall each be reduced by 5% in each of the fiscal years 1998 and 1999.

The CHAIRMAN. Pursuant to the rule, the gentleman from Vermont [Mr. SANDERS] and a Member opposed, the gentleman from South Carolina [Mr. SPENCE] each will control 15 minutes.

The Chair recognizes the gentleman from Vermont [Mr. SANDERS].

Mr. SANDERS. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, this bill provides for $268 billion in defense spending for fiscal year 1998, $2.6 billion more than was requested by President Clinton. My amendment provides for an across-the-board 5 percent cut in overall defense spending as authorized by this bill. It will cut $13.4 billion.

Mr. Chairman, this amendment is about national priorities and is the only amendment that has been allowed on the floor which calls for a cut in military spending.

The bottom line that we are discussing here is pretty simple. At a time when the cold war is over, when the Soviet Union no longer exists, when we are militarily outspending all of our so-called enemies by huge amounts, we do not need to continue spending this kind of money for the military. We do not need to fund the military at almost the same level it was at the heart of the cold war.

Mr. Chairman, when we talk about U.S. military spending, we must also put it in the context of the current world situation. While we are now spending $264 billion, our NATO allies are also spending over $200 billion. Combined, we and our allies are spending close to $500 billion on the military.

How much are our so-called enemies spending? Cuba, $300 million; Libya, $1.4 billion; Syria, $1.8 billion; North Korea, $2.4 billion; Iraq, $2.7 billion; Iran, $3.4 billion; China, I do not know that China is an enemy, I gather they are going to get MFN status, they are spending $32 billion. I do not believe that Russia is also our enemy, being that we are heavily funding them, but they are spending $82 billion, just to mention.

What all of this means is that the United States alone is spending many times more than all of our so-called enemies combined, and if we add NATO into the equation, the numbers become absurd. Cuba, Libya, Syria, North Korea, Iraq, and Iran combined spend $12 billion a year on the military, while we are proposing in this budget $268 billion, more than 20 times the combined spending of all of these so-called enemies.

□ 1645

Further, this budget does not include the tens of billions we spend on the intelligence budget.

Mr. Chairman, the question that all of us must ask is when is enough enough?

Yes, all of us want the United States to have the strongest military in the world, but when we spend so much on defense, we are adding to a very large national debt and are terribly ignoring the pressing domestic needs that tens and tens of millions of Americans are facing, needs which are getting worse.

Let us get our priorities straight.

Mr. Chairman, when we spend this much money on the military, we have to cut Medicare by $115 billion. That is wrong. When we spend this much money on the military, we are asked to cut veterans' benefits, veterans' health care over the next 5 years by $5 billion. So we are spending money on B–2 bombers and star wars, and we say, ''Thank you,'' to the men and women who served in World War II, Korea and Vietnam. ''We don't care about you; we're worried about B–2 bombers and star wars.'' That is wrong. When we spend this much money on the military, we are cutting back $13 billion on Medicaid for hospitals that serve the poorest people in America. Yes, let us spend a $100 billion dollars defending Europe, but when someone is poor, they need to go into a hospital, Uncle Sam is not there for them. And when we spend this much money on the military, drastic cut backs take place in housing and other important needs.

There are some people on this Congress who are proposing cuts in Social Security. Yes, more money for B–2 bombers; cutbacks in Social Security. Millions of American families, thousands in the State of Vermont, cannot afford to send their kids to college. We spend $30 billion for higher education, and we are proposing $268 billion for the military. In my view those priorities are absolutely wrong.

Mr. Chairman, this is a great Nation, but our priorities are wrong. People on the other side and on this side talk about balancing the budget. Well, do my colleagues know what? Military spending has something to do with the deficit, too. So I hope that our deficit hawks who talk about the $5 trillion debt will come on board and say, no, if we are serious about moving toward a balanced budget, we have got to cut military spending.

Mr. Chairman, bottom line is priorities, we are spending too much. Let us cut military spending by 5 percent and still retain by far the strongest military on earth.

Mr. Chairman, I reserve the balance of my time.

Mr. SPENCE. Mr. Chairman, I yield myself such time as I might consume.

(Mr. SPENCE asked and was given permission to revise and extend his remarks.)

Mr. SPENCE. Mr. Chairman, I rise in strong opposition to the amendment offered by my colleague, the gentleman from Vermont. This amendment would impose a 5 percent reduction across each of the three major parts of the bill and would have a devastating impact. This amendment would reduce the bill's funding levels by $13.4 billion, leaving us with a bill $10 billion less than even the President asked for.

The amendment would impose draconian cuts to important quality of life modernization and readiness programs that are so critical to insuring that our military forces remain the best trained and equipped in the world. In one stroke it would undo all of Congress' efforts over the last 2 years in trying to revitalize our military forces.

Several weeks ago the House adopted the fiscal year 1998 budget resolution and agreed to abide by spending restrictions. H.R. 1119 complies with the budget agreement and the budget resolution, and representing a real decline of 1.3 percent relative to current spending is not enough in this gentleman's mind. However this Congress reached a bipartisan agreement with the White House on a plan to balance the budget by 2002, and H.R. 1119 complies with the agreement. It is refreshing, it is a refreshing change, to be able to say that the President is not contesting this point.

The amendment distributes the $13 billion in cuts as a 5 percent reduction in each of the three major divisions of the bill. The result would be to slash military construction and family housing projects critical to providing a decent quality of life to our military personnel and their families by over $450 million. We heard Mr. HEFLEY talk about what we are doing right now in that area.

The amendment would also cut over $12.3 billion from already underfunded modernization readiness and personnel accounts further widening the dangerous gap between our Nation's military strategy and its defense program. Such a reduction would require the wholesale cancellation of programs, drastic curtailment of operations and possibly the involuntary separation of service personnel.

Finally, as drafted, this amendment would reduce Department of Energy national security and environmental programs by almost $600 million.

I urge all Members to think carefully about the message this amendment sends to our men and women who are throughout this world trying to defend this country. At a time when they are spending more time away from their families supporting forward deployments and contingency operations around the world this amendment will hit them hard, below the belt I might add. Instead of cutting their resources, we should be taking positive steps to insure that military personnel are getting what they need to do their demanding jobs and provide for their families.

I urge Members to demonstrate their commitment to the men and women in our armed services by opposing this amendment and supporting H.R. 1119.

Mr. Chairman, I reserve the balance of my time.

Mr. SANDERS. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. DELLUMS], my friend and colleague.

Mr. DELLUMS. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, first let me say that I rise in support of my distinguished colleague's amendment. Given the constrained balanced budget environment within which we are operating and debating this bill and the strategic realities, we can indeed reduce the military budget by the modest of articulated by my distinguished colleague.

We did our own QDR, Mr. Chairman, and we determined independently that without drastic changes that these cuts could indeed be achieved without the draconian notions that have recently been articulated that has been argued would be the result of the gentleman's amendment.

Now let me underscore for emphasis something that my distinguished colleague who offered the amendment pointed out. Mr. Chairman, people may not know this, but if we balanced on a balanced scale what the United States spends on its military budget and the military budget collectively of the rest of the world, it would be roughly even. We spend as much as every other nation in the world.

Now many of those other nations in the world are our friends and allies in treaties with us, in cooperative relationships. We take them off the other end and place them with us. America and its allies spent in excess of 80 percent of the world's military budget, which means even worse case scenario America and its friends out spend the rest of the world four to one.

Where is our fear? We can indeed cut this budget. This is a modest cut.

I urge my colleagues: the only time we have an opportunity to step up to this and make a cut that American

people understand viscerally the military budget can be cut, the cold war is over, Mr. Chairman, and we need to move on with it. We are spending an extraordinary amount of money, and we can sustain this kind of cut. I urge my colleagues to support the gentleman's amendment.

Mr. SPENCE. Mr. Chairman, I yield 1 minute to the gentleman from Missouri [Mr. SKELTON].

Mr. SKELTON. Mr. Chairman, I rise to speak against the amendment.

The military of the United States is not some amorphous thing, it is not a green glob of protoplasm. Mr. Chairman, it is people, my neighbors, my colleagues' neighbors, mostly young men and young women. In speaking against this amendment I speak for the young sergeants and petty officers who come from all across America. In cutting this budget by $13 billion it would cut into the personnel accounts, it would cause that mother of that sergeant to have that sergeant/husband gone more often because the operational tempo would increase. It would cut the O&M that has the ability to fix the appliances in their rundown place in Germany. It would not allow them to live as they should.

I urge a ''no'' vote on this amendment.

Mr. SANDERS. Mr. Chairman, I yield 2½ minutes to the distinguished gentleman from California [Mr. FILNER].

Mr. FILNER. Mr. Chairman, I thank the gentleman from Vermont [Mr. SANDERS], and I thank him for his amendment.

My colleagues, recently this House approved a balanced budget deal. That budget was and is a bad deal for the residents of my town of San Diego and a bad deal for America. Yes, we balance the budget, but we balance the budget on the backs of our Nation's veterans, our children, our elderly, and our working families. That deal put a deep freeze on funding for our Nation's veterans and cut real dollars from our Department of Veterans Affairs. It cut pensions for the neediest of veterans, froze funding for the veterans hospitals for the next 5 years, and permanently cut compensation for service connected disabled veterans.

Mr. Chairman, what happened to the promise that America made with our Nation's veterans? That promise was forgotten in the budget deal, and that budget deal compromises those promises to the past but ignores also our commitments to the future. It underfunds the Nation's infrastructure needs by billions of dollars and dramatically cuts investments in our Nation's future workers. Head Start, summer jobs, education funding, which serve to give all children an opportunity for a brighter future, are cut in this budget deal, and it makes the transition from welfare to work more difficult by eliminating jobs for job training and child care and housing.

Half of the Nation's 10 million uninsured children remain uninsured in that budget, while lavish tax cuts are doled out to those making $500,000 a year. Medicaid is cut $13 billion. Medicaid is cut $115 billion.

Americans deserve a better deal, a real balanced budget through kept promises, shared sacrifices and necessary investments in the future. We should support the Sanders amendment so we Americans can get a better budget deal.

I thank the gentleman for his amendment.

Mr. SPENCE. Mr. Chairman I yield 2 minutes to the gentleman from Pennsylvania [Mr. WELDON].

(Mr. WELDON of Pennsylvania asked and was given permission to revise and extend his remarks.)

Mr. WELDON of Pennsylvania. Mr. Chairman, I rise in opposition to this amendment.

The ultimate irony here is that I have in fact joined my colleague on efforts involving protecting working people. What he fails to mention is that in our defense in aerospace cuts we have, in fact, caused 1 million union workers in this country to lose their jobs.

Now he talks about compassion. What he does not mention in his amendment are the additional hundreds of thousands of UAW, IAM, IEU, IBEW workers and building trades workers who will walk the streets with the other 1 million workers that have been displaced because of what he wants to do in additional cuts.

Now let me also correct the gentleman. He said that we added over $2 billion above what the President asked for. Well, I would submit to the gentleman he has not done his homework, because after the President gave us his budget he came back and asked for $1 billion of additional money beyond that.

Now if the gentleman would bother to ask the committee, he would have found out that the President asked for $474 million this year, $2.3 billion for everything. That was the President's request after his budget. Or he would have found out the President asked for $300 million for flying hours above his budget. The gentleman would have found out he asked for $30 million for the THEL program above what his budget suggested.

So to stand up here and put out misinformation is just flat out wrong, and to say the Soviet Union no longer exists, I have been to 50 classified briefings this year. I do not know how many the gentleman has been in attendance of, but let me tell you that is not the impression I have. Maybe the gentleman knows about Yermentau Mountain. Maybe he has visited Beloretsk 15 and 16. Maybe he knows what that city of 65,000 people in the Urals has been doing for the past 18 years, spending billions of dollars.

□ 1700

Maybe the gentleman knows all of those answers. Maybe the gentleman knows the instability occurring in the Middle East. Maybe the gentleman is aware of what is happening in North Korea. What we have done, what we have done, is provided for the best defense we can within the budget constraints, and it should be based on fact and not rhetoric for tomorrow morning's newspaper.

Mr. SANDERS. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Oregon [Mr. DEFAZIO].

Mr. DEFAZIO. Mr. Chairman, I thank the gentleman for yielding me this time.

One listening to this debate would think that there is not one penny that can be cut from the Pentagon budget without hurting our preparedness, or ignoring the needs of our enlisted families or the working people of America. This cut would total $13.4 billion. That is a lot of money.

However, the Pentagon has $14.6 billion in unneeded inventory that exceeds the war needs of the United States for more than 100 years, and they still have a computer over there placing more orders. Not a penny. This 1 year's cut could be absorbed by their unneeded inventory.

We heard we would have a gap between our strategy and the military program. Well, the strategy is absurd. We are going to fight two wars at once with no allies. Two World War II's at once with no allies. Our budget is two times the total of all our enemies combined. And they are saying we cannot depend on our allies, so we have to be able to fight two wars at once. If we cannot depend on our allies, why are we spending billions of dollars to expand NATO to former Soviet bloc countries.

At one time in my life, we had a great warrior in the White House, and this warrior said it better than anybody else will say it here today. Dwight David Eisenhower. ''This world in arms, it is not spending money alone, it is spending the sweat of our labors, the genius of our scientists, the hopes of our children.''

That is what this debate is all about. Every gun made, every warship launched, every rocket fired is, in a final sense, a theft from those who hunger, those who are not fed, and those who are cold and not clothed. That was a great warrior, Dwight David Eisenhower, a general who led us to victory in World War II. If he were here today, he would urge Members to support these justified cuts in the bloated Pentagon budget.

Mr. SPENCE. Mr. Chairman, I yield 2 minutes to the gentleman from Virginia [Mr. PICKETT].

Mr. PICKETT. Mr. Chairman, I thank the chairman for yielding me this time. I rise in opposition to this amendment.

The funding for the defense program for 1998 is essentially a level funding. To take out 5 percent at this point would create undue turbulence. It would mean reductions in essential programs that could not be replaced.

Today the United States has the finest military in the Nation's history. We need to keep it that way. The Sanders amendment will undermine our effort to attract and retain our quality of people, it will undermine our today's readiness by undercutting the operations and maintenance program, and it will undermine tomorrow's readiness by compromising our modernization program.

Our Nation, by providing leadership and shaping the international security environment, can continue to help with the spread of peace and prosperity throughout the world. Only by maintaining our military posture to defend and advance U.S. interests and underwrite our commitments can we retain our preeminent position.

Mr. Chairman, I urge my colleagues to defeat this amendment.

Mr. SANDERS. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from New York [Mr. OWENS].

(Mr. OWENS asked and was given permission to revise and extend his remarks.)

Mr. OWENS. Mr. Chairman, I hope that this amendment sponsored by the gentleman from Vermont is not just another ceremony where we are talking to the wind. I think that the American people, the polls have shown the American people are gradually beginning to understand where the waste is in government. The waste is in the defense budget and we are not doing anything to help national security.

National security right now, the primary component of national security is education. How well-educated our Americans are will determine where we go in the future with respect to our military might, our commercial might, right across the board. A better educated population is what is needed to guarantee that America will be the leader in all areas for the future.

Mr. Chairman, $13.5 billion, we are talking about. Let us stop for a moment and consider the comparative costs. Five percent of the defense budget comes out to $13.5 billion per year, $13.5 billion. One can buy a lot of computers for schools for $13.5 billion. One can wire all the schools in America for $13.5 billion.

We have shown that one of the goals of Congressional Black Caucus budget is to have every child eligible for Head Start, actually be able to go into Head Start by the year 2002. Well, we could get there right away because it would only cost $11 billion to cover every child eligible in America for Head Start. We have a paltry sum of $5 billion that the President proposed for construction, renovation and repair of schools, $5 billion over a 5-year period. The paltry sum of $5 billion was booted out of the budget agreement. It is too much.

Now, ask the American people to take a look at comparative costs. Five percent of the defense budget is $13.5 billion for 1 year. We cannot afford to have a construction initiative sponsored by the President, $5 billion for 5 years? There is something radically wrong. We are blind men and women of the Congress continuing to go down the same road. If we put military in front of something or behind something, we are all for it, but it really has nothing to do with national security. National security means better education for America's future, and for that you have to spend money.

Mr. SPENCE. Mr. Chairman, I yield 2 minutes to the gentleman from Colorado [Mr. HEFLEY].

Mr. HEFLEY. Mr. Chairman, to quote Ronald Reagan, there you go again.

Every year, liberals in this body think we can reach into the defense budget and take money for whatever the good things are that we want to do and our defense can continue to absorb the loss. The gentleman from New York [Mr. OWENS] talks about let us spend it on education. Mr. Chairman, let me tell the gentleman, we spend over $300 billion a year on education in this country, more than we spend on the Department of Defense.

Let me point out that this is real money that has real ramifications. Let me just talk about the area that I am most familiar with.

The Sanders amendment would compel a $457 million reduction in military construction and military family housing. What would that mean? The amount is equivalent to the entire Navy and Marine Corps family housing construction program and the added funds the committee recommends for the Army family housing construction. Take all of that away. This amendment will mean a cut of funding for 3,345 family housing units, or 41 percent of the housing improvements in this bill.

Mr. Chairman, a $457 million cut is equivalent to wiping out every American barracks project in the President's request and the entire $2,000 added to committee recommendations for all of the services. It is roughly equal to all of the MILCON provided in this bill for the reserve components, and the added funding recommended by the committee for the Army military construction.

This amendment will severely damage the Nation's military infrastructure. It is easy to be cavalier and say, let us get it out of defense, but it does not work when you boil it down to what it actually means in the defense budget.

Mr. Chairman, I urge a no, no, no on the Sanders amendment.

Mr. SANDERS. Mr. Chairman, I yield 30 seconds to the gentleman from New York [Mr. OWENS].

Mr. OWENS. Mr. Chairman, there are 80,000 jobs, high-tech jobs, that cannot be filled right now that are available in America; 80,000, and the number is growing. Our weapons are very sophisticated. If we do not pay more attention to education, we are going to have to call in the Chinese and the Russians to man our weapons, because they will be too sophisticated for our operators to run them.

Education is the number one component of defense and security.

Mr. SANDERS. Mr. Chairman, I yield myself such time as I may consume.

The previous speaker said real money and real people, so let me tell my colleagues about real money and real people. While we outspent our so-called enemies 20-to-1, 22 percent of the children in this country live in poverty.

We have the highest rate of poverty in the industrialized world, and yet we spend the money on B–2 bombers and star wars and other exotic weapons systems that are not needed today. Real money, real people.

Millions of families in America cannot afford to send their kids to college. The gentleman said $300 million on education; he forgot to say that was at the local level. Local property taxes, State taxes, $30 billion at the Federal level, 8 times more on the military than we spend on education. That is absurd.

Real money, real people. Tens of millions of Americans have no health insurance. They do not know what to do when they get sick, and they are saying, yes, let us take care of the people back home, rather than spending $100 billion a year defending Europe and Asia. Real money, real people.

Real money, real people. Why did my colleagues on the other side cut veterans' programs? They are the people who defended this country. Now they are 70 and 80 and they are dying at VA hospitals. We have cut back on health care for veterans, and yet we have money for exotic weapons systems that we do not need.

Bottom line, Mr. Chairman, we want the strongest military in the world, we have the strongest military in the world, but let us get our priorities straight. Let us talk about health care, education, protect our seniors, protect our veterans, and let us do the right thing and pass, pass, pass this amendment.

Mr. SPENCE. Mr. Chairman, I yield 2 minutes to the gentleman from Virginia [Mr. SISISKY].

(Mr. SISISKY asked and was given permission to revise and extend his remarks.)

Mr. SISISKY. Mr. Chairman, I would tell the gentleman from Vermont, I am interested in the same things that he is. Head Start is very important to me. I can assure the gentleman that education is very important to me, so important that I do not want a decline in the education in the military.

I spoke in the general debate a little while ago about the quality of life in the military by making these trips around and what we found. The gentleman would not be very proud of how we are treating the families. Sixty-eight percent, 68 percent of the Army now is married, but guess what is happening?

Let me just tell the gentleman, the biggest thrill that I have, I dug a hole

in the ground in an Army post to build three-, four-, and five-bedroom homes. The smiles on those people's faces was unbelievable.

The gentleman talks about education. If he goes aboard an Aegis cruiser, Aegis destroyer or submarine, it is not the captain of the ship that explains the Aegis system, it is the third-class petty officer that explains it. And why? Because of the education we are giving in the military. This is one Member that does not want to decline the education in the military.

Talk about health care. We ought to be ashamed of ourselves. We are pulling back on the retirees in this country in health care. We are not treating the people as we promised them, and now the gentleman wants to cut just a paltry $13.5 billion.

Sure, there is money wasted in the Department of Defense, but I challenge the gentleman or anybody in this room to see where money is not wasted in some of these other programs, including education that we could save money in.

Please, the gentleman from Colorado said no, no, no on this amendment; I say no, no, no, no, no on this amendment. Please vote against it.

Mr. SPENCE. Mr. Chairman, I yield the remainder of my time to the gentleman from California [Mr. HUNTER].

Mr. HUNTER. Mr. Chairman, everybody agrees, even the proponents of this amendment, that we have to have a national defense, and the question is how much? They have cited that we outspend other countries in the world for defense, and therefore, we should be able to take a $13 billion cut without pain and without effect on our military readiness.

But there is another Congress that thought the same thing.

□ 1715

It was a Congress that voted to put together a defense budget just a few months before South Korea was invaded on June 25, 1950. I have read the transcripts from the testimony that came before that Congress. In fact, the Senate was so convinced that we were on top of the world, that we were so powerful, that we had nuclear weapons, high-tech, like the gentleman speaks of, that nobody would mess with us.

So on June 25, 1950, we were invaded by North Korea, and within 3 days they had taken Seoul and were driving south until we met them at the Puchon perimeter right at the tip of the Peninsula and gradually started to push them back up. We were unready for Korea. We committed 7 army divisions to Korea, but we were unready for it, and 50,000 of those working Americans that the gentleman from Vermont who has propounded this amendment cares about so much came home in body bags.

The folks that fight the wars are the working people of this country, and the greatest benefit we can give them is their return home. We give them a return home when we have overwhelming force, which is what we had in Desert Storm.

We were too strong in Desert Storm. That was the argument. We were too powerful. We had come up with all of these weapons systems that received daily criticism in the Washington Post, like the Apache attack helicopter, the M–1 tank that did not get enough gas mileage, the Patriot missile system that took too long to develop. But when we put those systems in the field, we came home with a minimum of American casualties because we were ready.

We used seven divisions in Korea. We used eight divisions in Desert Storm. So we fought these two regional contingencies. That makes 15 army divisions. We only have 10 today. We have cut from 18 to 10 since Desert Storm. We have cut from 24 to 13 fighter air wings. We have cut from 545 Navy ships to 345.

The President of the United States thinks that our procurement modernization budget should go to $60 billion. I can tell the Members what it was this year, it was $42.6. It was almost $18 billion less than President Clinton thought it should be, and his military advisors.

Let us do what Hallmark Cards says about sending thanks to your friends with respect to our young people in the military. Because we care about them, let us send them the very best, the very best in equipment, and that means that we have to keep this defense budget at a minimum at the level that we have right now. We have really cut too deep.

''Peace through strength'' was a motto that we had all the way through the cold war, and it worked. We brought the Soviet Union to the bargaining table because we were strong. We are going to be able to maintain the peace in the future because we are strong. Please vote against this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Vermont [Mr. SANDERS].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Mr. SANDERS. Mr. Chairman, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 89, noes 332, not voting 13, as follows:

[Roll No. 214]

AYES—89

Barrett (WI)
Becerra
Blumenauer
Bonior
Brown (CA)
Brown (OH)
Campbell
Capps
Carson
Clay
Coyne
Cummings
Danner
Davis (IL)
DeFazio
Delahunt
Dellums
Doggett
Duncan
Engel
English
Eshoo
Evans
Farr
Fattah
Filner
Frank (MA)
Furse
Gilchrest
Gutierrez
Hastings (FL)
Hilliard
Hinchey
Hooley
Jackson (IL)
Kennedy (MA)
Kilpatrick
Kind (WI)
Klug
Kucinich
Lewis (GA)
Lofgren
Lowey
Luther
Maloney (NY)
Markey
McCarthy (MO)
McDermott
McGovern
McKinney
Meehan
Meek
Millender-McDonald
Minge
Mink
Nadler
Neal
Obey
Olver
Owens
Pascrell
Paul
Payne
Pelosi
Petri
Rahall
Ramstad
Rangel
Rivers
Rohrabacher
Roukema
Royce
Rush
Sabo
Sanders
Sensenbrenner
Serrano
Shays
Stark
Stokes
Tierney
Towns
Velazquez
Vento
Waters
Watt (NC)
Waxman
Woolsey
Yates

NOES—332

Abercrombie
Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baesler
Baker
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bass
Bateman
Bentsen
Bereuter
Berman
Berry
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bono
Borski
Boswell
Boucher
Boyd
Brady
Brown (FL)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cannon
Cardin
Castle
Chabot
Chambliss
Chenoweth
Christensen
Clayton
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Cook
Cooksey
Costello
Cox
Cramer
Crane
Crapo
Cubin
Cunningham
Davis (FL)
Davis (VA)
Deal
DeLauro
DeLay
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doolittle
Doyle
Dreier
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Ensign
Etheridge
Everett
Ewing
Fawell
Fazio
Flake
Foglietta
Foley
Forbes
Ford
Fowler
Fox
Franks (NJ)
Frelinghuysen
Frost
Gallegly
Ganske
Gejdenson
Gekas
Gibbons
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Goodling
Gordon
Goss
Graham
Granger
Green
Greenwood
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Hansen
Harman
Hastert
Hastings (WA)
Hayworth
Hefley
Hefner
Hill
Hilleary
Hinojosa
Hobson
Hoekstra
Holden
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (WI)
Johnson, E. B.
Johnson, Sam
Jones
Kanjorski
Kaptur
Kasich
Kelly
Kennedy (RI)
Kennelly
Kildee
Kim
King (NY)
Kingston
Kleczka
Klink
Knollenberg
Kolbe
LaFalce
LaHood
Lampson
Lantos
Largent
Latham
LaTourette
Lazio
Leach
Levin
Lewis (CA)
Lewis (KY)
Linder
Livingston
LoBiondo
Lucas
Maloney (CT)
Manton
Manzullo
Martinez
Mascara
Matsui
McCarthy (NY)
McCollum
McCrery
McDade
McHale
McHugh
McInnis
McIntosh
McIntyre
McKeon
McNulty
Menendez
Metcalf
Mica
Miller (FL)
Moakley
Molinari
Mollohan
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Ortiz
Oxley
Packard
Pallone
Pappas
Parker
Pastor
Paxon
Pease
Peterson (MN)
Peterson (PA)
Pickering

Pickett	Scott	Tanner
Pitts	Sessions	Tauscher
Porter	Shadegg	Tauzin
Portman	Shaw	Taylor (MS)
Poshard	Sherman	Taylor (NC)
Price (NC)	Shimkus	Thomas
Pryce (OH)	Shuster	Thompson
Quinn	Sisisky	Thornberry
Radanovich	Skaggs	Thune
Redmond	Skeen	Thurman
Regula	Skelton	Tiahrt
Reyes	Slaughter	Traficant
Riggs	Smith (MI)	Turner
Riley	Smith (NJ)	Upton
Rodriguez	Smith (OR)	Visclosky
Roemer	Smith (TX)	Walsh
Rogan	Smith, Adam	Wamp
Rogers	Smith, Linda	Watkins
Ros-Lehtinen	Snowbarger	Watts (OK)
Rothman	Snyder	Weldon (FL)
Roybal-Allard	Solomon	Weldon (PA)
Ryun	Souder	Weller
Salmon	Spence	Wexler
Sanchez	Spratt	Weygand
Sandlin	Stabenow	White
Sanford	Stearns	Whitfield
Sawyer	Stenholm	Wicker
Saxton	Strickland	Wise
Scarborough	Stump	Wolf
Schaefer, Dan	Stupak	Wynn
Schaffer, Bob	Sununu	Young (AK)
Schumer	Talent	Young (FL)

NOT VOTING—13

Ackerman	Herger	Pomeroy
Conyers	Lipinski	Schiff
DeGette	Miller (CA)	Torres
Dooley	Oberstar	
Gephardt	Pombo	

□ 1737

Mrs. KENNELLY of Connecticut, Ms. JACKSON-LEE of Texas, and Messrs. RYUN, SAWYER, GREENWOOD, SMITH of Michigan, WYNN, and BRADY changed their vote from ''aye'' to ''no.''

Mr. SHAYS and Mrs. ROUKEMA changed their vote from ''no'' to ''aye.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

(By unanimous consent, Mr. SPENCE was allowed to speak out of order.)

ORDER OF BUSINESS

Mr. SPENCE. Mr. Chairman, I would like to proceed out of order for the purpose of informing Members of the schedule for the remainder of the evening.

Mr. Chairman, in order that Members might be able to plan for the evening, I would like to inform our membership that we plan to continue working. We have had many inquiries as to what our plans are for the evening from many Members.

I would like to inform everyone that we intend to continue working on amendments tonight but to roll the votes until approximately 9. At that time we would vote on whatever amendments we have to vote on. Depending on how much debate there is on the amendments, we might get through 3 or 4 amendments in this order: the Spence-Dellums amendment on reform; the Spence-Dellums amendment on supercomputers; the Harman amendment on abortion; the Shays-Frank on burdensharing.

The CHAIRMAN. It is now in order to consider amendment No. 2 printed in part 1 of House Report 105–137.

AMENDMENT NO. 2 OFFERED BY MR. SPENCE

Mr. SPENCE. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 2 offered by MR. SPENCE:

Strike out section 308 (page 47, lines 14 through 21) and, at the end of division A (page 379, after line 19), insert the following new titles:

TITLE XIII—DEFENSE PERSONNEL REFORMS

SEC. 1301. REDUCTION IN PERSONNEL ASSIGNED TO MANAGEMENT HEADQUARTERS AND HEADQUARTERS SUPPORT ACTIVITIES.

(a) IN GENERAL.—(1) Chapter 3 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 130a. Management headquarters and headquarters support activities personnel: limitation

''(a) LIMITATION.—Effective October 1, 2001, the number of management headquarters and headquarters support activities personnel in the Department of Defense may not exceed the 75 percent of the baseline number.

''(b) PHASED REDUCTION.—The number of management headquarters and headquarters support activities personnel in the Department of Defense—

''(1) as of October 1, 1998, may not exceed 90 percent of the baseline number;

''(2) as of October 1, 1999, may not exceed 85 percent of the baseline number; and

''(3) as of October 1, 2000, may not exceed 80 percent of the baseline number.

''(c) BASELINE NUMBER.—In this section, the term 'baseline number' means the number of management headquarters and headquarters support activities personnel in the Department of Defense as of October 1, 1997.

''(d) MANAGEMENT HEADQUARTERS AND HEADQUARTERS SUPPORT ACTIVITIES PERSONNEL DEFINED.—In this section:

''(1) The term 'management headquarters and headquarters support activities personnel' means military and civilian personnel of the Department of Defense who are assigned to, or employed in, functions in management headquarters activities or in management headquarters support activities.

''(2) The terms 'management headquarters activities' and 'management headquarters support activities' have the meanings given those terms in Department of Defense Directive 5100.73, entitled 'Department of Defense Management Headquarters and Headquarters Support Activities', as in effect on November 12, 1996.

''(e) LIMITATION ON REASSIGNMENT OF FUNCTIONS.—In carrying out reductions in the number of personnel assigned to, or employed in, management headquarters and headquarters support activities in order to comply with this section, the Secretary of Defense and the Secretaries of the military departments may not reassign functions in order to evade the requirements of 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 2001 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.''.

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

''130a. Management headquarters and headquarters support activities personnel: limitation.''.

(b) IMPLEMENTATION REPORT.—Not later than January 15, 1998, the Secretary of Defense shall submit to Congress a report—

(1) containing a plan to achieve the personnel reductions required by section 130a of title 10, United States Code, as added by subsection (a); and

(2) including the recommendations of the Secretary regarding—

(A) the revision, replacement, or augmentation of Department of Defense Directive 5100.73, entitled ''Department of Defense Management Headquarters and Headquarters Support Activities'', as in effect on November 12, 1996; and

(B) the revision of the definitions of the terms ''management headquarters activities'' and ''management headquarters support activities'' under that Directive so that those terms apply uniformly throughout the Department of Defense.

(c) CODIFICATION OF PRIOR PERMANENT LIMITATION ON OSD PERSONNEL.—(1) Chapter 4 of title 10, United States Code, is amended by adding at the end a new section 143 consisting of—

(A) a heading as follows:

''§ 143. Office of the Secretary of Defense personnel: limitation'';

and

(B) a text consisting of the text of subsections (a) through (f) of section 903 of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201; 110 Stat. 2617).

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

''143. Office of the Secretary of Defense personnel: limitation.''.

(3) Section 903 of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201; 110 Stat. 2617) is repealed.

SEC. 1302. ADDITIONAL REDUCTION IN DEFENSE ACQUISITION WORKFORCE.

(a) IN GENERAL.—(1) Chapter 87 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 1765. Limitations on number of personnel

''(a) LIMITATION.—Effective October 1, 2001, the number of defense acquisition personnel may not exceed the baseline number reduced by 124,000.

''(b) PHASED REDUCTION.—The number of the number of defense acquisition personnel—

''(1) as of October 1, 1998, may not exceed the baseline number reduced by 40,000;

''(2) as of October 1, 1999, may not exceed the baseline number reduced by 80,000; and

''(3) as of October 1, 2000, may not exceed the baseline number reduced by 102,000.

''(c) BASELINE NUMBER.—For purposes of this section, the baseline number is the total number of defense acquisition personnel as of October 1, 1997.

''(d) DEFENSE ACQUISITION PERSONNEL DEFINED.—(1) In this section, the term 'defense acquisition personnel' means military and civilian personnel (other than civilian personnel described in paragraph (2)) who are assigned to, or employed in, acquisition organizations of the Department of Defense (as specified in Department of Defense Instruction numbered 5000.58 dated January 14, 1992).

''(2) Such term does not include civilian employees of the Department of Defense who are employed at a maintenance depot.''.

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

''1765. Limitations on number of personnel.''.

(b) IMPLEMENTATION REPORT.—Not later than January 15, 1998, the Secretary of Defense shall submit to Congress a report—

(1) containing a plan to achieve the personnel reductions required by section 1765 of title 10, United States Code, as added by subsection (a); and

(2) containing any recommendations (including legislative proposals) that the Secretary considers necessary to fully achieve such reductions.

(c) TECHNICAL REFERENCE CORRECTION.—Section 1721(c) of title 10, United States Code, is amended by striking out ''November 25, 1988'' and inserting in lieu thereof ''November 12, 1996''.

SEC. 1303. AVAILABILITY OF FUNDS FOR SEPARATION PAY FOR DEFENSE ACQUISITION PERSONNEL.

Of the amount authorized to be appropriated pursuant to section 301(5) for operation and maintenance for Defense-wide activities, $100,000,000 shall be available only for the payment of separation pay under section 5597 of title 5, United States Code, to civilian employees of the Department of Defense who are defense acquisition personnel (as defined in section 1765(d) of title 10, United States Code).

SEC. 1304. PERSONNEL REDUCTIONS IN UNITED STATES TRANSPORTATION COMMAND.

(a) PURPOSE OF REDUCTION.—The purpose of the reduction in the number of United States Transportation Command personnel is to recognize and continue the effort of the Secretary of Defense to achieve the United States Transportation Command reengineering reform plan to eliminate administrative duplication and process inefficiencies.

(b) REDUCTION IN UNITED STATES TRANSPORTATION COMMAND PERSONNEL.—(1) Effective October 1, 1998, the number of United States Transportation Command personnel may not exceed the number equal to the baseline number reduced by 1,000.

(2) For purposes of this section, the baseline number is the total number of United States Transportation Command personnel as of September 30, 1997.

(c) UNITED STATES TRANSPORTATION COMMAND PERSONNEL DEFINED.—For purposes of this section, the term ''United States Transportation Command personnel'' means military and civilian personnel who are assigned to, or employed in, the United States Transportation Command Headquarters, Air Force Air Mobility Command, Navy Military Sealift Command, Army Military Traffic Management Command, and Defense Courier Service.

(d) SOURCE OF REDUCTIONS.—In reducing the number of United States Transportation Command personnel as required by subsection (b), the Secretary of Defense shall limit such reductions to the United States Transportation Command personnel who are in the following occupational classifications established to group similar occupations and work positions into a consistent structure:

(1) Enlisted members in the Functional Support and Administration classification (designated as occupational code 5XX), as described in Department of Defense Instruction 1312.1, dated August 9, 1995, regarding ''Department of Defense Occupational Information Collection and Reporting''.

(2) Officers in the General Officers and Executives classification (designated as occupational code 1XX), Administrators (designated as occupational code 7XX), and Supply, Procurement, and Allied Officers classification (designated as occupational code 8XX), as described in such instruction.

(3) Civilian personnel in the Program Management classification (designated as occupational code GS–0340), Accounting and Budget classification (designated as occupational code GS–0500 and related codes), Business and Industry classification (designated as occupational code GS–1100 and related codes), and Supply classification (designated as occupational code GS–2000 and related codes), as described in Office of Personnel Management document El–12, dated November 1, 1995, entitled ''Federal Occupational Groups''.

(e) WAIVER AUTHORITY.—The Secretary of Defense may waive or suspend operation of this section in the event of a war or national emergency.

TITLE XIV—DEFENSE BUSINESS PRACTICES REFORMS

Subtitle A—Competitive Procurement Requirements

SEC. 1401. COMPETITIVE PROCUREMENT OF FINANCE AND ACCOUNTING SERVICES.

(a) COMPETITIVE PROCUREMENT REQUIRED.—Chapter 165 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 2784. Competitive procurement of finance and accounting services

''(a) STUDY AND REPORT.—(1) Not later than December 1, 1997, the Secretary of Defense shall initiate a study regarding the competitive procurement of finance and accounting services for the Department of Defense, including non-appropriated fund instrumentalities of the Department of Defense. The study shall analyze the conduct of competitions among private-sector sources and the Defense Finance and Accounting Service and other interested Federal agencies.

''(2) Not later than June 1, 1998, the Secretary of Defense shall submit to Congress a report containing the results of the study conducted under paragraph (1).

''(b) COMPETITIVE PROCUREMENT REQUIRED.—Beginning not later than October 1, 1999, the Secretary of Defense shall competitively procure finance and accounting services for the Department of Defense, including nonappropriated fund instrumentalities of the Department of Defense. The Secretary shall conduct competitions among private-sector sources and the Defense Finance and Accounting Service and other interested Federal agencies. Such a competition shall not involve competition between components of the Defense Finance and Accounting Service.

''(c) IMPROVEMENT OF COMPETITIVE ABILITY.—Before conducting a competition under subsection (b) for the procurement of finance and accounting services that are being provided by a component of the Defense Finance and Accounting Service, the Secretary of Defense shall provide the component with an opportunity to establish its most efficient organization.''.

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

''2784. Competitive procurement of finance and accounting services.''.

SEC. 1402. COMPETITIVE PROCUREMENT OF SERVICES TO DISPOSE OF SURPLUS DEFENSE PROPERTY.

(a) COMPETITIVE PROCUREMENT REQUIRED.—(1) Chapter 153 of title 10, United States Code, is amended by inserting after section 2572 the following new section:

''§ 2573. Competitive procurement of services to dispose of surplus property

''(a) COMPETITIVE PROCUREMENT OF SERVICES.—Beginning not later than October 1, 1998, the Secretary of Defense shall competitively procure services for the Department of Defense in connection with the disposal of surplus property at each site at which the Defense Reutilization and Marketing Service operates. The Secretary shall conduct competitions among private-sector sources and the Defense Reutilization and Marketing Service and other interested Federal agencies for the performance of all such services at a particular site.

''(b) IMPROVEMENT OF COMPETITIVE ABILITY.—Before conducting a competition under subsection (a) for the procurement of services described in such subsection that are being provided by a component of the Defense Reutilization and Marketing Service, the Secretary of Defense shall provide the component with an opportunity to establish its most efficient organization.

''(c) REPORTING REQUIREMENTS.—Not later than 90 days after the end of each fiscal year in which services for the disposal of surplus property are competitively procured under subsection (a), the Secretary of Defense shall submit to Congress a report specifying—

''(1) the type and volume of such services procured by the Department of Defense during that fiscal year from the Defense Reutilization and Marketing Service and from other sources;

''(2) the former sites of the Defense Reutilization and Marketing Service operated during that fiscal year by contractors (other than the Defense Reutilization and Marketing Service); and

''(3) the total amount of any fees paid by such contractors in connection with the performance of such services during that fiscal year.

''(d) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to alter the requirements regarding the identification or demilitarization of an item of excess property or surplus property of the Department of Defense before the disposal of the item.

''(e) DEFINITIONS.—In this section:

''(1) The term 'surplus property' means any personal excess property which is not required for the needs and the discharge of the responsibilities of all Federal agencies and the disposal of which is the responsibility of the Department of Defense.

''(2) The term 'excess property' means any personal property under the control of the Department of Defense which is not required for its needs and the discharge of its responsibilities, as determined by the Secretary of Defense.''.

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2572 the following new item:

''2573. Competitive procurement of services to dispose of surplus property.''.

(b) IMPLEMENTATION REPORT.—Not later than March 1, 1998, the Secretary of Defense shall submit to Congress a report—

(1) containing a plan to implement the competitive procurement requirements of section 2573 of title 10, United States Code, as added by subsection (a); and

(2) identifying other functions of the Defense Reutilization and Marketing Service that the Secretary considers suitable for performance by private-sector sources.

SEC. 1403. COMPETITIVE PROCUREMENT OF FUNCTIONS PERFORMED BY DEFENSE INFORMATION SYSTEMS AGENCY.

(a) COMPETITIVE PROCUREMENT REQUIRED.—Chapter 146 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 2474. Competitive procurement of information services

''(a) STUDY AND REPORT.—(1) Not later than December 1, 1997, the Secretary of Defense shall initiate a study regarding the competitive procurement of those commercial and

industrial type functions performed before the date of the enactment of this Act by the Defense Information Systems Agency, with particular regard to the functions performed at the entities known as megacenters. The study shall analyze the conduct of competitions among private-sector sources and the Defense Information Systems Agency and other interested Federal agencies.

''(2) Not later than June 1, 1998, the Secretary of Defense shall submit to Congress a report containing the results of the study conducted under paragraph (1).

''(b) COMPETITIVE PROCUREMENT REQUIRED.—Beginning not later than October 1, 1999, the Secretary of Defense shall competitively procure those commercial and industrial type functions performed before that date by the Defense Information Systems Agency. The Secretary shall conduct competitions among private-sector sources and the Defense Information Systems Agency and other interested Federal agencies.

''(c) IMPROVEMENT OF COMPETITIVE ABILITY.—Before conducting a competition under subsection (b) for the procurement of information services that are being provided by a component of the Defense Information Systems Agency, the Secretary of Defense shall provide the component with an opportunity to establish its most efficient organization.

''(d) EXCEPTION FOR CLASSIFIED FUNCTIONS.—(1) The requirement of subsection (b) shall not apply to the procurement of services involving a classified function performed by the Defense Information Systems Agency.

''(2) In this subsection, the term 'classified function' means any telecommunications or information services that—

''(A) involve intelligence activities;

''(B) involve cryptologic activities related to national security;

''(C) involve command and control of military forces;

''(D) involve equipment that is an integral part of a weapon or weapons system; or

''(E) are critical to the direct fulfillment of military or intelligence missions (other than routine administrative and business applications, such as payroll, finance, logistics, and personnel management applications).''.

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

''2474. Competitive procurement of information services.''.

SEC. 1404. COMPETITIVE PROCUREMENT OF PRINTING AND DUPLICATION SERVICES.

(a) EXTENSION.—Subsection (a) of section 351 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 266) is amended—

(1) by striking out ''and 1997'' and inserting in lieu thereof ''through 1998''; and

(2) by striking out ''Defense Printing Service'' and inserting in lieu thereof ''Defense Automation and Printing Service''.

(b) PROHIBITION ON SURCHARGE FOR SERVICES.—Such section is further amended by adding at the end the following new subsection:

''(d) PROHIBITION ON IMPOSITION OF SURCHARGE.—The Defense Automation and Printing Service may not impose a surcharge on any printing and duplication service for the Department of Defense that is procured from a source outside of the Department.''.

SEC. 1405. COMPETITIVE PROCUREMENT OF CERTAIN OPHTHALMIC SERVICES.

(a) COMPETITIVE PROCUREMENT REQUIRED.—Beginning not later than October 1, 1998, the Secretary of Defense shall competitively procure from private-sector sources, or other sources outside of the Department of Defense, all ophthalmic services related to the provision of single vision and multivision eyeware for members of the Armed Forces, retired members, and certain covered beneficiaries under chapter 55 of title 10, United States Code, who would otherwise receive such ophthalmic services through the Department of Defense.

(b) EXCEPTION.—Subsection (a) shall not apply to the extent that the Secretary of Defense determines that the use of sources within the Department of Defense to provide such ophthalmic services—

(1) is necessary to meet the readiness requirements of the Armed Forces; or

(2) is more cost effective.

(c) COMPLETION OF EXISTING ORDERS.—Subsection (a) shall not apply to orders for ophthalmic services received on or before September 30, 1998.

SEC. 1406. COMPETITIVE PROCUREMENT OF COMMERCIAL AND INDUSTRIAL TYPE FUNCTIONS BY DEFENSE AGENCIES .

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

(1) by redesignating subsection (g) as subsection (h); and

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

''(g) COMPETITIVE PROCUREMENT BY DEFENSE AGENCIES.—(1) Beginning not later than September 30, 1999 (unless an earlier effective date is otherwise required for a specific Defense Agency), the Secretary of Defense shall competitively procure those commercial and industrial type functions performed before that date by a Defense Agency. The Secretary shall conduct competitions among private-sector sources and the Defense Agency involved and other interested Federal agencies.

''(2) Before conducting a competition under subsection (a) for the procurement of a commercial or industrial type function that is being performed by a component of a Defense Agency, the Secretary of Defense shall provide the component with an opportunity to establish its most efficient organization.

''(3) In this subsection, the term 'Defense Agency' means a program activity specified in the table entitled 'Program and Financing' for operation and maintenance, Defense-wide activities, in the budget of the President transmitted to Congress for fiscal year 1998 pursuant to section 1105 of title 31 (and any successor of such activity).''.

(b) IMPLEMENTATION REPORT.—Not later than March 1, 1998, the Secretary of Defense shall submit to Congress a report containing a plan to implement the competitive procurement requirements of section 2461(g) of title 10, United States Code, as added by subsection (a).

Subtitle B—Reform of Conversion Process

SEC. 1411. DEVELOPMENT OF STANDARD FORMS REGARDING PERFORMANCE WORK STATEMENT AND REQUEST FOR PROPOSAL FOR CONVERSION OF CERTAIN OPERATIONAL FUNCTIONS OF MILITARY INSTALLATIONS.

(a) STANDARD FORMS REQUIRED.—Chapter 146 of title 10, United States Code, is amended by inserting after section 2474, as added by section 1403, the following new section:

''§ 2475. Military installations: use of standard forms in conversion process

''(a) STANDARDIZATION OF REQUIREMENTS.—(1) The Secretary of Defense shall develop standard forms (to be known as a 'standard performance work statement' and a 'standard request for proposal') to be used in the consideration for conversion to contractor performance of those commercial services and functions at military installations that have been converted to contractor performance at a rate of 50 percent or more, as determined under subsection (c).

''(2) A separate standard form shall be developed for each service and function covered by paragraph (1) and the forms shall be used throughout the Department of Defense in lieu of the performance work statement and request for proposal otherwise required under the procedures and requirements of Office of Management and Budget Circular A–76 (or any successor administrative regulation or policy).

''(3) The Secretary shall develop and implement the standard forms not later than October 1, 1998.

''(b) INAPPLICABILITY OF ELEMENTS OF OMB CIRCULAR A–76.—On and after October 1, 1998, the procedures and requirements of Office of Management and Budget Circular A–76 regarding performance work statements and requests for proposals shall not apply with respect to the conversion to contractor performance at a military installation of a service or function for which a standard form is required under subsection (a).

''(c) DETERMINATION OF CONTRACTOR PERFORMANCE PERCENTAGE.—In determining the percentage at which a particular commercial service or function at military installations has been converted to contractor performance, the Secretary of Defense shall take into consideration all military installations and use the final estimate of the percentage of contractor performance of services and functions contained in the most recent commercial and industrial activity inventory database established under Office of Management and Budget Circular A–76.

''(d) EXCLUSION OF MULTI-FUNCTION CONVERSION.—If a commercial service or function for which a standard form is developed under subsection (a) is combined with another service or function (for which such a form is not required) for purposes of considering the services and functions at the military installation for conversion to contractor performance, a standard form developed under subsection (a) may not be used in the conversion process in lieu of the procedures and requirements of Office of Management and Budget Circular A–76 regarding performance work statements and requests for proposals.

''(e) EFFECT ON OTHER LAWS.—Nothing in this section shall be construed to supersede any other requirements or limitations, specifically contained in this chapter, on the conversion to contractor performance of activities performed by civilian employees of the Department of Defense.

''(f) MILITARY INSTALLATION DEFINED.—In this section, the term 'military installation' means a base, camp, post, station, yard, center, homeport facility for any ship, or other activity under the jurisdiction of the Department of Defense, including any leased facility.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2474, as added by section 1403, the following new item:

''2475. Military installations: use of standard forms in conversion process.''.

SEC. 1412. STUDY AND NOTIFICATION REQUIREMENTS FOR CONVERSION OF COMMERCIAL AND INDUSTRIAL TYPE FUNCTIONS TO CONTRACTOR PERFORMANCE.

(a) NOTIFICATION.—Section 2461 of title 10, United States Code, is amended by striking out subsections (a) and (b) and inserting in lieu thereof the following new subsections:

''(a) NOTIFICATION OF CONVERSION STUDY.—(1) In the case of a commercial or industrial type function of the Department of Defense that on October 1, 1980, was being performed by Department of Defense civilian employees, the Secretary of Defense shall notify Congress of any decision to study the function for possible conversion to performance

by a private contractor. The notification shall include information regarding the anticipated length and cost of the study.

''(2) A study of a commercial or industrial type function for possible conversion to contractor performance shall include the following:

''(A) A comparison of the performance of the function by Department of Defense civilian employees and by private contractor to determine whether contractor performance will result in savings to the Government over the life of the contract.

''(B) An examination of the potential economic effect on employees who would be affected by the conversion, and the potential economic effect on the local community and the United States if more than 75 employees perform the function.

''(C) An examination of the effect of contracting for performance of the function on the military mission of the function.

''(b) NOTIFICATION OF CONVERSION DECISION.—If, as a result of the completion of a study under subsection (a) regarding the possible conversion of a function to performance by a private contractor, a decision is made to convert the function to contractor performance, the Secretary of Defense shall notify Congress of the conversion decision. The notification shall—

''(1) indicate that the study conducted regarding conversion of the function to performance by a private contractor has been completed;

''(2) certify that the comparison required by subsection (a)(2)(A) as part of the study demonstrates that the performance of the function by a private contractor will result in savings to the Government over the life of the contract;

''(3) certify that the entire comparison is available for examination; and

''(4) contain a timetable for completing conversion of the function to contractor performance.''.

(b) WAIVER FOR SMALL FUNCTIONS.—Subsection (d) of such section is amended by striking out ''45 or fewer'' and inserting in lieu thereof ''20 or fewer''.

SEC. 1413. COLLECTION AND RETENTION OF COST INFORMATION DATA ON CONTRACTED OUT SERVICES AND FUNCTIONS.

(a) COLLECTION AND RETENTION REQUIRED.—Section 2463 of title 10, United States Code, is amended—

(1) by redesignating subsections (a) and (b) as subsections (b) and (c), respectively; and

(2) by inserting after the section heading the following new subsection:

''(a) REQUIREMENTS IN CONNECTION WITH CONVERSION TO CONTRACTOR PERFORMANCE.—With respect to each contract converting the performance of a service or function of the Department of Defense to contractor performance (and any extension of such a contract), the Secretary of Defense shall collect, during the term of the contract or extension, but not to exceed five years, cost information data regarding performance of the service or function by private contractor employees. The Secretary shall provide for the permanent retention of information collected under this subsection.''.

(b) CONFORMING AMENDMENTS.—Such section is further amended—

(1) in subsection (b), as redesignated by subsection (a)(1)—

(A) by striking out the subsection heading and inserting in lieu thereof ''REQUIREMENTS IN CONNECTION WITH RETURN TO EMPLOYEE PERFORMANCE.—''; and

(B) by striking out ''to which this section applies'' and inserting in lieu thereof ''described in subsection (c),''; and

(2) in subsection (c), as redesignated by subsection (a)(1)——

(A) by striking out the subsection heading and inserting in lieu thereof ''COVERED FISCAL YEARS.—''; and

(B) by striking out ''This section'' and inserting in lieu thereof ''Subsection (b)''.

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

''§ 2463. Collection and retention of cost information data on contracted out services and functions

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

''2463. Collection and retention of cost information data on contracted out services and functions.''.

Subtitle C—Other Reforms

SEC. 1421. REDUCTION IN OVERHEAD COSTS OF INVENTORY CONTROL POINTS.

(a) REDUCTION IN COSTS REQUIRED.—The Secretary of Defense shall take such actions as may be necessary to reduce the annual overhead costs of the supply management activities of the Defense Logistics Agency and the military departments (known as Inventory Control Points) so that the annual overhead costs are not more than eight percent of annual net sales at standard price by the Inventory Control Points.

(b) TIME TO ACHIEVE REDUCTION.—The Secretary shall achieve the cost reductions required by subsection (a) not later than September 30, 2000.

(c) IMPLEMENTATION PLAN.—Not later than March 1, 1998, the Secretary of Defense shall submit to Congress a plan to achieve the reduction in overhead costs required by subsection (a).

(d) DEFINITIONS.—For purposes of this section:

(1) The term ''overhead costs'' means the total expenses of the Inventory Control Points, excluding—

(A) annual materiel costs; and

(B) military and civilian personnel related costs, defined as personnel compensation and benefits under the March 1996 Department of Defense Financial Management Regulations, Volume 2A, Chapter 1, Budget Account Title File (Object Classification Name/Code), object classifications 200, 211, 220, 221, 222, and 301.

(2) The term ''net sales at standard price'' has the meaning given that term in the March 1996 Department of Defense Financial Management Regulations, Volume 2B, Chapter 9, and displayed in ''Exhibit Fund—14 Revenue and Expenses'' for the supply management business areas.

SEC. 1422. CONSOLIDATION OF PROCUREMENT TECHNICAL ASSISTANCE AND ELECTRONIC COMMERCE TECHNICAL ASSISTANCE.

(a) CONSOLIDATION OF ASSISTANCE.—Chapter 142 of title 10, United States Code, is amended as follows:

(1) Sections 2412, 2414, 2417, and 2418 are each amended by inserting ''and electronic commerce'' after ''procurement'' each place it appears.

(2) Section 2413 is amended—

(A) in subsection (b), by striking out ''procurement technical assistance'' and inserting in lieu thereof ''both procurement technical assistance and electronic commerce technical assistance''; and

(B) in subsection (c), by inserting ''and electronic commerce'' after ''procurement''.

(b) REQUIREMENT TO USE COMPETITIVE PROCEDURES.—Section 2413 of such title is amended by adding at the end the following new subsection:

''(d) The Secretary shall use competitive procedures in entering into cooperative agreements under subsection (a).''.

(c) LIMITATION ON USE OF FUNDS.—Section 2417 of such title is amended—

(1) by striking out ''The Director'' and inserting in lieu thereof the following: ''(b) ADMINISTRATIVE COSTS.—The Director''; and

(2) by inserting before subsection (b) (as designated by paragraph (1)) the following:

''(a) LIMITATION ON USE OF FUNDS.—In any fiscal year the Secretary of Defense may use for the program authorized by this chapter only funds specifically appropriated for the program for that fiscal year.''.

(d) CLERICAL AMENDMENTS.—(1) The heading for chapter 142 of such title is amended to read as follows:

''CHAPTER 142—PROCUREMENT AND ELECTRONIC COMMERCE TECHNICAL ASSISTANCE PROGRAM''.

(2) The tables of chapters at the beginning of subtitle A, and at the beginning of part IV of subtitle A, of such title are each amended by striking out the item relating to chapter 142 and inserting in lieu thereof the following:

''142. Procurement and Electronic Commerce Technical Assistance Program ..... 2411''.

(3) The heading for section 2417 of such title is amended to read as follows:

''§ 2417. Funding provisions''.

(4) The table of sections at the beginning of chapter 142 of such title is amended by striking out the item relating to section 2417 and inserting in lieu thereof the following:

''2417. Funding provisions.''.

SEC. 1423. PERMANENT AUTHORITY REGARDING CONVEYANCE OF UTILITY SYSTEMS.

(a) IN GENERAL.—Chapter 159 of title 10, United States Code, is amended by inserting after section 2687 the following new section:

''§ 2688. Utility systems: permanent conveyance authority

''(a) CONVEYANCE AUTHORITY.—The Secretary of a military department may convey a utility system, or part of a utility system, under the jurisdiction of the Secretary to a municipal, private, regional, district, or cooperative utility company or other entity. The conveyance may consist of all right, title, and interest of the United States in the utility system or such lesser estate as the Secretary considers appropriate to serve the interests of the United States.

''(b) UTILITY SYSTEM DEFINED.—In this section, the term 'utility system' includes the following:

''(1) Electrical generation and supply systems.

''(2) Water supply and treatment systems.

''(3) Wastewater collection and treatment systems.

''(4) Steam or hot or chilled water generation and supply systems.

''(5) Natural gas supply systems.

''(6) Sanitary landfills or lands to be used for sanitary landfills.

''(7) Similar utility systems.

''(c) CONSIDERATION.—(1) The Secretary of a military department may accept consideration received for a conveyance under subsection (a) in the form of a cash payment or a reduction in utility rate charges for a period of time sufficient to amortize the monetary value of the utility system, including any real property interests, conveyed.

''(2) Cash payments received shall be credited to an appropriation account designated as appropriate by the Secretary of Defense. Amounts so credited shall be available for the same time period as the appropriation credited and shall be used only for the purposes authorized for that appropriation.

''(d) CONGRESSIONAL NOTIFICATION.—A conveyance may not be made under subsection (a) until—

''(1) the Secretary of the military department concerned submits to the appropriate committees of Congress (as defined in section 2801(c)(4) of this title) a report containing an economic analysis (based upon accepted life-cycle costing procedures approved by the Secretary of Defense) which demonstrates that the full cost to the United States of the proposed conveyance is cost-effective when compared with alternative means of furnishing the same utility systems; and

''(2) a period of 21 days has elapsed after the date on which the report is received by the committees.

''(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary of the military department concerned may require such additional terms and conditions in a conveyance entered into under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2687 the following new item:

''2688. Utility systems: permanent conveyance authority.''.

TITLE XV—MISCELLANEOUS ADDITIONAL DEFENSE REFORMS

SEC. 1501. LONG-TERM CHARTER CONTRACTS FOR ACQUISITION OF AUXILIARY VESSELS FOR THE DEPARTMENT OF DEFENSE.

(a) PROGRAM AUTHORIZATION.—Chapter 631 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 7233. Auxiliary vessels: authority for long-term charter contracts

''(a) AUTHORIZED CONTRACTS.—After September 30, 1998, the Secretary of the Navy, subject to subsection (b), may enter into a contract for the long-term lease or charter of a newly built surface vessel, under which the contractor agrees to provide a crew for the vessel for the term of the long-term lease or charter, for any of the following:

''(1) The combat logistics force of the Navy.

''(2) The strategic sealift program of the Navy.

''(3) Other auxiliary support vessels for the Department of Defense.

''(b) CONTRACTS REQUIRED TO BE AUTHORIZED BY LAW.—A contract may be entered into under this section with respect to specific vessels only if the Secretary is specifically authorized by law to enter into such a contract with respect to those vessels.

''(c) FUNDS FOR CONTRACT PAYMENTS.—The Secretary may make payments for contracts entered into under this section using funds available for obligation during the fiscal year for which the payments are required to be made. Any such contract shall provide that the United States will not be required to make a payment under the contract (other than a termination payment, if required) before October 1, 2000.

''(d) BUDGETING PROVISIONS.—Any contract entered into under this section shall be treated as a multiyear service contract and as an operating lease for purposes of any provision of law relating to the Federal budget and Federal budget accounting procedures, including part C of title II of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 900 et seq.), and any regulation or directive (including any directive of the Office of Management and Budget) prescribed with respect to the Federal budget and Federal budget accounting procedures.

''(e) TERM OF CONTRACT.—In this section, the term 'long-term lease or charter' means a lease, charter, service contract, or conditional sale agreement with respect to a vessel the term of which (including any option period) is for a period of 20 years or more.

''(f) OPTION TO BUY.—A contract entered into under the authority of this section may contain options for the United States to purchase one or more of the vessels covered by the contract at any time during, or at the end of, the contract period (including any option period) upon payment of an amount not in excess of the unamortized portion of the cost of the vessels plus amounts incurred in connection with the termination of the financing arrangements associated with the vessels.

''(g) DOMESTIC CONSTRUCTION.—The Secretary shall require in any contract entered into under this section that each vessel to which the contract applies—

''(1) shall have been constructed in a shipyard within the United States; and

''(2) upon delivery, shall be documented under the laws of the United States.

''(h) VESSEL CREWING.—The Secretary shall require in any contract entered into under this section that the crew of any vessel to which the contract applies be comprised of private sector commercial mariners.

''(i) CONTINGENT WAIVER OF OTHER PROVISIONS OF LAW.—A contract authorized by this section may be entered into without regard to section 2401 or 2401a of this title if the Secretary of Defense makes the following findings with respect to that contract:

''(1) The need for the vessels or services to be provided under the contract is expected to remain substantially unchanged during the contemplated contract or option period.

''(2) There is a reasonable expectation that throughout the contemplated contract or option period the Secretary of the Navy (or, if the contract is for services to be provided to, and funded by, another military department, the Secretary of that military department) will request funding for the contract at the level required to avoid contract cancellation.

''(3) The use of such contract or the exercise of such option is in the interest of the national defense.

''(j) SOURCE OF FUNDS FOR TERMINATION LIABILITY.—If a contract entered into under this section is terminated, the costs of such termination may be paid from—

''(1) amounts originally made available for performance of the contract;

''(2) amounts currently available for operation and maintenance of the type of vessels or services concerned and not otherwise obligated; or

''(3) funds appropriated for those costs.''.

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

''7233. Auxiliary vessels: authority for long-term charter contracts.''.

SEC. 1502. FIBER-OPTICS BASED TELECOMMUNICATIONS LINKAGE OF MILITARY INSTALLATIONS.

(a) INSTALLATION REQUIRED.—In at least one metropolitan area of the United States containing multiple military installations of one or more military department or Defense Agency, the Secretary of Defense shall provide for the installation of fiber-optics based telecommunications technology to link as many of the installations in the area as practicable in a privately dedicated telecommunications network. The Secretary shall use a competitive process to provide for the installation of the telecommunications network through one or more new contracts.

(b) FEATURES OF NETWORK.—The telecommunications network shall provide direct access to local and long distance telephone carriers, allow for transmission of both classified and unclassified information, and take advantage of the various capabilities of fiber-optics based telecommunications technology.

(c) TIME FOR INSTALLATION.—The telecommunications network or networks to be installed under this section shall be installed and operational not later than September 30, 1999.

(d) REPORT ON IMPLEMENTATION.—Not later than March 1, 1998, the Secretary of Defense shall submit to the congressional defense committees a report on the implementation of subsections (a) and (b), including the metropolitan area or areas selected for the telecommunications network, the estimated cost of the network, and potential areas for the future use of such fiber-optics based telecommunications technology.

SEC. 1503. REPEAL OF REQUIREMENT FOR CONTRACTOR GUARANTEES ON MAJOR WEAPON SYSTEMS.

(a) REPEAL.—Section 2403 of title 10, United States Code, is repealed.

(b) CLERICAL AND CONFORMING AMENDMENTS.—(1) The table of sections at the beginning of chapter 141 of such title is amended by striking out the item relating to section 2403.

(2) Section 803 of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201; 110 Stat. 2604; 10 U.S.C. 2430 note) is amended—

(A) in subsection (a), by striking out ''2403,'';

(B) by striking out subsection (c); and

(C) by redesignating subsection (d) as subsection (c).

SEC. 1504. REQUIREMENTS RELATING TO MICRO-PURCHASES OF COMMERCIAL ITEMS.

(a) IN GENERAL.—Section 2304 of title 10, United States Code, is amended by adding at the end the following new subsection:

''(l) MICRO-PURCHASES.—(1) A contracting officer may not award a contract or issue a purchase order to buy commercial items for an amount equal to or less than the micro-purchase threshold unless a member of the Senior Executive Service or a general or flag officer makes a written determination that—

''(A) the source or sources available for the commercial item do not accept a preferred micro-purchase method, and the contracting officer is seeking a source that does accept such a method; or

''(B) the nature of the commercial item necessitates a contract or purchase order so that terms and conditions can be specified.

''(2) In this subsection:

''(A) The term 'micro-purchase threshold' has the meaning provided in section 32 of the Office of Federal Procurement Policy Act (41 U.S.C. 428).

''(B) The term 'preferred micro-purchase method' means the use of the Government-wide commercial purchase card or any other method for carrying out micro-purchases that Secretary of Defense prescribes in the regulations implementing this subsection.

''(3) The Secretary of Defense shall prescribe regulations to implement this subsection. The regulations shall include such additional preferred methods of carrying out micro-purchases, and such exceptions to the requirement of paragraph (1), as the Secretary considers appropriate.''.

(b) EFFECTIVE DATE.—Subsection (l) of section 2304 of title 10, United States Code, as added by subsection (a), shall apply with respect to micro-purchases made on or after October 1, 1997.

SEC. 1505. AVAILABILITY OF SIMPLIFIED PROCEDURES TO COMMERCIAL ITEM PROCUREMENTS.

(a) ARMED SERVICES ACQUISITIONS.—Section 2304(g) of title 10, United States Code, is amended in paragraph (1)(B) by striking out ''only''.

(b) CIVILIAN AGENCY ACQUISITIONS.—Section 303(g) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C.

253(g)) is amended in paragraph (1)(B) by striking out ''only''.

SEC. 1506. TERMINATION OF THE ARMED SERVICES PATENT ADVISORY BOARD.

(a) TERMINATION OF BOARD.—The organization within the Department of Defense known as the Armed Services Patent Advisory Board is terminated. No funds available for the Department of Defense may be used for the operation of that Board after the date specified in subsection (c).

(b) TRANSFER OF FUNCTIONS.—All functions performed on the day before the date of the enactment of this Act by the Armed Services Patent Advisory Board (including performance of the responsibilities of the Department of Defense for security review of patent applications under chapter 17 of title 35, United States Code) shall be transferred to the Defense Technology Security Administration.

(c) EFFECTIVE DATE.—Subsection (a) shall take effect at the end of the 120-day period beginning on the date of the enactment of this Act.

SEC. 1507. COORDINATION OF DEPARTMENT OF DEFENSE CRIMINAL INVESTIGATIONS AND AUDITS.

(a) BOARD ON CRIMINAL INVESTIGATIONS.—Chapter 7 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 182. Board on Criminal Investigations

''(a) ESTABLISHMENT.—(1) There is in the Department of Defense a Board on Criminal Investigations. The Board consists of the following officials:

''(A) The Assistant Secretary of Defense for Command, Control, Communications, and Intelligence.

''(B) The head of the Army Criminal Investigation Command.

''(C) The head of the Naval Criminal Investigative Service.

''(D) The head of the Air Force Office of Special Investigations.

''(2) To ensure cooperation between the military department criminal investigative organizations and the Defense Criminal Investigative Service, the Inspector General of the Department of Defense shall serve as a nonvoting member of the Board.

''(b) FUNCTIONS OF BOARD.—The Board shall provide for coordination and cooperation between the military department criminal investigative organizations so as to avoid duplication of effort and maximize resources available to the military department criminal investigative organizations.

''(c) REGIONAL WORKING GROUPS.—The Board shall establish working groups at the regional level to address and resolve issues of jurisdictional responsibility that may arise regarding criminal investigations involving a military department criminal investigative organization. A working group shall consist of managers or supervisors of the military department criminal investigative organizations who have the authority to make binding decisions regarding which organization will conduct a particular criminal investigation or whether a criminal investigation should be conducted jointly.

''(d) AUTHORITY OF ASSISTANT SECRETARY.—In the event that a regional working group or the Board is unable to resolve an issue of investigative responsibility, the Assistant Secretary of Defense for Command, Control, Communications, and Intelligence shall have the responsibility to make a final determination regarding the issue.

''(e) MILITARY DEPARTMENT CRIMINAL INVESTIGATIVE ORGANIZATION DEFINED.—In this section, the term 'military department criminal investigative organization' means any of the following:

''(1) The Army Criminal Investigation Command.

''(2) The Naval Criminal Investigative Service.

''(3) The Air Force Office of Special Investigations.''.

(b) BOARD ON AUDITS.—Such chapter is further amended by inserting after section 182, as added by subsection (a), the following new section:

''§ 183. Board on Audits

''(a) ESTABLISHMENT.—(1) There is in the Department of Defense a Board on Audits. The Board consists of the following officials:

''(A) The Under Secretary of Defense (Comptroller).

''(B) The Auditor General of the Army.

''(C) The Auditor General of the Navy.

''(D) The Auditor General of the Air Force.

''(E) The director of the Defense Contract Audit Agency.

''(2) To ensure cooperation between the defense auditing organizations and the Office of the Inspector General of the Department of Defense, the Inspector General of the Department of Defense shall serve as a nonvoting member of the Board.

''(b) FUNCTIONS OF BOARD.—The Board shall provide for coordination and cooperation between the defense auditing organizations so as to avoid duplication of effort and maximize resources available to the defense auditing organizations.

''(c) REGIONAL WORKING GROUPS.—The Board shall establish working groups at the regional level to address and resolve issues of jurisdictional responsibility that may arise regarding audits involving a defense auditing organization. A working group shall consist of managers or supervisors of the defense auditing organizations who have the authority to make binding decisions regarding which defense auditing organization will conduct a particular audit or whether an audit should be conducted jointly.

''(d) AUTHORITY OF UNDER SECRETARY OF DEFENSE (COMPTROLLER).—In the event that a regional working group or the Board is unable to resolve an issue of jurisdictional responsibility, the Under Secretary of Defense (Comptroller) shall have the responsibility to make a final determination regarding the issue.

''(e) DEFENSE AUDITING ORGANIZATION DEFINED.—In this section, the term 'defense auditing organization' means any of the following:

''(1) The Army Audit Agency.

''(2) The Naval Audit Service.

''(3) The Air Force Audit Agency.

''(4) The Defense Contract Audit Agency.''.

(c) WORKING GUIDANCE.—Not later than December 31, 1997, the Secretary of Defense shall prescribe such policies as may be necessary for the operation of the Board on Criminal Investigations and the Board on Audits established pursuant to the amendments made by this section.

(d) CLERICAL AMENDMENTS.—The table of sections at the beginning of such chapter is amended by adding at the end the following new items:

''182. Board on Criminal Investigations.
''183. Board on Audits.''.

SEC. 1508. DEPARTMENT OF DEFENSE BOARDS, COMMISSIONS, AND ADVISORY COMMITTEES.

(a) TERMINATION OF EXISTING ADVISORY COMMITTEES.—(1) Effective December 31, 1998, any advisory committee established in, or administered or funded (in whole or in part) by, the Department of Defense that (A) is in existence on the day before the date of the enactment of this Act, and (B) was not established by law, or expressly continued by law, after January 1, 1995, is terminated.

(2) For purposes of this section, the term ''advisory committee'' means an entity that is subject to the provisions of the Federal Advisory Committee Act (5 U.S.C. App.).

(b) REPORT ON COMMITTEES FOR WHICH CONTINUATION IS REQUESTED.—Not later than March 1, 1998, the Secretary of Defense shall submit to Congress a report setting forth those advisory committees subject to subsection (a) that the Secretary proposes to continue. The Secretary shall include in the report, for each such committee, the justification for continuing the committee and a statement of the costs of such continuation over the next four fiscal years. The Secretary shall include in the report a proposal for any legislation that may be required for the continuations proposed in the report.

(c) POLICY FOR FUTURE DOD ADVISORY COMMITTEES.—(1) Chapter 7 of title 10, United States Code, is amended by inserting after section 183, as added by section 1507(b), the following new section:

''§ 184. Boards, commissions, and other advisory committees: limitations

''(a) LIMITATION ON ESTABLISHMENT.—No advisory committee may be established in, or administered or funded (in whole or in part) by, the Department of Defense except as specifically provided by law after the date of the enactment of this section.

''(b) TERMINATION OF ADVISORY COMMITTEES.—Each advisory committee of the Department of Defense (whether established by law, by the President, or by the Secretary of Defense) shall terminate not later than the expiration of the four-year period beginning on the date of its establishment or on the date of the most recent continuation of the advisory committee by law.

''(c) EXCEPTION FOR TEMPORARY ADVISORY COMMITTEES.—Subsection (a) does not apply to an advisory committee established for a period of one year or less for the purpose (as set forth in the charter of the advisory committee) of examining a matter that is critical to the national security of the United States.

''(d) ANNUAL REPORT.—Not later than March 1 of each year (beginning in 1999), the Secretary of Defense shall submit to Congress a report on advisory committees of the Department of Defense. In each such report, the Secretary shall identify each advisory committee that the Secretary proposes to support during the next fiscal year and shall set forth the justification for each such committee and the projected costs for that committee for the next fiscal year. In the case of any advisory committee that is to terminate in the year following the year in which the report is submitted pursuant to subsection (b) and that the Secretary proposes be continued by law, the Secretary shall include in the report a request for continuation of the committee and a justification and cost estimate for such continuation.

''(e) ADVISORY COMMITTEE DEFINED.—In this section, the term 'advisory committee' means an entity that is subject to the provisions of the Federal Advisory Committee Act (5 U.S.C. App.).''.

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 183, as added by section 1507(d), the following new item:

''184. Boards, commissions, and other advisory committees: limitations.''.

SEC. 1509. ADVANCES FOR PAYMENT OF PUBLIC SERVICES.

(a) IN GENERAL.—Subsection (a) of section 2396 of title 10, United States Code, is amended—

(1) by striking out ''and'' at the end of paragraph (2);

(2) by striking out the period at the end of paragraph (3) and inserting in lieu thereof ''; and''; and

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

''(4) public service utilities.''.

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

''§ 2396. Advances for payments for compliance with foreign laws, rent in foreign countries, tuition, public utility services, and pay and supplies of armed forces of friendly foreign countries''.

(2) The item relating to such section in the table of sections at the beginning of chapter 141 of such title is amended to read as follows:

''2396. Advances for payments for compliance with foreign laws, rent in foreign countries, tuition, public utility services, and pay and supplies of armed forces friendly foreign countries.''.

TITLE XVI—COMMISSION ON DEFENSE ORGANIZATION AND STREAMLINING

SEC. 1601. ESTABLISHMENT OF COMMISSION.

(a) ESTABLISHMENT.—There is hereby established a commission to be known as the ''Commission on Defense Organization and Streamlining'' (hereinafter in this title referred to as the ''Commission'').

(b) COMPOSITION.—The Commission shall be composed of nine members, appointed as follows:

(1) Two members shall be appointed by the chairman of the Committee on National Security of the House of Representatives.

(2) Two members shall be appointed by the ranking minority party member of the Committee on National Security of the House of Representatives.

(3) Two members shall be appointed by the chairman of the Committee on Armed Services of the Senate.

(4) Two members shall be appointed by the ranking minority party member of the Committee on Armed Services of the Senate.

(5) One member, who shall serve as chairman of the Commission, shall be appointed by at least three of the Members of Congress referred to paragraphs (1) through (4) acting jointly.

(c) QUALIFICATIONS.—Members of the Commission shall be appointed from among private United States citizens with knowledge and expertise in organization and management matters.

(d) 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.

(e) INITIAL ORGANIZATION REQUIREMENTS.—(1) All appointments to the Commission shall be made not later than 30 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 on which all members of the Commission have been appointed.

(f) SECURITY CLEARANCES.—The Secretary of Defense shall expedite the processing of appropriate security clearances for members of the Commission.

SEC. 1602. DUTIES OF COMMISSION.

(a) IN GENERAL.—(1) The Commission shall examine the missions, functions, and responsibilities of the Office of the Secretary of Defense, the management headquarters and headquarters support activities of the military departments and Defense Agencies, and the various acquisition organizations of the Department of Defense (and the relationships among such Office, activities, and organizations).

(2) On the basis of such examination, the Commission shall propose alternative organizational structures and alternative allocations of authorities as it considers appropriate.

(b) DUPLICATION AND REDUNDANCY.— In carrying out its duties, the Commission shall identify areas of duplication and recommend options to streamline, reduce, and eliminate redundancies.

(c) SPECIAL REQUIREMENTS REGARDING OFFICE OF SECRETARY.—The examination of the missions, functions, and responsibilities of the Office of the Secretary of Defense shall include the following:

(1) An assessment of the appropriate functions of the Office and whether the Office of the Secretary of Defense or some of its component parts should be organized along mission lines.

(2) An assessment of the adequacy of the present organizational structure to efficiently and effectively support the Secretary in carrying out responsibilities in a manner that ensures civilian authority in the Department of Defense.

(3) An assessment of the extent of unnecessary duplication of functions between the Office of the Secretary of Defense and the Joint Staff.

(4) An assessment of the extent of unnecessary duplication of functions between the Office of the Secretary of Defense and the military departments.

(5) An assessment of the appropriate number of Under Secretaries of Defense, Assistant Secretaries of Defense, Deputy Under Secretaries of Defense, and Deputy Assistant Secretaries of Defense.

(6) An assessment of any benefits or efficiencies derived from decentralizing certain functions currently performed by the Office of the Secretary of Defense.

(d) SPECIAL REQUIREMENTS REGARDING HEADQUARTERS.—The examination of the missions, functions, and responsibilities of the management headquarters and headquarters support activities of the military departments and Defense Agencies shall include the following:

(1) An assessment on the adequacy of the present headquarters organization structure to efficiently and effectively support the mission of the military departments and the Defense Agencies.

(2) An assessment of options to reduce the number of personnel assigned to such headquarters staffs and headquarters support activities.

(3) An assessment of the extent of unnecessary duplication of functions between the Office of the Secretary of Defense and headquarters staffs of the military departments and the Defense Agencies.

(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.

(e) SPECIAL REQUIREMENTS REGARDING ACQUISITION ORGANIZATIONS.—The examination of the missions, functions, and responsibilities of the various acquisition organizations of the Department of Defense shall include the following:

(1) An assessment of benefits of consolidation or selected elimination of Department of Defense acquisition organizations.

(2) An assessment of the opportunities to streamline the defense acquisition infrastructure that were realized as a result of the enactment of the Federal Acquisition Streamlining Act of 1994 (Public Law 103–355) and the Clinger-Cohen Act of 1996 (divisions D and E of Public Law 104–106) or as result of other acquisition reform initiatives implemented administratively during the period from 1993 through 1997.

(3) An assessment of such other defense acquisition infrastructure streamlining or restructuring options as the Commission considers appropriate.

(f) COOPERATION FROM GOVERNMENT OFFICIALS.—In carrying out its duties, the Commission should receive the full and timely cooperation of the Secretary of Defense 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. 1603. REPORTS.

The Commission shall submit to Congress an interim report containing its preliminary findings and conclusions not later than March 15, 1998, and a final report containing its findings and conclusions not later than July 15, 1998.

SEC. 1604. 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 title, 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 and any other Federal department or agency information that the Commission considers necessary to enable the Commission to carry out its responsibilities under this title.

SEC. 1605. 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 title.

SEC. 1606. 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. 1607. 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 Secretary of Defense shall furnish the Commission, on a reimbursable basis, any administrative and support services requested by the Commission.

SEC. 1608. 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 1998. 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. 1609. TERMINATION OF THE COMMISSION.

The Commission shall terminate 60 days after the date of the submission of its final report under section 1603.

The CHAIRMAN. Pursuant to the rule, the gentleman from South Carolina [Mr. SPENCE] and a Member opposed, each will control 30 minutes.

Mr. DELLUMS. Mr. Chairman, since no one rises in opposition to the amendment and it is not my intention to rise in opposition, I am in support, but with that explanation, I would ask unanimous consent that the balance of the time be yielded to this gentleman.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The CHAIRMAN. The gentleman from California [Mr. DELLUMS] will be recognized for 30 minutes.

The Chair recognizes the gentleman from South Carolina [Mr. SPENCE].

Mr. SPENCE. Mr. Chairman, I yield myself 6 minutes.

(Mr. SPENCE asked and was given permission to revise and extend his remarks.)

Mr. SPENCE. Mr. Chairman, I join the ranking Democrat on the Committee on National Security, the gentleman from California [Mr. DELLUMS] in jointly offering this amendment.

This amendment is essentially H.R. 1778, the Defense Reform Act of 1997, which was reported out of the House Committee on National Security last week by voice vote with some minor modifications and without provisions in that bill addressing environmental reforms.

Mr. Chairman, I offer this important amendment in the hope and expectation that it will move us closer to effecting significant and much-needed reform of the Department of Defense. At the appropriate time, I will insert in the RECORD the applicable report language explaining the legislative history and intent of the provisions contained in this amendment.

□ 1745

Mr. Chairman, defense spending has suffered 13 consecutive years of real decline. At the same time, the Department of Defense is facing billions of dollars in readiness, quality of life, and modernization shortfalls. Complicating this situation, our military forces have been reduced by one-third over the last 10 years, and the recently released Quadrennial Defense Review recommends further force reductions even though our forces are busier than they have ever been.

These realities have dramatically increased the imperative to aggressively pursue reforms in how the Department of Defense is organized, resourced and conducts its day-to-day business.

The Spence-Dellums amendment builds on past committee initiatives to reform the Department of Defense, and it contains a number of organizational, business practice, acquisition, and policy reforms intended to compel the Department of Defense to operate more efficiently. According to the Congressional Budget Office, just the provisions of this amendment dealing with the downsizing of the bureaucracy will save $15.5 billion over the next 5 years and $5 billion the year thereafter. This does not count any of the expected savings resulting from the various business practices and acquisition reforms contained in the bill.

This amendment proposes action on several fronts: First, it addresses work force reductions. Over the past several years the committee has focused attention on the disproportionate size of the work force assigned to the Office of the Secretary of Defense headquarters staff and acquisition organizations. Retaining such an overstaffed bureaucracy is untenable when troops have been reduced by 33 percent.

Second, this amendment also recognizes that there are many commercial functions which are currently performed by the Department which are neither inherently governmental nor directly related to the war-fighting mission. Accordingly, it imposes business practice reforms by mandating that a number of commercial activities of the department, such as finance and accounting, information services and property disposal, be competitively procured. It does not mandate privatization, just competition. And in recognition of the fact that the private sector is not always more cost-effective than the public sector, the bill ensures that the existing work force will be able to compete.

Spending on infrastructure and support services account for nearly 60 percent of the defense budget. According to GAO, 45 percent of all active duty military personnel are assigned to infrastructure functions. This trend must be reversed. As the war-fighting element or the tooth of the military services becomes smaller by comparison to the infrastructure/support or tail, the risk of a hollow force becomes real. In the current budget environment, maintaining an effective combat capability demands a defense establishment that is smaller, more efficient and able to maintain critical war-fighting capability at a lower cost.

This amendment has received the endorsement of the council for Citizens Against Government Waste and Americans For Tax Reform. I pause after that. That should be of interest to everyone, many of whom vote on the recommendations of these two organizations.

Mr. Chairman, the imperative to reform how the Department of Defense conducts its business has never been greater. The Defense Reform Act of 1997, and this amendment, achieves this goal. I strongly urge a ''yes'' vote on the Spence-Dellums defense reform amendment.

Mr. Chairman, the report language referred to above, follows herewith:

PURPOSE AND BACKGROUND

Consistent with the recently concluded bipartisan balanced budget agreement, the fiscal year 1998 defense budget will represent the 13th straight year of real decline in defense spending. However, persistent shortfalls in critical defense modernization, readiness and quality of life accounts totaling billions of dollars over the Future Years Defense Program remain with no realistic prospect of solution within the existing budgetary framework. Exacerbating the situation, U.S. military forces have been reduced by one-third over the last ten years and the recently released Quadrennial Defense Review (QDR) recommends further force reductions, even though U.S. forces are busier than they have ever been.

The starkness of the realities facing the defense budget have dramatically increased the imperative to aggressively pursue reforms in how the Department of Defense is organized, resourced and conducts its day to day business. While the drive to achieve meaningful defense reform has existed for decades, the results have been mixed with only marginal improvements achieved.

During the 104th Congress, the House National Security Committee initiated a number of reforms in the areas of acquisition policy, infrastructure and support services, and DOD organization. These reforms were intended to increase the overall efficiency of the Department while, at the same time, preserving the critical military combat capability.

In the acquisition policy area, the committee streamlined and made more cost efficient

the acquisition process through reforms of a number of antiquated and restrictive federal acquisition laws. The committee also mandated numerous studies and pilot programs in the area of infrastructure and support services in an effort to determine the benefits of shifting responsibility for providing certain support services from the public sector to the private. Given the Department's critical national security mission, the committee recognizes there will always be important support functions that must be performed, in part or in whole, by DOD employees. However, with spending on infrastructure and support services accounting for nearly 60 percent of the defense budget, the committee believes that reality should not stand in the way of moving aggressively to achieve greater efficiencies in non-critical support functions such as printing, payroll and travel, just to cite a few.

With respect to DOD organization, the committee is disappointed and concerned that its efforts to effect reform in this area, undertaken with a cooperative spirit, have been met with hostility and consistent noncompliance with statutory direction. The facts underlying the need for DOD organizational reform have not changed. In the same ten year period that active duty military forces have been reduced by 33 percent, the size of the staff and support personnel assigned to the Office of the Secretary of Defense has increased by over 40 percent. This trend of growth in the administrative support functions of the Department undermine the credibility of any internal effort to attack the widely recognized imbalance between combat forces and support infrastructure.

The committee acknowledges the QDR's review of defense reform issues and resulting initiatives. However, the committee notes with disappointment the lack of detail and specifics on implementation of these initiatives. Further, while the committee commends Secretary Cohen's commitment to taking on defense reform through the establishment of the Task Force on Defense Reform, the committee notes that the results of that new review will not be known until late this year.

This legislation builds on past committee initiatives to effect reform in the Department of Defense. It undertakes a number of organizational, structural, defense business practice, acquisition and policy reforms that will make the Department operate more efficiently.

The committee notes that, in implementing the provisions of this bill, the Secretary of Defense may apply any applicable workyear reductions resulting from sections 1401, 1402, 1403, 1405, 1406, and 1421 of this bill to the relevant headquarters reductions and acquisition workforce reductions required by sections 1301 and 1302. Further, the committee is aware that there may be a ''double counting'' effect, whereby a position being eliminated may, for example, fall into both an acquisition workforce and headquarters definition. It is the committee's intent that reductions in the workforce resulting from this bill shall count toward all relevant affected functions or organizations.

SECTION-BY-SECTION ANALYSIS

TITLE XIII—DEFENSE PERSONNEL REFORMS

SECTION 1301—REDUCTION IN PERSONNEL ASSIGNED TO MANAGEMENT HEADQUARTERS AND HEADQUARTERS SUPPORT ACTIVITIES

This section would require a 25 percent reduction in management headquarters and headquarters support personnel, as defined in DOD Instruction 5100.73, over four years and implemented on an annual basis. In execution of this section, the Department would base its reductions upon personnel levels as of October 1, 1997. This section would also require the Secretary of Defense to examine DOD Instruction 5100.73 and make recommendations to Congress by January 15, 1998 on a revised directive that uniformly applies a DOD-wide definition of management headquarters and headquarters support functions.

The committee continues to be concerned with the size and cost of the Department's management headquarters and headquarters support activities. Ten years after the enactment of the Goldwater-Nichols Department of Defense Reorganization Act of 1986 (Public Law 99–433), the committee believes that the Department requires a further reexamination of the structure and size of its management headquarters and headquarters support activities to eliminate unnecessary duplication, outdated modes of organization, and wasteful inefficiencies.

The committee unsuccessfully sought to engage the Department in the 104th Congress on the appropriate size, composition and structure of its Military Department Headquarters staffs. The committee notes with concern that the Department has yet to submit the report and recommendations required by section 904 of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201). While the Quadrennial Defense Review (QDR) has cited reducing and streamling management headquarters and headquarters support activities as a priority, it has postponed implementation of reductions until another internal study reviews the issue and makes recommendations to the Secretary of Defense by August 29, 1997.

The committee is encouraged with the QDR's assertion that the reduction of layers of oversight at headquarters and operational commands and elimination of management and support personnel will yield 10,000 military and 14,000 civilian positions. The committee concurs with the need to drawdown unnecessary infrastructure and supports the Department in this regard. However, the committee is concerned the Department may not have an accurate understanding of the costs associated with management headquarters and headquarters support activities. Specifically, the committee questions whether the Department is relying upon the proper definition and whether the governing DOD directive is being adequately implemented. The committee is aware of several organizations that have not been reported by DOD as management headquarters or headquarters support, but appear to be performing those functions. These organizations include the Air Force Studies and Analyses Agency, U.S. Army's Forces Command Field Support Activity, Air Combat Command's Studies and Analyses Squadron, and the U.S. Atlantic Command's Information Systems Support Group. Furthermore, the committee understands only a portion of the headquarters staffs of the DOD Inspector General and some Defense Agencies are reported by DOD as being management headquarters or headquarters support. In addition, none of the headquarters of the numbered air forces are currently reported (although they were in the past), and the Navy's Program Executive Offices apparently have not been reported in spite of the DOD directive requiring their inclusion.

The committee understands the Department intends to address the inadequacies of the current definition of management headquarters and headquarters support activities in its August 29, 1997 report to the Secretary and looks forward to specific recommendations to rectify this situation.

SECTION 1302—ADDITIONAL REDUCTION IN DEFENSE ACQUISITION WORKFORCE

This section would require the Department of Defense to reduce its acquisition workforce by 42 percent by October 1, 2001, based upon projected fiscal year 1997 end-strength, in order to achieve the reductions necessary to take full advantage of legislated acquisition reforms, free up resources for other unfunded priorities and spur needed streamlining in the defense acquisition infrastructure. This provision would also require the Secretary of Defense to submit an implementation plan to Congress by January 15, 1998, containing any recommendations to include legislative proposals the Secretary considers necessary to fully achieve such reductions.

In the 104th Congress, the committee addressed specific concerns with the size and number of acquisition organizations and positions relative to the declining Department of Defense (DOD) budget and modernization program. Many of the acquisition reforms initiated by the committee were intended to ultimately reduce costs both to the private sector as well as the federal government. Full implementation of acquisition reforms can, and should, also result in fundamental changes and reductions in the structure of the Department's acquisition organizations. Specifically, it was the intent of the committee in relieving the Department from the burden of administering various antiquated and restrictive federal procurement laws that substantially fewer acquisition personnel would be required.

In seeking to establish a balance between the Department's diminished modernization program and the Department's acquisition bureaucracy, the committee supported moderate reductions in acquisition personnel in section 906 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106) and section 902 of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201). The committee understands that in implementing these reductions, the Department exceeded the Congressional mandates in fiscal year 1996 and plans to do so again in fiscal year 1997.

In addition to seeking overall reductions in personnel, the committee sought to engage the Department in determining the appropriate structure of its future acquisition workforce. Section 906 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106) required the Department to examine consolidation and reorganization options and report to Congress on its recommendations. Unfortunately, the report provided by the Department demonstrated no real effort to consider the various organizational and management options identified by the law and, not surprisingly, failed to propose significant alternations to the current acquisition infrastructure.

The committee notes that the 1995 Commission on Roles and Missions (CORM) sharply criticized the Department's acquisition organizations for maintaining redundant staffs and facilities for many types of common acquisition support activities. Therefore, the committee rejects the Department's conclusion in its report to Congress pursuant to section 906 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106) that it has adequately assessed and implemented options for restructuring its acquisition organizations for the purposes of improved efficiency.

The committee strongly disagrees with the Department's assertion that increased downsizing of the workforce would place at risk the ability of the Department to equip combat forces and modernize against future threats. Rather, the committee regards the disproportionate size of the defense acquisition personnel workforce and infrastructure relative to the dramatically reduced procurement accounts as a serious drain upon current and future resources. The committee

believes that the Department's continued refusal to restructure and streamline acquisition infrastructure will result in the continued squandering of limited resources urgently needed to address modernization, readiness and quality of life shortfalls. In order to obtain independent analysis of these issues and develop specific alternative organizational options, elsewhere in this report, the committee recommends a provision establishing the Commission on Defense Organization and Streamlining to examine these critical issues.

The committee understands the Department's current plan will result in an acquisition workforce of approximately 269,000 by October 1, 2000, using the definition included in section 906 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106). Further, the Department has stated plans to reduce its acquisition workforce in excess of 20,000 positions in fiscal year 1997. This section would result in a reduction of 95,000 acquisition positions in excess of the Department's current plan over the next four years and, specifically, reduce 40,000 personnel in fiscal years 1998 and 1999, and 22,000 in fiscal years 2000 and 2001.

The provision would exempt from the required reductions personnel who are employed at maintenance depots. In addition, the committee expects the personnel covered under the Defense Acquisition Workforce Improvement Act of 1990 (DAWIA) will be protected, to the extent possible, from overall reductions required in this section.

SECTION 1303—AVAILABIITY OF FUNDS FOR SEPARATION PAY FOR DEFENSE ACQUISITION PERSONNEL

This section would make $100 million available for payment of separation pay incentives only to defense acquisition personnel who separate from the Department of Defense as a result of reductions mandated by section 1302. The committee believes the Department should be provided appropriate management devices to implement these reductions equitably while retaining the necessary skill levels and organizational capacity. The committee expects the Secretary of Defense to distribute these funds to the military departments, agencies and organizations which ultimately are responsible for offering the separation pay incentives, and will closely monitor how these additional resources are expended.

SECTION 1304—PERSONNEL REDUCTIONS IN UNITED STATES TRANSPORTATION COMMAND

This section would require the Secretary of Defense to reduce administrative duplication and inefficiencies in the United States Transportation Command (USTRANSCOM) and eliminate 1,000 administrative positions across USTRANSCOM components in addition to the reductions identified in the fiscal year 1998 budget request.

Despite the creation of USTRANSCOM, studies by the General Accounting Office and USTRANSCOM, have reported that traffic management processes within the Department of Defense (DOD) remain fragmented, duplicative, and inefficient, primarily due to the lack of integrated and standard business practices. Personnel in each transportation component continue to perform similar and duplicative functions, resulting in different component staff separately negotiating rates and processing claims often related to the same shipment.

The committee is aware that USTRANSCOM is reviewing options to improve the management of customer requirements and billing through contracted studies and the Joint Mobility Control Group. Both options utilize standard business practices which should improve transportation services, transportation and financing systems, and allocation of scarce resources. As these programs are fully implemented, they will eliminate much of the duplicative work that exists. The committee believes that as workload is reduced so should the personnel performing such workload.

As a result, the committee directs the Secretary of Defense to reduce the workers assigned to USTRANSCOM to 70,755, or 1,000 workers below the estimated fiscal year 1997 endstrength levels. The Secretary should also take care to ensure that the smaller components in USTRANSCOM do not receive an disproportionate share of this reduction. These reductions would not affect the Department's overall endstrength level.

TITLE XIV—DEFENSE BUSINESS PRACTICES REFORMS

Subtitle A—Competitive Procurement Requirements

SECTION 1401—COMPETITIVE PROCUREMENT OF FINANCE AND ACCOUNTING SERVICES

This section would require that the Secretary of Defense study the competitive procurement of the finance and accounting services currently provided by the Defense Finance and Accounting Service and provide a report, by June 1, 1998, on the results of the study. The section also requires the Secretary of Defense to competitively procure, consistent with current procurement laws and regulation, DFAS services starting in fiscal year 2000.

It is the committee's view that there exists a robust capability for the provision of financial and accounting services in the private sector. There are no unique requirements of the Department of Defense for finance and accounting services that preclude the provision of such services by the private sector. In light of these considerations, the committee believes that a full and open competition, consistent with current procurement laws and regulations, between both government and private sector sources for the provision of such services is appropriate. The study undertaken during fiscal year 1998 should be consistent with current laws.

SECTION 1402—COMPETITIVE PROCUREMENT OF SERVICES TO DISPOSE OF SURPLUS DEFENSE PROPERTY

This section would direct that the Secretary of Defense to competitively procure the Defense Reutilization and Marketing Service (DRMS) function of disposing of surplus property, by October 1, 1998, and provide a plan, by March 1, 1998, for implementing this section and to identify other DRMS functions that lend themselves to outsourcing.

Studies by both the Department of Defense (DOD) and the National Performance Review identified DRMS as a non-inherently governmental function to be considered for outsourcing. The committee is aware that the Defense Logistics Agency announced a streamlining strategy for DRMS in April 1997. In support of this strategy, the committee recommends competing, consistent with current procurement laws and regulations, all of the DRMS surplus property sales functions starting in fiscal year 1999.

The sale of surplus property is the last step in the DRMS process, following the proper coding, demilitarization, reutilization, transfer, and donation of property as performed by DRMS federal employees. Prior to this date, the committee directs the Secretary to allow the affected agency or programs to establish their most efficient organizational structure in order to compete with the private sector. The committee expects that standard management systems will be implemented in the surplus sales function to ensure adequate oversight of the function by DRMS, and that all necessary information should be made available to the private sector in order to fully support the sale of surplus property.

SECTION 1403—COMPETITIVE PROCUREMENT OF FUNCTIONS PERFORMED BY DEFENSE INFORMATION SYSTEMS AGENCY

This section would require that the Secretary of Defense study the competitive procurement of all of the Defense Information System Agency's (DISA) unclassified, non-inherently governmental commercial and industrial type activities and provide a report, by June 1, 1998, on the results of the study. The section also requires the Secretary of Defense to competitively procure, consistent with current procurement laws and regulations, DISA services starting in fiscal year 2000.

The committee recognizes that DISA has played a crucial role in providing information technology support to the Department of Defense. Today, however, most of DISA's services are widely available in the private sector, often at significantly lower costs. Current DISA services duplicated by the private sector include data processing operations, automated systems support, technical support, help centers, software development, telecommunications, and executive software management.

The study undertaken during fiscal year 1998 should be consistent with current laws. As part of the competition process beginning in fiscal year 2000, the Secretary shall allow the affected program to establish their most efficient organizational structure for the competitions. In order to ensure continuity of customer service, the committee recommends allowing DISA to complete all customer orders received by September 30, 1999.

SECTION 1404—COMPETITIVE PROCUREMENT OF PRINTING AND DUPLICATION SERVICES

This section would extend, through fiscal year 1998, section 351 of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201) which directed the Defense Printing Service, now known as the Defense Automation and Printing Service (DAPS), to competitively procure at least 70 percent of its printing and duplication work from private sector sources. This section would also eliminate the current surcharges levied by the DAPS for handling printing orders that are sent to the Government Printing Office (GPO) or to private contractors.

Although DAPS successfully outsourced 70 percent of its services in fiscal year 1996, the committee has received few assurances that this success represents a permanent change in DAPS business practices. Additionally, the committee has learned that DAPS has placed a surcharge on all customer orders DAPS passes on to its contractors. According to the Air Force and Army, DAPS does not provide any direct value-added services for this surcharge.

SECTION 1405—COMPETITIVE PROCUREMENT OF CERTAIN OPHTHALMIC SERVICES

This section would require the Secretary of Defense to contract for ophthalmic services related to providing military members with single vision and multi-vision eyewear, except those services needed to meet readiness requirements or those that can be accomplished more cost-effectively by the Department of Defense. This provision is based on a recommendation made jointly by the U.S. Army Audit Agency and Naval Audit Service.

SECTION 1406—COMPETITIVE PROCUREMENT OF COMMERCIAL AND INDUSTRIAL TYPE FUNCTIONS BY DEFENSE AGENCIES

This section would require the Secretary of Defense to competitively procure the defense agency commercial and industrial functions by fiscal year 2000 and provide, by March 1,

1998, a plan to accomplish the requirements of this section.

The committee is concerned that competition is not being fully explored by the defense agencies. According to the Department of Defense, the defense agencies will outsource an estimated 14 percent of its commercial activities in fiscal year 1997. In comparison, during the same period, the military departments outsourced between 33 to 61 percent of their commercial activities. For these reasons, the committee directs the Secretary of Defense to compete these functions, consistent with current procurement laws and regulations.

Subtitle B—Reform of Conversion Process

SECTION 1411—DEVELOPMENT OF STANDARD FORMS REGARDING PERFORMANCE WORK STATEMENT AND REQUEST FOR PROPOSAL FOR CONVERSION OF CERTAIN OPERATIONAL FUNCTIONS OF MILITARY INSTALLATIONS

This section would require, by October 1, 1998, the creation of standard Office of Management and Budget Circular A–76 performance work statement (PWS) and request for proposal (RFP) requirements for each base operations function and service that the military departments have previously studied and currently outsource on an average of 50 percent or more across all the military departments. The standard PWS and RFP would render the A–76 requirements, as they relate to PWS and RFP, inapplicable at that time. The committee is aware that within the military services, there is little consistency for outsourcing non-inherently governmental base operations functions and services. Specifically, the military services conduct A–76 studies on activities that are similar, if not exactly the same, as extensively studied and outsourced functions in their own service or in the other military services. This practice unnecessarily duplicates effort and is costly.

As discussed in a General Accounting Office report, ''Base Operations: Challenges Confronting DOD as It Renews Emphasis on Outsourcing,'' (GAO NSIAD 97–86), the development of standard ''templates'' based on previous A–76 studies of similar functional areas, would save the military services time and resources in outsourcing these functions. The following chart illustrates the base operations commercial activities that were outsourced in fiscal year 1996, highlighting the activities that were outsourced an average of 50 percent or more.

[In percent]

Base operating activity	Air Force	Army	Marine Corps [1]	Navy
Natural resource	(2)	45	0	64
Advertising and public relations	(2)	0	0	1
Financial and Payroll	10	0	0	29
Debt collection	(2)	0	(2)	1
Bus services	(2)	48	0	32
Laundry and dry cleaning	100	85	81	94
Custodial services	100	88	82	86
Pest management	23	22	0	37
Refuse collection and disposal services	96	84	67	81
Food services	88	88	42	39
Furniture repair	0	10	(2)	100
Office equipment maintenance and repair	100	75	18	100
Motor vehicle operation	51	16	0	11
Motor vehicle maintenance	47	30	0	21
Fire prevention and protection	1.4	3	0	1
Military clothing	(2)	24	58	0
Guard service	5	22	0	14
Electrical plants and systems O&M	18	17	.02	4
Heating plants and systems O&M	0	38	.01	5
Water plants and systems O&M	(2)	32	.02	14
Sewage and waste plants O&M	14	27	0	18
Air conditioning and refrigeration plants	7	15	30	37
Other utilities O&M	21	25	0	24
Supply operations	26	9	.03	12
Warehousing and distribution of publications	(2)	0	0	7
Transportation management services	25	6	.02	9
Museum operations	(2)	4	0	0
Contractor-operated parts stores and civil engineering supply stores	100	71	100	(2)
Other installation services	8	10	14	22

[1] Marine Corps figures are as of July 1996; all others are as of the end of fiscal year 1996.

[2] Not reported.

Note.—Percentages represent the portion of the workforce that is outsourced for a given function.

Source: GAO analysis of services' commercial activities inventory databases.

SECTION 1412—STUDY AND NOTIFICATION REQUIREMENTS FOR CONVERSION OF COMMERCIAL AND INDUSTRIAL TYPE FUNCTIONS TO CONTRACTOR PERFORMANCE

This section would amend section 2461 of title 10, United States Code, to streamline the Department of Defense reporting to Congress on outsourcing activities. The committee believes that the current reporting requirements are burdensome to the point of impeding certain outsourcing reviews.

SECTION 1413—COLLECTION AND RETENTION OF COST INFORMATION DATA ON CONTRACTED OUT SERVICES AND FUNCTIONS

This section would require the Secretary of Defense to collect cost information on all outsourced activities for five years after a contract is awarded and create a permanent storage site for the data.

The committee is concerned with the poor and often lacking data collection for outsourced activities. Department of Defense (DOD) regulations currently require only three years collection of cost information data for all outsourced activities. According to the General Accounting Office, only the Department of the Air Force consistently follows the data collection guidelines. As a result of these inconsistencies, DOD rarely collects or keeps data on outsourced activities. The committee believes that data collection of previous and ongoing outsourcing activities within the DOD is crucial to identifying and developing accurate savings estimates of these activities.

Subtitle C—Other Reforms

SECTION 1421—REDUCTION IN OVERHEAD COSTS OF INVENTORY CONTROL POINTS

This section would require the Department of Defense (DOD) inventory control points (ICP) to reduce their overhead costs to eight percent of net sales by the end of fiscal year 2000, and provide a plan, by March 1, 1998, for achieving this goal.

The current costs of overhead within the DOD inventory control points is significantly greater than the private sector. Even after taking into account the need to maintain a wartime capacity, these costs are excessive. The committee believes that the ICP management and work processes are ideal business re-engineering candidates, given the extensive commercial market for these services and the recent improvements in private sector practices. In doing so, DOD is encouraged to review the General Accounting Office reports comparing DOD's inventory management practices with leading industry practices (GAO/NSIAD 96–5 and 96–156) for revising the way ICPs provide supply services. DOD should make extensive use of such commercial options as consolidation and outsourcing—particularly prime vendor and virtual prime vendor deliveries for most repairable, hardware, and consumable items. The use of prime and virtual prime vendors provide the benefit of lowering distribution, warehousing, and inventory costs, which reduces the customer rates in the supply and distribution business areas of the working capital funds.

SECTION 1422—CONSOLIDATION OF PROCUREMENT TECHNICAL ASSISTANCE AND ELECTRONIC COMMERCE TECHNICAL ASSISTANCE

This section would create the Procurement and Electronic Commerce Technical Assistance Program by combining services of the current Electronic Commerce Resource Centers (ECRC) and the Procurement Technical Assistance Centers (PTAC).

During the last couple of years, the acquisition community has instituted several reforms aimed at streamlining and removing barriers to the federal acquisition process. The passage of the Federal Acquisition Streamlining Act of 1994 (Public Law 103–335) and the Federal Acquisition Reform Act of 1996 (Division D of Public Law 104–106), along with administrative actions taken by the Executive Branch to streamline the acquisition process have helped to fundamentally change the federal acquisition system. However, despite these reforms, little has changed for the DOD programs that support small business, particularly ECRC and PTAC.

Recent findings by the DOD Office of Inspector General (OIG) (Electronic Commerce Resource Centers, Report No. 97–090 and Department of Defense Procurement Technical Assistance Cooperative Agreement Program, report No. 97–007) argue that the ECRC ''has not been efficient or cost effective in promoting'' the use of electronic commerce or electronic data interchange technologies between small businesses and government organizations. The DOD–OIG also states that PTAC is not complying with its authorizing language in section 2415 of title 10, United States Code, regarding the requirement to award grants based on the comparative ranking of applicants and equitably distribute grants across the Defense Contract Administration Service regions. Finally, the OIG concluded that both ECRC and PTAC functions overlap with services provided elsewhere in the government. For these reasons, the committee believes the programs should be consolidated to improve service delivery and ensure the future of the program is consistent with the rest of the acquisition community.

SECTION 1423—PERMANENT AUTHORITY REGARDING CONVEYANCE OF UTILITY SYSTEMS

This section would authorize the secretary of a military department to convey, with or without consideration, a utility system, or part of a utility system, to a municipal, private, regional, district, or cooperative utility company or other entity. Such utility systems may include electrical generation and supply systems, water supply and treatment systems, wastewater collection and treatment system, steam, hot or chilled water generation and supply systems, natural gas supply systems, and sanitary landfills or lands to be used for sanitary landfills. The provision would require the secretary concerned to submit a 21-day notice-and-wait announcement, to include a report containing an economic analysis of the proposed conveyance, to Congress prior to entering into any agreement to convey a utility system.

TITLE XV—MISCELLANEOUS ADDITIONAL DEFENSE REFORMS

SECTION 1501—LONG TERM CHARTER CONTRACTS FOR ACQUISITION OF AUXILIARY VESSELS FOR THE DEPARTMENT OF DEFENSE

This section would remove several restrictions placed on the Secretary of Defense that currently impede his ability to enter into contracts for the long-term charter of ships built in the United States to meet Department of Defense (DOD) auxiliary fleet requirements. Specifically, this section would grant the Secretary of the Navy general and permanent authority to enter into contracts for the long term charter of certain classes of logistics, sealift and other support vessels. The Secretary would, however, be required to receive Congressional authorization to enter into contracts for specific vessels. It would also remove the requirement to include the termination liability in the budget request for a 20-year lease or charter, would allow the Secretary to request funds to cover only the annual lease payment of a vessel in the fiscal year in which the payment will actually be made, and would eliminate the role

of the Office of Management and Budget in reviewing DOD long-term charter proposals.

By removing these and other restrictions, the Secretary would be able to enter into long-term charters for DOD auxiliary ships which have been built with private sector funds. This program would be virtually identical to the highly successful build and charter program which was used to provide the Marine Corps with its maritime prepositioning ships in the mid-1980s and the Military Sealift Command (MSC) with its T–5 tankers. It would offer the opportunity to replace the aging fleet of MSC auxiliary ships and to replace the prepositioned ammunition container ships for the Army and Air Force in a timely manner.

SECTION 1502—FIBER-OPTICS BASED TELECOMMUNICATIONS LINKAGE OF MILITARY INSTALLATIONS

This section would require the Secretary of Defense to competitively procure and install a dedicated fiber-optics-based network telecommunication service at a minimum of one high military density locale, and report by March 1, 1998 on the implementation of this section.

The communications market has witnessed a rapid change in the last decade. Driven by such proven technologies as fiber-optics and semiconductors, this change has also significantly reduced the cost of telecommunication services while providing greater flexibility and security. Fiber-optics technology, in particular, is used extensively for telecommunications services by the nation's intelligence agencies and to upgrade the base telecommunications infrastructure at four Marine Corps bases in fiscal year 1998.

The committee is aware that fiber-optics technology can also be used to create continuous telecommunication links in areas where there are several similar Department of Defense (DOD) users. Such links could eliminate all Federal Communication Commission (FCC) regulated tolls for communication between the DOD customers and reduce the access tolls for local and long distance calls. In August 1996, the Department of the Navy implemented a pilot study linking, by fiber-optics, the telecommunications services at eleven installations in the Norfolk, Virginia area. An April 1997 Department of the Navy audit report concluded that improved management and services related to this pilot could generate an estimated $21 million in savings, or 22 percent of total costs, over the next six years.

The committee is concerned that DOD has not demonstrated sufficient vision and planning to take full advantage of these cost-effective technologies and a deregulated telecommunications market. Therefore, this section would require the Secretary of Defense to compete among both regulated and unregulated companies for the installation, in at least one area within the United States that contains multiple military facilities and installations, a fiber-optics based telecommunications network linking identified military facilities and installations and achieve operational capability for this network on or before September 30, 1999. The committee is aware that such networks are capable of providing all forms of communication including voice telephony, data applications, video teleconferencing, imaging, and video transmission. The committee believes that the Secretary, in contracting for this fiber-optics telecommunications network, should take advantage of the range of capabilities of this technology wherever feasible and affordable.

SECTION 1503—REPEAL OF REQUIREMENT FOR CONTRACTOR GUARANTEES ON MAJOR WEAPON SYSTEMS

This section would repeal section 2403 of title 10, United States Code, which requires that a contract for the production of a weapon system contain written guarantees unless a waiver is obtained at the Assistant Secretary of Defense level. It also requires Congressional notification in certain circumstances.

Based on work performed by the General Accounting Office and other analysis, the committee is convinced that this provision has not contributed to the effective protection of the taxpayer's interests. To the contrary, the body of evidence supports the conclusion that this provision has led to sizable expenditures by the Department of Defense in the course of purchasing contractor guarantees with little or no concomitant benefit in return. In recommending the repeal of this provision, however, the committee is cognizant of the continuing ability of the Secretary of Defense to pursue contractor guarantees on weapon system acquisitions where it is determined that such an arrangement would protect the government's interest and encourages the Secretary to take such a step wherever warranted.

SECTION 1504—REQUIREMENTS RELATING TO MICRO-PURCHASES OF COMMERCIAL ITEMS

This section would impose a limitation on the use of contracts or purchase orders for commercial items of a value equal to or below the micro-purchase threshold of $2,500 unless a member of the Senior Executive Service or a general or flag office makes a written determination such a contract is necessary. The provision would also grant the Secretary of Defense the discretion to prescribe regulations specifying any further circumstances that may necessitate the used contracts or purchase order below the micro-purchase threshold.

The committee is aware that the Department of Defense has not taken advantage of the authorities provided by the Federal Acquisition and Streamlining Act of 1994 (Public Law 103–712) in dispensing with the administrative burden associated with transactions which occur at or below the micro-purchase threshold. While representing the bulk of the contract actions processed by the Department's financial and contract management bureaucracy, such purchases constitute a small fraction of the value of transactions executed by the Department on an annual basis. The committee believes that aggressive implementation of the micro-purchase threshold authority and of this provision could yield significant savings in eliminating a portion of the administrative overhead associated with defense purchases.

SECTION 1505—AVAILABILITY OF SIMPLIFIED PROCEDURES TO COMMERCIAL ITEM PROCUREMENTS

This section would amend existing law to modify the circumstances under which a contracting officer could utilize simplified procedures for the procurement of commercial items. Currently, the authority to utilize simplified procedures above the simplified acquisition threshold of $100,000 is limited by a requirement for the contracting officer to make a determination that ''only'' commercial items will be proposed for a given procurement. Given that this kind of prospective determination is difficult to make, the restriction serves as an impediment to utilizing above-threshold simplified procedures as intended by the Clinger-Cohen Act of 1996 (Division D of Public Law 104–106). This situation is particularly critical given that this authority for above-threshold simplified procedures was extended by Congress on a three-year test basis. Therefore, the committee believes it is critical that the Department be afforded a realistic opportunity to implement the flexibility and potential benefits realized through the use simplified procedures for commercial item procurements above the simplified acquisition threshold in order to determine whether such authority should be considered on a more permanent basis.

SECTION 1506—TERMINATION OF THE ARMED SERVICES PATENT ADVISORY BOARD

This section would terminate the Armed Services Patent Advisory Board and transfer its functions to the Defense Technology Security Administration (DTSA). The Armed Services Patent Advisory Board is currently responsible for coordinating security reviews of patent applications to determine if they contain sensitive technical information, the public release of which would be detrimental to national security. In performing this function, the Board fulfills the role assigned to the Department of Defense under chapter 17 of title 35, United States Code. The Patent Advisory Board is an unfunded program and as such, is staffed with personnel from the legal offices of the military departments.

The committee notes that DTSA carries out nearly the same technology security review function when reviewing export license applications to determine if the technologies involved would harm national security if exported to foreign entities. In fact, DTSA and the Patent Advisory Board confer with many of the same technical experts at field activities of the military departments. The DTSA staff possesses technical knowledge that enable it to prescreen items before resorting to military field activities for analyses. A DTSA review can therefore be more expeditious than reviews coordinated by the Patent Advisory Board, since Board personnel are primarily legal staff members with limited knowledge of defense technologies. While the committee recognizes that as an unfunded program the Board's termination would not necessarily result in cost savings, the committee believes that transfer of the security review function to DTSA would result in more expeditious and thorough reviews.

SECTION 1507—COORDINATION OF DEPARTMENT OF DEFENSE CRIMINAL INVESTIGATIONS AND AUDITS

This section would authorize the Department of Defense (DOD) Criminal Investigative Service's Board on Investigations with the Assistant Secretary of Defense for Command, Control, Communications and Intelligence as executor. This provision would also create a similar board for the audit agencies with the DOD Undersecretary for Defense (Comptroller) as its executor.

The committee commends the DOD criminal investigative services on their efforts to increase coordination, reduce duplication, and improve the overall management of resources through the Board on Investigations and the Regional Fraud Working Groups. The committee believes the creation of a Board on Audit would generate the same benefits, allowing DOD to better handle the increasing workload from the Chief Financial Officers Act and the changing accounting systems. The committee directs the Secretary of Defense to finalize the working guidance for the operation of both boards no later than December 31, 1997. The committee believes that DOD is best served by a productive and coordinated effort between the service departments and the DOD Office of Inspector General.

SECTION 1508—DEPARTMENT OF DEFENSE BOARDS, COMMISSIONS, AND ADVISORY COMMITTEES

This section would eliminate, by December 31, 1998, all governing authorities for Department of Defense (DOD) advisory committees other than those established in the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106) or subsequent authorizations. This provision would also require DOD to submit to Congress a report

and a legislative proposal, due March 1, 1998, identifying advisory committees that warrant support and including justification and projected costs associated with specific advisory committees.

The committee is aware the Department has, in response to Presidential Executive Order 12838, ''Termination and Limitation of Federal Advisory Committees,'' reduced discretionary boards and commissions by almost one-third since 1993. In compliance with section 1054 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106), the Department submitted a report to Congress on the merits of remaining DOD boards and commissions. The Department failed, however, to propose any significant further elimination of its advisory committees. The committee notes the current 53 discretionary and statutorily established boards and commissions, to include the Advisory Group on Electron Devices, Armed Forces Epidemiological Board, and Inland Waterways Users Board, will cost an estimated $16.2 million in fiscal year 1997. The committee is concerned that many of the Department's remaining statutory and discretionary boards and commissions may have outlived their original purpose.

The committee recognizes the value of readily available expertise in the execution of the Department's duties. Accordingly, this section would allow the Department of Defense to establish advisory committees for one year or less in duration without Congressional authorization for the stated purpose of examining issues critical to national security.

SECTION 1509—ADVANCES FOR PAYMENT OF PUBLIC SERVICES

This section would expand the list of items that the Department of Defense may pay in advance, from available appropriations, to include public utility services. This provision should lower administrative costs associated with metering and billing for these services.

TITLE XVI—COMMISSION ON DEFENSE ORGANIZATION AND STREAMLING

OVERVIEW

The post-Cold War global security environment has witnessed dramatic reductions in the size and capability of the U.S. military force structure while the organizational composition of the Department, especially at the management level, has remained largely unchanged. Since 1987, the Army has lost eight active divisions, the Navy has decommissioned three carriers and over 200 ships, and the Air Force has cut 12 active and five reserve tactical wings. Notably, 1997 active duty personnel levels are actually equivalent to 1950 pre-Korean War levels. Meanwhile, from 1985 to 1996, the Office of the Secretary increased its staff 40 percent, military department headquarters continue to maintain redundant staffs, and, in spite of a 70 percent drop in procurement accounts since 1985, the Department's acquisition infrastructure has remained largely static.

The committee maintains that the Department currently has sufficient authority to reorganize and restructure itself but has demonstrated little willingness to pursue such reforms. Not since the passage of the Goldwater-Nichols Department of Defense Reorganization Act of 1986 (Public Law 99–433) has the defense establishment undergone significant scrutiny and reform.

To address these trends, the committee undertook a number of initiatives during the 104th Congress to encourage and compel the Department to focus on these matters and arrive at its own options and solutions. The committee deliberately chose not to legislate specific prescriptive remedies on the belief that the Department was better suited to develop such detail on its own. Therefore the committee provided the Department with broad guidance and, where possible, relief from existing statutory limitations and dictates on organizational matters. To the committee's continuing disappointment, the Department's response to these efforts has ranged from passive resistance to outright defiance of statutory direction. After two years of attempting a preferred approach of cooperation and collaboration, the committee finds itself no further along in effecting the necessary change in the Department's management and organizational structure.

SECTION 1601—ESTABLISHMENT OF COMMISSION

In an effort to increase understanding and provide the Congress with implementation options for reforming the Department of Defense, this subtitle would establish a commission to be known as the ''Commission on Defense Reorganization and Streamling.'' The committee believes an independent commission would serve to further the cause of fundamental and much-needed defense organizational reform. The commission would consist of nine members who are private citizens with knowledge and expertise in organization and management matters. Two members would be appointed by the chairman of the House National Security Committee, two members would be appointed by the ranking member of the House National Security Committee, two members would be appointed by the chairman of the Senate Armed Services Committee, and two members would be appointed by the ranking member of the Senate Armed Services Committee.

This section would also provide for three of the four appointing chairmen and ranking members to designate a commission chairman. In addition, this section provides for filling vacancies, and describes the initial organizational requirements of the commission. It would require that all members of the commission be required to hold appropriate security clearance. The committee notes, however, that it is not the intent of this subsection to disqualify those individuals who do not currently hold clearances but who could be provided appropriate clearances in a short period of time. The committee expects that in such circumstances the government would move to secure the necessary clearances as expeditiously as possible.

SECTION 1602—DUTIES OF COMMISSION

This section would establish the duties of the commission, which would be to make recommendations to increase overall organizational effectiveness of the Department of Defense. The commission shall examine the missions, functions, responsibilities, and relationship therein, of the Office of the Secretary of Defense (OSD), the management headquarters and headquarters support activities of the Military Departments and the Defense Agencies, and the Department's various acquisition organizations and propose alternative organizational structures and alternative allocation of authorities where it deems appropriate. In carrying out its duties, the commission shall identify areas of duplication and recommend options to streamline, reduce, and eliminate redundancies.

This section would also require that the commission receive full and timely cooperation of any U.S. government official responsible for providing the commission with information necessary to the fulfillment of its responsibilities.

SECTION 1603—REPORTS

This section would direct the commission to submit an interim report to the Congress by March 15, 1998, and a final report by July 15, 1998, on its findings and conclusions, with a provision for the incorporation of dissenting views.

SECTION 1604—POWERS

This section would establish the commission's authority to hold hearings, take testimony, and receive evidence. The provision would also authorize the commission to secure any information from the Department of Defense and other federal agencies as the commission deems necessary to carry out its responsibilities.

SECTION 1605—COMMISSION PROCEDURES

This section would establish the procedures by which the commission shall conduct its business, describe the number of members required for a quorum and authorize the commission to establish panels for the purpose of carrying out the commission's duties.

SECTION 1606—PERSONNEL MATTERS

This section would establish personnel policies for the commission. Members of the commission would serve without pay. The provision would authorize:

(1) Reimbursement of expenses, including per diem in lieu of subsistence, for travel in the performance of services for the commission;

(2) The chairman to appoint a staff director, subject to the approval of the commission, and such additional personnel as may also be necessary for the commission to perform its duties;

(3) The pay of the staff director and other personnel;

(4) Federal government employees to be detailed to the commission on a nonreimbursable basis and;

(5) The chairman to procure temporary and intermittent services.

SECTION 1607—MISCELLANEOUS ADMINISTRATIVE PROVISIONS

This section would allow the commission to use the United States mails and to obtain printing and binding services in accordance with the procedures used by other federal agencies. The provision would also require the Secretary of Defense to furnish the commission with administrative and support services, as requested, on a reimbursable basis.

SECTION 1608—FUNDING

This section would require the Secretary of Defense to provide such sums as may be necessary for the activities of the commission in fiscal year 1998.

SECTION 1609—TERMINATION OF THE COMMISSION

This section would terminate the commission 60 days after the date of the submission of its report.

Mr. SPENCE. Mr. Chairman, I reserve the balance of my time.

Mr. DELLUMS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, my distinguished colleague the gentleman from South Carolina [Mr. SPENCE] has already laid out the specifics of the bill. I shall not be redundant. I simply want to first commend the gentleman from South Carolina for making a significant effort at the very outset to make this reform package a bipartisan effort.

We both would agree that in its present form it is not perfect. Because this was on a fast track, we are only recently hearing from stakeholders in this reform legislation. We have made an effort to respond to them. I would say to my colleagues on this side of the

aisle that, while not perfect, I think this product can and should be supported as we move forward further into the legislative process, further having the opportunity to refine this process.

I want to thank the gentleman from South Carolina for heeding the notion that while there was a yeoman effort to make reforms in fundamental environmental legislation, that because of the controversy and jurisdictional issues, that they saw the wisdom to withdraw title III. I deeply appreciate that.

Third, I want to thank and commend the staff persons on both sides of the aisle who, I believe, negotiated with each other in good faith, sometimes when we were not here, negotiated with each other with the characteristics of transparency and openness and conviction. Those are very important factors.

Mr. Chairman, as I have said on more than one occasion, any Member of Congress or any committee that thinks they can operate without competent and capable staff are living in a Never-Never Land. So I want to applaud both the competence, the capability, the integrity and the cooperation that took place between the two staffs as we arrived at this bipartisan effort. I think it was an excellent one.

Given the fact that from time to time this is a contentious place, this may very well be a model of how both parties can work and function and operate when we are of one mind, attempting to address a myriad of problems that need to be discussed.

Mr. Chairman, I reserve the balance of my time.

Mr. SPENCE. Mr. Chairman, I yield 2 minutes to the gentleman from Virginia [Mr. BATEMAN].

Mr. BATEMAN. Mr. Chairman, I offer my strongest endorsement to the build and charter provision in this package of reforms.

This provision is relatively simple and straightforward. It provides the Secretary of the Navy with authority to enter into long-term charters for auxiliary and naval support vessels built in U.S. shipyards. It is modeled after the highly successful build and charter program which allowed the Navy to retain its T–5 tankers and the Marine Corps to obtain its 13 maritime prepositioned vessels.

These ships will be built in privately owned U.S. shipyards using private capital. Upon completion of these vessels, the shipowners will sign a long-term lease with the Navy to provide a fully crewed vessel.

This provision will simply allow the Navy to request funding for the lease payments for these vessels in the year in which those payments are required to be paid. Under current practice, the Navy is required to request the budget authority in the first year of the lease for all of the payments due over the next 20 years. Without the ability to spread these payments over the term of the lease, the Navy will simply be unable to obtain the support capability it needs over the next 10 years.

The Navy will need 10 new fast combat dry cargo support ships just after the year 2000. Requirements for ammunition ships for the Air Force and Army have also been identified, as well as towed-array sensor ships. The reason I mention these various types of vessels is this provision will not only provide the opportunity for the Department of Defense to obtain the needed sealift support, but it also offers U.S.-based shipyards the opportunity to build these vessels in sufficient quantities to gain the efficiencies needed to provide an economical product for the Navy.

The amendment will not just benefit large shipyards but also many small shipyards throughout the country. The Navy is considering using this program for towed-array sensor ships, for replacing this aging class of ships. These ships range in length from 220 to 265 feet, a length that is well within the capability of smaller shipyards.

Thus, this section in the reform amendment benefits large shipyards as well as the smaller yards and American merchant mariners and our national security. I urge my colleagues' support.

Mr. DELLUMS. Mr. Chairman, I ask unanimous consent to allow the gentlewoman from California [Ms. HARMAN] the opportunity to manage the balance of the time on this side of the aisle.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Ms. HARMAN. Mr. Chairman, I yield myself such time as I may consume, and I thank the ranking member for yielding time to me and for giving me this opportunity, I again commend him for his professionalism, passion and poetry in the leadership role he serves on this committee.

It is also an honor to serve with him and with our chairman, the gentleman from South Carolina [Mr. SPENCE], and to rise in enthusiastic support of this bipartisan amendment.

Mr. Chairman, we just voted down overwhelmingly an amendment to provide a 5-percent across-the-board cut in our defense budget. I voted against that amendment because I think that that form of cutting is not responsible. But it does not mean that all forms of cutting are not responsible. In fact, the pending amendment would cut at least $5.5 billion from our defense budget and that is very responsible.

I commend to those who voted for the Sanders amendment and to those who voted against the Sanders amendment this particular bipartisan Dellums-Spence amendment.

I spoke earlier in general debate, and I said that I support more effective, less costly defense that is ready for the next war, not the last one. I want the Pentagon to take full advantage of the revolution in military affairs as it modernizes equipment and doctrine for future conflicts, because that will ultimately bring costs down and effectiveness up.

But modernizing requires an initial investment. In today's tight budgetary climate, funding for that investment must come from reductions. And logically, those reductions should be in excess infrastructure and ossified management practices. Right now the Pentagon spends too much on activities that have nothing to do with national security. I repeat, they have nothing to do with national security.

Sixty percent of the defense budget and 45 percent of all military personnel are dedicated to support, not to warfighting. No business could survive with that ratio of overhead to production. Those of us on the Committee on National Security know that the tooth-to-tail ratio is way out of line, and many other Members know that too.

Reform-minded Pentagon officials need our support. Just before he released the QDR, Secretary Cohen told me that it is important for Congress to keep the pressure on, to help his management team overcome internal resistance to reform. The amendment before us is the best way of keeping the pressure on, to help the Pentagon modernize its management procedures and to bring the tooth-to-tail ratio back to reality.

This amendment has broad support not only within Congress and the civilian leadership in the Department but among concerned outside groups, too. One of these is BENS, Business Executives for National Security, a nonpartisan organization of Democratic and Republican business leaders whose advisers include people like former Secretary of Defense Bill Perry.

In a letter distributed to all Members, BENS urges support of this amendment and underscores the need to reduce headquarters staff. This amendment would reduce those staffs by 25 percent, cut the cost of financial management, encourage cost saving public-private competition, and simplify acquisition procedures.

Mr. Chairman, this amendment moves us toward the objectives of the QDR. It continues the important work on acquisition reform that I think is the cornerstone of the legacy of former Secretary of Defense Bill Perry.

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Modernizing our forces to take advantage of the revolution in military affairs requires what Secretary Cohen calls a revolution in business affairs. This amendment provides the ammunition for that revolution.

It makes good defense sense and it makes good business sense to pass this amendment. Let us take advantage of the opportunity it presents, and let us make a real difference in how the Pentagon does business. We can do better, and it can cost us less.

Mr. Chairman, I reserve the balance of my time.

Mr. SPENCE. Mr. Chairman, I yield 3 minutes to the gentleman from Pennsylvania [Mr. WELDON].

(Mr. WELDON of Pennsylvania asked and was given permission to revise and extend his remarks.)

Mr. WELDON of Pennsylvania. Mr. Chairman, I rise in strong support of the amendment, and I want to again thank the chairman and the ranking member for their leadership in helping us address the need to reduce the infrastructure and better manage the Department of Defense.

The changes that are recommended in this amendment are very serious, they are substantive, and they are needed. It allows us to bring down the cost of those people who oversee purchasing. The DOD civilian personnel, that is still too high. It allows us to make management reforms to bring in privatization where possible.

But let me talk about one portion of this amendment that we dropped, Mr. Chairman, and that deals with environmental costs. Earlier I spoke about one of the most rapidly increasing portions of the defense budget, and that is the cost for environmental protection. I cited a ballpark figure at that time of $12 billion. The actual amount, Mr. Chairman, is $6 billion for DOE environmental costs, $4.8 billion for DOD costs. And those figures do not include the hundreds of millions of dollars that we spend either locally at our bases on research programs, through accounts that are managed by DARPA and a number of other agencies. So, when we add all of that up within DOD, we are spending close to $12 billion.

Mr. Chairman, I take great pride in my environmental voting record, support for things like endangered species, wetlands protection, clean air. But we have to find a way to better utilize defense dollars to clean up our sites. And what we are not addressing in this amendment, but which I know our chairman supports, is an effort down the road to address the increasing environmental costs.

Let me also add that under our chairman and ranking member, we have taken great steps. In fact, we introduced a whole new coordinating initiative with the oceanographic community in this country, not actually spending new money, but having the Navy work with nine other Federal agencies to better coordinate the money they spend on understanding the ocean ecosystem.

It is a better use of DOD's assets, which are primarily for defense and for national security, but which also offers tremendous environmental opportunities. That is in the bill. And that is the kind of success that we take along with our efforts to help solve problems like the nuclear waste disposition problem in the Arctic by the Russians.

So we are not saying that we should not be environmentally sensitive, and we are not saying that we should not be concerned. And where possible, the military, when it does its primary purpose, can also benefit us environmentally, we should take advantage of it. But we have to get control of the increasing costs. We have to find a way to provide flexibility so that, when we shut these bases down, and when one day we have kids playing in a playground or going to school on a military base and the next day after the base is closed we say it is a toxic waste site, that is just unacceptable.

It is causing us to take more money from programs and from quality of life that is important. And I applaud my chairman and the ranking member of the leadership and I ask for consideration of this in the future.

Ms. HARMAN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I just listened to the last speaker, my good friend, the gentleman from Pennsylvania [Mr. WELDON], and would like to thank him for years of bipartisan cooperation under his leadership in the Subcommittee on Military Research and Development. I happen to agree with him that environmental issues need to be considered down the line.

I was the sole vote on my side of the aisle against deleting all environmental issues from the base bill on which this amendment is based. I did so because, although the provisions in this original bill may not have been perfect, there are provisions that we should pass. There are ways to revise the Superfund law particularly and to provide for less costly, I think less costly, remediation of some of these closed bases and other sites, which will not only save scarce dollars but will get these lands back to community use faster.

So I applaud what he is saying, and I pledge to work with him and anyone else on responsible ways to change the existing environmental practices so that they are more modern, less costly, and better for all the taxpayers.

Mr. Chairman, I yield 5 minutes to the gentleman from Hawaii [Mr. ABERCROMBIE].

Mr. ABERCROMBIE. Mr. Chairman, today represents a culmination of 7 years of effort, bipartisan I would like to say, nonpartisan effort. I particularly want to thank the chairman, the gentleman from Virginia [Mr. BATEMAN]. This has been a dream of his since before I came into the Congress. I have been privileged to work with him on this issue, been privileged to work with the gentleman from California [Mr. HUNTER] and the gentleman from Mississippi [Mr. TAYLOR] to try and put together this legislation which will renew and revitalize American shipbuilding.

Mr. Chairman, people expect in the United States of America that our strategic interests are going to be met, that our national interests are understood in a context of having a modern merchant marine industry. And yet we do not have it. On the contrary, it has been virtually wiped out.

I do not believe, Mr. Chairman, that the average American understood that, even at this time. Yet this legislation and this reform package that has been put together under the leadership of the gentleman from South Carolina [Mr. SPENCE] and the gentleman from California [Mr. DELLUMS] is going to achieve that.

As a result of the passage of this reform bill, we are going to see American ships built in American shipyards by American workers, flagged in America, and sailed by American seafarers. That is what is going to be accomplished today. We are doing it in a context that marries the public and the private sector. This takes us into a new age of shipbuilding, the revitalization of the American merchant marine.

A vibrant, prosperous American merchant marine is in the direct strategic interests of the United States. Without it, the national interests of the United States, as manifested in military doctrine and material, are served in name only.

Mr. Chairman, by voting for the reform bill today in support of the chairman's innovative amendment, we will give the Navy the authority to enter into long-term charters for the construction of strategic sealift and special mission auxiliary ships. This authority is absolutely essential because the Navy must replace these types of ships in its fleet.

Many of these ships are near the end of their useful life. In fact, the average age of 21 of them is over 30 years. Just as a car, an older ship needs maintenance, Mr. Chairman, it gets more expensive by the age, it becomes less reliable. Unlike our personal cars, however, these ships have a critical mission. And we can ill afford to place our young men and women in harm's way and not have the sealift capability to provide them with the supplies and equipment that are essential during the perilous hours of need.

It does not make good sense to throw good money after bad in trying to make Bandaid repairs to extend the life of a ship that is operating past its time. We are in a new era of fiscal responsibility that is recognized by the chairman where a premium must be placed on finding innovative ways to provide the Navy with the ships they need now, this century, not the next.

Charter and build is the cost-effective answer that will permit the Navy to replace their aging sealift on auxiliary ships. For the last several years, Mr. Chairman, acquisition reform has received well-deserved attention and most particularly in our Committee on National Security. Charter and build is in total keeping with the spirit and intent of acquisition reform; and equally important, it allows the private sector to participate in providing a cost-effective means to meet the auxiliary requirements of the Department of defense. It creates U.S. jobs, which will be filled by taxpayers who fuel the Treasury and our Government with revenue that allows us to provide for the common defense.

For all of these reasons, Mr. Chairman, I request of all of the membership

today that they pay close attention to the sea change, no pun intended, Mr. Chairman, that is going to take place with the passage of the reform bill. After today, we will have taken the effective first step in seeing to it that not just reform has come to the American merchant marine, but that a new day, a new dawn is here for the American merchant marine.

We have the chairman to thank. We have all the Members to thank, the gentleman from California [Mr. DELLUMS], as I said, the gentleman from Virginia [Mr. BATEMAN]. I hope that the first ship that comes out will take into consideration the chairman of our merchant marine panel, who has been so crucial in seeing to it that this day has finally come.

Mr. Chairman, this is one of the proud days for this House, I think. We will have taken the steps necessary to see to it that an American merchant marine is reborn. Mr. Chairman, I ask for the full consideration of this reform bill by all the Members.

Mr. SPENCE. Mr. Chairman, I yield 2 minutes to the gentleman from New Hampshire [Mr. BASS].

Mr. BASS. Mr. Chairman, I guess, as with everyone else here today, I rise in strong support of the chairman's amendment on procurement reform. I am proud to serve as chairman of the Defense Work Group of the Committee on the Budget, and I can say that this is precisely the kind of reform that the committee has supported over the years.

As one who has endorsed and introduced procurement reform legislation, I am pleased to see that the Committee on National Security is moving forward with this effort. We assume, and I think it is great, that we are going to see a reduction of 25 percent in the defense managed headquarters. Over 4 years, we will see a reduction of 42 percent in defense acquisition work force over 4 years, and it is not all at the very end. According to the amendment, it will result in a 40,000 person reduction of personnel in fiscal year 1998 alone.

Now, my distinguished colleague from California and others have talked about the fact that our military strength is reduced by 33 percent and we now have 45 percent of those left in support functions, and that is too high. The amendment will save $15½ billion over 5 years and $5 billion each year thereafter. And this responsible amendment does, in fact, free up the necessary resources that we need for readiness, for modernization, and for overdue improvements in pay and benefits for military personnel.

I would just like to say that I rise in strong support of this amendment and urge the House to adopt it.

Ms. HARMAN. Mr. Chairman, I yield 2 minutes to the gentlewoman from New York [Mrs. MALONEY].

(Mrs. MALONEY of New York asked and was given permission to revise and extend her remarks.)

Mrs. MALONEY of New York. Mr. Chairman, I thank the gentlewoman for yielding, and I rise in opposition to a provision in the Spence amendment that threatens one of the basic tenets of our economy, full and open competition. And I hope that this particular provision is revised and improved as the legislation moves through the system.

Section 1505 of the amendment of the gentleman from South Carolina [Mr. SPENCE] would allow the Government to limit competition when it buys noncommercial goods and services. Those are things that are specific to government needs, like aircraft engine spare parts, and government computer programs.

Current law allows simplified procurement procedures for commercial goods and services. That is because prices of these items can be compared in the commercial marketplace. We all know how much to pay for a car, office supplies or furniture, and we can buy it off the shelf. It is anyone's guess how much that spare engine part is worth.

Full and open competition guarantees lower prices, competitive bidding, provides an even playing field for businesses, and helps weed out fraud, favoritism, and abuse. It guarantees the Government the best price and value, while at the same time ensuring the integrity of the system and protecting taxpayers' dollars.

The Government spends $200 billion a year on goods and services. That is $800 for every American taxpayer in the procurement system. The way that money is spent is extremely important. This particular provision, which removes full and open competition for noncommercial items, I believe is bad policy. I hope that this is changed. Otherwise, I support the amendment.

Mr. SPENCE. Mr. Chairman, I yield 1 minute to the gentleman from Florida [Mr. FOLEY].

Mr. FOLEY. Mr. Chairman, let me state very strongly that there is no stronger advocate for national security veterans' issues or active duty personnel than the gentleman from South Carolina [Mr. SPENCE]. His fine amendment will bring the Pentagon into the 21st century.

I think they are still living in the fifties over there. They are the world's largest bureaucracy. And I think, with this amendment, we will save considerable resources, $15 billion over the next 5 years, $5 billion a year thereafter, streamlining the work force, making more prudent use of expenditures on everything that is involved with the Department of Defense.

Clearly, this is an outstanding amendment. It should be supported by every Member of Congress to be able to use the limited resources we have to make certain our military personnel are adequately served in the field rather than those serving outside of the beltway.

□ 1815

Ms. HARMAN. Mr. Chairman, I reserve the balance of my time.

Mr. SPENCE. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. HORN].

Mr. HORN. Mr. Chairman, I thank the gentleman for yielding this time to me.

The gentleman has done a terrific job in putting this amendment together, and I urge my colleagues, regardless of party, ideology within the party, to support the Spence amendment. It is long overdue. Its passage will result in savings for the average taxpayer. Equally important, the Spence amendment will result in an efficient, well run Department of Defense.

Now many of the Armed Services have already faced up to substantial downsizing. Parts of the Pentagon have shaped up as a result of some downsizing. But the fact is that Defense has too many people on the civilian side. They need to learn what every major corporation in America has learned, every large institution has learned.—Whether hospitals or universities—that when one streamlines the central administration, a more efficient organization results. There are less barriers in terms of the internal communications within a management system. And that is exactly what is needed.

As chairman of the Subcommittee on Government Management, Information, and Technology, I have reviewed the Department of Defense on a number of occasions. It has 49 different accounting systems. That has created substantial chaos in trying to account for funds. No one has stolen them, to our knowledge, but no one can match up the expenditures with the purchase orders, the inventory, and all the rest of it that one needs.

The Pentagon needs to learn more about privatizing. The Army has done that in some cases and has become very efficient in certain fleet management areas.

So we need to support the Spence amendment because it is right for the country. It is right for the military. It is right for our defense. And, best of all, it is right for the taxpayers' pockets.

Mr. SPENCE. Mr. Chairman, I yield 2 minutes to the gentleman from New Jersey [Mr. FRELINGHUYSEN] who is the son of the Mr. Frelinghuysen I served with earlier.

Mr. FRELINGHUYSEN. Mr. Chairman, I rise in support of the chairman's and ranking member's amendment which incorporates many of the provisions of the Defense Reform Act, including a provision that will give the Navy the authority to enter into long-term charters for the construction of combat logistics force, strategic sealift, and special mission auxiliary ships.

The Navy currently has 21 replenishment ships that average over 30 years of age. They are at the end of their useful lives and must be replaced. Continued operation of these old ships have resulted in increased operating costs,

decreased operating tempos, and additional maintenance and repair expenses.

Through long-term charters, the Navy can afford to begin the replacement of these ships. Construction of Navy auxiliary ships in the United States will create thousands of shipyard jobs and help to sustain the Navy's core shipbuilding industrial base. This acquisition approach will also maximize the role of the private sector in providing the most cost-effective means of meeting the Department of Defense auxiliary fleet requirements.

Again, I thank the gentleman for the opportunity to speak on behalf of his amendment.

Mr. SPENCE. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. HUNTER].

Mr. HUNTER. Mr. Chairman, I wanted to thank our great chairman for putting this package together, and the gentlewoman from California [Ms. HARMAN] who has worked so hard on it and all the Members on both sides of the aisle.

I think one theme that we have heard this year on the floor with this national security bill is bipartisanship. We have had to have that because we have had very tough times, the dollars are very scarce, and we have had to come together and find ways to save money so that we can modernize and buy the equipment that everybody, including the Clinton administration, says we need for our people in uniform.

I just wanted to mention one thing that I know Ms. HARMAN has an interest in, and I do. It is the fact that while we have pulled our Army down from 18 divisions to 10 divisions, and almost nobody knows about it, we did it almost under the cover of darkness, we pulled our fighter air wings down from 24 fighter air wings to 13, and our Navy ships from 546 to 346. We have kept an army, literally two Marine Corps of shoppers, of professional acquisition folks, in DOD, and we thought it was prudent and reasonable to have the professional shopping corps in DOD no bigger than the United States Marine Corps. And this reform bill does that. It brings it down to the same force level as the U.S. Marine Corps.

I think that is going to be beneficial, and I think when those end strength cuts come to the tail part of the Pentagon just like they have already come to the tooth part of the Pentagon; that is, the guys that actually carry the weapons and fight the wars, when we pare down the bureaucracy the same way we have pared down the people that are in the field, they are going to get together, and they are going to figure out ways to handle the contract with less than 15 people working that contract. Maybe they can handle it with five, to use computerization, to use simulation to do a lot of things that will bring about efficiencies so that when we have an extra defense dollar, we buy some ammo for that guy in the front lines, we buy that extra piece of equipment, we buy that high-technology equipment that all my colleagues are concerned about.

I thank the gentleman for the time, and I thank the gentlewoman for all the work she has done.

Ms. HARMAN. Mr. Chairman, I yield 2 minutes to the gentleman from South Carolina [Mr. SPRATT].

Mr. SPRATT. Mr. Chairman, let me raise, since no one else is, some concerns about this bill.

There are some breathtaking changes here. This bill would cut management personnel in the Department of Defense by 25 percent; it would cut people classified as acquisition management personnel by 42 percent.

Now I think that we need to impose external pressure on the Pentagon, the Department of Defense, in order to effect these cuts so that the overhead, the white-collar workers, are reduced commensurate with the reduction in force of the guys and women that fight the wars, but is 45 percent, 42 percent, a sustainable number?

Exactly whom are we cutting? Engineers? Accountants? And when we cut these people, will we emasculate program management to the point where we cannot oversee defense contractors, costing us money, buying things imprudently, $600 toilet seats again?

And when we find that we have cut too far, if we have, will we go back out and contract the very same people who are now in a different guise as civilians, and we will pay them more because they will earn more and they will have bigger overhead themselves? Are we saving money or are we not?

I do not think we have weighed sufficiently, the pros and cons, delved sufficiently into the Department of Defense to know whether or not we can sustain without some lasting damage a 25 percent cut in management personnel or a 42 percent cut. We are taking 124,000 acquisition management workers off of 269,000.

Then there is the enormous increase from $100,000 to $5 million where we will not have free and open competition. Is that a good idea? Have we adequately explored the risk inherent in that, or what is there?

We have a letter, my colleagues can check everyone's office right now, a letter from the Chamber of Commerce expressing its concern that we are dispensing with free and open competition which is the best way to buy things.

I may vote for it but I hope this is not the last word because I think there are some assumptions made here that have yet to be validated.

Mr. SPENCE. Mr. Chairman, I yield myself the balance of my time.

The CHAIRMAN. The gentleman is recognized for 11 minutes.

Mr. SPENCE. Mr. Chairman, I would like to first of all thank the gentleman from California [Mr. DELLUMS] and the gentlewoman from California [Ms. HARMAN] for their contribution in this effort.

As has been mentioned before, it is truly a bipartisan effort.

This thing just did not happen. People have talked about reform of this kind for a long time. As a matter of fact, we have had acquisition already. Mr. Clinger and I co-authored a bill on acquisition reform in 1996, that will help us save billions of dollars, as has been pointed out by various people.

We went further than that. We asked people in DOD and GAO and business how we can do things better to save more money, to put where it is needed more, and things that were not inherently military and that the Pentagon was doing, how we can get rid of those things.

We have got ten recommendations from various groups, including, as I said, even DOD itself, GAO, businesses, and others. We put it out for everybody to shoot at for a couple of weeks, to offer amendments to and to give us their ideas about.

But the main thing I wanted to do is just commend the gentleman from California [Mr. DELLUMS] and the gentlewoman from California [Ms. HARMAN] and the others on that side of the aisle for the bipartisanship, for the way in which they have handled this process. This is why it is jointly called the Spence-Dellums amendment, and why it is a bipartisan amendment. I ask our colleagues to vote in favor of the bill.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentleman from South Carolina [Mr. SPENCE].

The question was taken; and the Chairman announced that the ayes appeared to have it.

Mr. SPENCE. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 169, further proceedings on the amendment offered by the gentleman from South Carolina [Mr. SPENCE] will be postponed.

It is now in order to consider Amendment No. 3 printed in part 1 of House Report 105–137.

AMENDMENT NO. 3 OFFERED BY MR. SPENCE

Mr. SPENCE. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 3 offered by Mr. SPENCE:

Page 371, after line 20, insert the following:

SUBTITLE A—GENERAL MATTERS

At the end of title XII (page 379, after line 19), insert the following new section:

SUBTITLE B—MATTERS RELATING TO PREVENTION OF TECHNOLOGY DIVERSION

SEC. 1231. FINDINGS.

Congress finds as follows:

(1) There have been numerous reports of United States-origin supercomputers being obtained by countries of proliferation concern for use in weapon development programs.

(2) China is considered by the United States Government to be a country of proliferation concern.

(3) According to United States officials, China has acquired at least 47 United States-origin supercomputers.

(4) Recent reports indicate that China has purchased hundreds of supercomputers for use in its weapons programs and that the United States is unsure of the location of those supercomputers or the purposes for which they are being used.

(5) China has refused to allow the United States to conduct post-shipment verifications of dual-use items exported from the United States to ensure that those items are not diverted to military use.

(6) China has in the past diverted dual-use items intended for civilian use to military purposes.

SEC. 1232. EXPORT APPROVALS FOR SUPERCOMPUTERS.

(a) PRIOR APPROVAL OF EXPORTS AND REEXPORTS.—The President shall require that no digital computer with a composite theoretical performance of more than 2,000 millions of theoretical operations per second (MTOPS) may be exported or reexported to a country specified in subsection (b) without the prior written approval of the Secretary of Commerce, the Secretary of Defense, the Secretary of Energy, the Secretary of State, and the Director of the Arms Control and Disarmament Agency.

(b) COVERED COUNTRIES.—For purposes of subsection (a), the countries specified in this subsection are the countries listed as ''computer tier 3'' eligible countries in section 740.7(d) of title 15 of the Code of Federal Regulations, as in effect on June 10, 1997.

(c) TIME LIMIT.—The Secretary of Commerce, the Secretary of Defense, the Secretary of Energy, the Secretary of State, and the Director of the Arms Control and Disarmament Agency shall provide a written response to an application for export approval under subsection (a) within 10 days after the application is received. If any such Secretary or the Director declines to approve the export of a computer, the computer may be exported or reexported only pursuant to a license issued by the Secretary of Commerce under the Export Administration Regulations of the Department of Commerce, and without regard to the licensing exceptions otherwise authorized under section 740.7 of title 15 of the Code of Federal Regulations, as in effect on June 10, 1997.

SEC. 1233. REPORT ON EXPORTS OF SUPERCOMPUTERS.

(a) REPORT.—Not later than 30 days after the date of the enactment of this Act, the President shall provide to the congressional committees specified in subsection (d) a report identifying all exports of digital computers with a composite theoretical performance of over 2,000 millions of theoretical operations per second (MTOPS) to all countries since January 25, 1996. For each export, the report shall identify—

(1) whether an export license was applied for and whether one was granted;

(2) the date of the transfer of the computer;

(3) the United States manufacturer and exporter of the computer;

(4) the MTOPS level of the computer; and

(5) the recipient country and end user.

(b) ADDITIONAL INFORMATION ON EXPORTS TO CERTAIN COUNTRIES.—In the case of exports to countries specified in subsection (c), the report under subsection (a) shall identify the intended end use for the exported computer and the assessment by the executive branch of whether the end user is a military end user or an end user involved in activities relating to nuclear, chemical, or biological weapons or missile technology. Information provided under this subsection may be submitted in classified form if necessary.

(c) COVERED COUNTRIES.—For purposes of subsection (b), the countries specified in this subsection are—

(1) the countries listed as ''computer tier 3'' eligible countries in section 740.7(d) of title 15 of the Code of Federal Regulations, as in effect on June 10, 1997; and

(2) the countries listed in section 740.7(e) of title 15 of the Code of Federal Regulations, as in effect on June 10, 1997

(d) CONGRESSIONAL COMMITTEES.—For purposes of subsection (a), the congressional committees specified in this subsection are the following:

(1) The Committee on Banking, Housing, and Urban Affairs and the Committee on Armed Services of the Senate.

(2) The Committee on International Relations and the Committee on National Security of the House of Representatives.

SEC. 1234. POST-SHIPMENT VERIFICATION OF EXPORT OF SUPERCOMPUTERS.

(a) REQUIRED POST-SHIPMENT VERIFICATION.—The Secretary of Commerce shall conduct post-shipment verification of each supercomputer that is exported from the United States, on or after the date of the enactment of this Act, to a country specified in subsection (c).

(b) COVERED SUPERCOMPUTERS.—Subsection (a) applies with respect to a digital computer with a composite theoretical performance in excess of 2,000 millions of theoretical operations per seconds (MTOPS).

(c) COVERED COUNTRIES.—For purposes of subsection (a), the countries specified in this subsection are the countries listed as ''computer tier 3'' eligible countries in section 740.7 of title 15 of the Code of Federal Regulations, as in effect on June 10, 1997.

(d) ANNUAL REPORT.—The Secretary of Commerce shall submit to the congressional committees specified in subsection (f) an annual report on the results of post shipment verifications conducted under this section during the preceding year. Each such report shall include a list of all such items exported from the United States to such countries during the previous year and, with respect to each such export, the following:

(1) The destination country.

(2) The date of export.

(3) The intended end use and intended end user.

(4) The results of the post-shipment verification.

(c) EXPLANATION WHEN VERIFICATION NOT CONDUCTED.—If a post-shipment verification has not been conducted in accordance with subsection (a) with respect to any such export during the period covered by a report, the Secretary shall include in the report for that period a detailed explanation of the reasons why such a post-shipment verification was not conducted.

(f) CONGRESSIONAL COMMITTEES.—For purposes of subsection (a), the congressional committees specified in this subsection are the following:

(1) The Committee on National Security and the Committee on International Relations of the House of Representatives.

(2) The Committee on Armed Services and the Committee on Banking, Housing, and Urban Affairs of the Senate.

The CHAIRMAN. Pursuant to the rule, the gentleman from South Carolina [Mr. SPENCE] and a Member opposed each will control 20 minutes.

Mr. MANZULLO. Mr. Chairman, I claim the time in opposition.

The CHAIRMAN. The gentleman from South Carolina [Mr. SPENCE] and the gentleman from Illinois [Mr. MANZULLO] each will control 20 minutes.

Mr. MANZULLO. Mr. Chairman, I yield half my time to the gentleman from Connecticut [Mr. GEJDENSON] and I ask unanimous consent that he be permitted to control that time.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

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Mr. SPENCE. Mr. Chairman, I yield 10 minutes of my time to the gentleman from California [Mr. DELLUMS] and I ask unanimous consent that he be permitted to control that time.

The CHAIRMAN. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The CHAIRMAN. The time will be distributed in the following manner: The gentleman from South Carolina [Mr. SPENCE] for 10 minutes; the gentleman from California [Mr. DELLUMS] for 10 minutes; the gentleman from Illinois [Mr. MANZULLO] for 10 minutes; and the gentleman from Connecticut [Mr. GEJDENSON] for 10 minutes.

The Chair recognizes the gentleman from South Carolina [Mr. SPENCE].

Mr. SPENCE. Mr. Chairman, I yield myself 4 minutes.

(Mr. SPENCE asked and was given permission to revise and extend his remarks.)

Mr. SPENCE. Mr. Chairman, I join the gentleman from California [Mr. DELLUMS] in offering this amendment to halt the diversion of sensitive technologies to potential adversaries.

This amendment will fix a serious national security problem caused by the administration's decision last year to decontrol the export of so-called supercomputers. Among many uses, supercomputers can help other countries design, build and test nuclear weapons, and to develop advanced conventional munitions. The administration's decision to relax exports controls has allowed the U.S. supercomputers to be exported to countries of proliferation concern without appropriate safeguards on how they are used.

Earlier this year, the head of Russia's Ministry of Atomic Energy confirmed that Russia had obtained U.S. supercomputers for use at two of Russia's premier nuclear weapons research laboratories. According to the Russian Energy Minister, these supercomputers are 10 times more powerful than any computers the Russians have.

In addition, U.S. officials have stated that at least 47 U.S. supercomputers have been sold to China. At least some of these, it has been reported, are under the control of the Chinese Academy of Sciences, which is involved in nuclear weapons and missile research. In fact, according to a report earlier this week, China has obtained hundreds of U.S. supercomputers, most of which cannot be accounted for by our U.S. officials and could easily be used for Chinese weapons research and development.

As the New York Times, citing intelligence sources, reported earlier this month, the newly acquired computers could be used by the Chinese to design more efficient or lighter nuclear warheads that could be put on missiles capable of reaching the United States. The supercomputers sold to China would allow the country to significantly improve its nuclear weapons.

The Spence-Dellums amendment would put Government officials back into the decision loop before such exports can occur. This amendment would reverse the administration's current honor system policy that relies on industry to figure out who should or should not receive this critical technology.

Mr. Chairman, the national security implications of exporting these technologies are too significant, and the stakes too high, for U.S. policy to be one that leaves our Government blind, deaf and dumb to where our supercomputers are going. The Spence-Dellums amendment would put Government officials back to where they belong, protecting our security interests instead of remaining on the sidelines while Russia, China, and other nations of proliferation concern go on a shopping spree.

Vote ''yes'' on the Spence-Dellums amendment.

Mr. Chairman, I reserve the balance of my time.

Mr. MANZULLO. Mr. Chairman, I yield 3½ minutes to the gentleman from New York [Mr. GILMAN].

(Mr. GILMAN asked and was given permission to revise and extend his remarks.)

Mr. GILMAN. Mr. Chairman, I thank the gentleman for yielding me this time.

I rise in reluctant opposition to the Spence amendment. I have a high regard for the gentleman from South Carolina and I want to make certain, I want him to understand that my concern is more with the jurisdiction of this measure.

This amendment, as drafted and submitted to the Committee on Rules, falls truly within the jurisdiction of the House Committee on International Relations. While the gentleman from South Carolina [Mr. SPENCE] and the gentleman from California [Mr. DELLUMS] have held several hearings and briefings on the issue of supercomputer exports, they have not introduced any separate legislation or held any markups of this legislative proposal. In fact, this proposal was drafted and presented to our committee staff only after the conclusion of their markup process of the defense authorization bill.

A spirited debate has already started about the implications of certain provisions contained within this amendment, particularly with respect to proposed changes in the export licensing and approval process. Many of these issues should have been resolved in the normal legislative process, and, I would add, they still can be with discussions among the members of the Committee on International Relations, which has sole jurisdiction over the export licensing and review process.

Concerns have been raised in this debate that the adoption of this amendment is going to create a recipe for bureaucratic gridlock where the energies of our Bureau for Export Administration and the Commerce Department will be focused on reregulation and bureaucratic infighting, rather than on the monitoring and verification of supercomputer exports in countries of concern.

Mr. Chairman, in light of the large number of the so-called tier 3 target countries and their great diversity, ranging from Russia to China to Israel and to many of the countries in the Middle East and Eastern Europe, this amendment's one-size-fits-all approach to supercomputer licensing fails to prioritize among the proliferation threats in these very different countries.

In regard to these very serious allegations of the unauthorized reexport of certain supercomputers to Russian nuclear weapons labs, the proposed amendment would only lead to a process where individual validated licenses would be required for the export or reexport of these items. But a presumption of denial or an outright policy of denial might well be needed in instances where there is a military end user or end use of the supercomputer.

On the other hand, Mr. Chairman, an across-the-board de facto requirement for a validated license for all supercomputers over the 2,000 MTOPS range for all military and civilian end uses and users for all of these countries is too far-reaching. Moreover, it fails to distinguish the real from the apparent proliferation threats.

Mr. Chairman, in light of these views and my standing offer to meet with its authors and direct the Committee on International Relations to hold immediate hearings on and report out legislation addressing this critically important issue of supercomputer exports, I request that my colleagues defeat the amendment.

Mr. MANZULLO. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, I rise in opposition to the amendment. This amendment proposes to kill a gnat with a bazooka. The amendment sounds good, but ignores technological reality on the world scene.

First, some facts. Fact: Computers of between 2,000 and 7,000 MTOPS are widely available on the world market through individual computers, upgrade boards, parallel processing, and networking. We cannot turn back the technological clock.

Fact: Computers in this range are not supercomputers. Supercomputers are far more advanced, with performance power in the hundreds of thousands of MTOPS, reaching as high as 1 million MTOPS.

Fact: Increasing power levels of computers does not enable anyone to do anything unique. Our entire nuclear weapons arsenal and our pilot space program were designed on computers of two MTOPS or less. Increasing the MTOPS levels does not accomplish any new task. It just simply processes information at a faster rate. If we want to stop foreign military from developing weapons of mass destruction, we do not target computers, we focus on other technologies.

Fact: Personal computers like those we have in our offices or at home will soon cross the 2,000 MTOPS barrier next year. Are we prepared to have the Secretaries of Defense, Commerce, State, Energy, and the Director of the Arms Control and Disarmament Agency give written approval every time someone wishes to sell a personal computer overseas to a tier 3 country?

That brings me to my fifth point. Tier 3 countries consist of 50 nations, including Israel, Saudi Arabia, Pakistan, and India. Are we prepared to turn all of these markets over to our foreign competitors? Are we prepared to have four Cabinet Secretaries sign off on every computer sale of over 2,000 MTOPS to 50 countries? It will be a paperwork nightmare without any measurable reduction in the spread of weapons of mass destruction.

We have to remember the last time we bungled supercomputer export control policy. The United States Government took so long to review a proposed Cray supercomputer sale to India that India turned around and created its own supercomputer industry. Now American firms compete against Indian firms selling so-called supercomputers all over the world, including China and Russia.

I urge my colleagues to cut through the rhetoric and look at the facts. This amendment will not accomplish the goal we all aim to achieve, which is reducing the proliferation threat. I urge its defeat. Otherwise, Congress will surrender America's most innovative industry to our foreign competitors.

Mr. Chairman, I ask unanimous consent that control of the balance of the time delegated to me be given to the gentleman from Connecticut [Mr. GEJDENSON].

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. SPENCE. Mr. Chairman, I yield 2 minutes to the gentleman from Illinois [Mr. HYDE], the chairman of the Committee on the Judiciary.

(Mr. HYDE asked and was given permission to revise and extend his remarks.)

Mr. HYDE. Mr. Chairman, this is a simple amendment, and one might criticize it for not going far enough, because it only deals with computers that have a theoretical performance of more than 2,000 millions of theoretical operations per second, but there are computers with less stated capacity that can be upgraded beyond that and perform the same functions, and they are not covered.

This is a simple amendment that says, these are significant resources. We are transferring them and losing track of them. There are no end users. We do not know where they go, what purpose they are put to. We do know they are capable of helping countries design nuclear weapons faster and more accurately, and to transfer technology that is so advanced without knowing what its purpose is or where it ends up is just wrong. It is stupid.

So this amendment, bipartisanly, seeks to correct that by asking for prior written approval of the Secretary of Commerce, the Secretary of Defense, the Secretary of Energy, the Secretary of State, and the Director of the Arms Control and Disarmament Agency.

Now, one may say that that is a lot of paperwork and a lot of hoops to jump through. Well, there ought to be a lot of hoops. Somebody in these sensitive agencies ought to recognize that this transfer of this technology to a country like China or the former Soviet Union countries has consequences, serious consequences.

So I am very pleased to support the amendment of the gentleman from South Carolina [Mr. SPENCE] and the gentleman from California [Mr. DELLUMS]. I note that it is bipartisan, and it will remedy a dangerous situation that we ought not let persist.

Mr. DELLUMS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, first of all, I rise in support of this bipartisan amendment. I am the other side of the amendment, Spence-Dellums.

I want my colleagues to know that I entered into this process as a person committed to arms control and committed to nonproliferation. I am not here nation-bashing, but I am an arms control person. I walked in the door 26½ years ago believing that we ought to deal with the issue of nonproliferation.

Now, there has been a lot of talk about one-size-fits-all. There already is as we speak a licensing regime in place for the sale of high-end computers at the level of 2,000 MTOPS.

□ 1845

Mr. Chairman, there are four different combinations of user and end use: Military to military, license required; military to civilian, license required; civilian to military, license required. So what are we dealing with here? Civilian user to civilian end use, one aspect of a regime that already requires licensing. You already have one size fits all for tier-III countries, all of them. Let us lay that reality on the table. We can talk about that.

Now, Mr. Chairman, the recent sale of a supercomputer to Russia is what brings us here. It calls into question, in this gentleman's opinion, the ability of the current export management system to catch errant sales of these high performance computers. Something must be done to ensure that technology we wish to control is indeed controlled in a way we require.

The amendment, Mr. Chairman, would simply provide the Government with a 10-day opportunity with a peek, if you will, at civilian use to civilian end users to determine whether or not the proposed sale poses any proliferation concerns.

Members ought to be concerned about the transfer of technology that can enhance the problem of proliferation, and if so, require the submission of a license application, the way you have to do in the other three, anyway. This would prevent the mistakes, as I said further. It would provide the Government with the assurance that its national security goal for nonproliferation will be adhered to.

We are not here simply about selling, to make money. We are the Government. We have a responsibility to protect and preserve the prerogatives and the well-being of our people, so we are in the business of national security. Proliferation is a threat.

Further, Mr. Chairman, by requiring postsale verification we can monitor where in fact these computers go, and if they are not ending up where they belong, we can develop new mechanisms to protect our nonproliferation goals. Contrary to the arguments of some, we cannot publish a comprehensive list of all nonsites of proliferation concerns. To do so would probably compromise sources and methods of intelligence. They know that and so do I. Take that off the table. It is a meaningless suggestion. To provide less than a comprehensive list, however, would mislead us into a false sense of confidence that it was sufficient to avoid sites on disclosed lists.

For those who argue, look, computers are moving quickly; six months from now 2000 MTOPS will be obsolete, 7,000, 10,000. Let us just sell them. They can get these things on the open market.

The answer to those who argue that the computing power at these levels of capability is ubiquitous, that is to say, is available everywhere, Mr. Chairman, and that we are not preventing capability from going to a nation but only providing U.S. firms with an opportunity to effectively do business, then have the debate on the issue of raising the threshold for control, if required. That is the answer to that question, lift the threshold. If we have a technology problem and technology is moving quickly, it is not to acquiesce, to say, gee, it is ubiquitous. We are about the business of control, so lift the level.

Further, this amendment would require the administration to put regulations into effect for computers it has decided should be controlled. It only makes these controls more efficient. We can achieve these changes through legislation or administrative order, but they should be achieved for so long as we would continue to decide that the technology should be controlled.

Mr. Chairman, this may not be a perfect instrument, but this is not the end of the process. We would move to conference. There are opportunities to deal with these matters.

Finally, I want to share with my colleagues a slight vignette. I met yesterday or the day before with members of the administration to talk about this matter. I am a reasonable person. I am not here with a cannon to shoot a fly. I want to work these things out. But then I sat and I listened to brilliant people in the administration, and they kept saying, it will not work here, we cannot do this, nobody would want to put themselves on the line, et cetera; we would end up doing this, that, and the other.

We had a brilliant conversation. I suddenly said, you know what? It occurs to me why the brilliance of this form of government, why there are independent branches of government: because you can get so close to this issue that you cannot see how to work your way out of it. You talk about a thousand reasons why it will not work, but that is why some of us have to take an arm's length approach, Mr. Chairman, and be policy makers who challenge the administration to figure out how to do it right.

Because if we all were administrators, if we all just sat there saying there is no way to do it, some of us have to be optimists and idealists and hopeful people who put pressure on the process. That is what this amendment seeks to do. It is not perfect, but it puts it out there. It forces the administration to come to terms, or it forces us to deal with this issue with some kind of legislative clarity. At the end of the day it is our job to protect the American people, put pressure on the process. That is what we have done. I ask my colleagues to support this amendment.

Mr. Chairman, I reserve the balance of my time.

Mr. GEJDENSON. Mr. Chairman, I yield 2 minutes to the gentlewoman from California [Ms. HARMAN].

Ms. HARMAN. Mr. Chairman, I thank the gentleman for yielding time to me, and I rise in reluctant opposition to a well-intended amendment offered by my colleagues, the ranking member and chairman of the Committee on National Security.

Let me explain. I share their goal of preventing harmful proliferation. Of course I share it. As a member of the committee on National Security I spend much of my time, and we all do, trying to protect our country against harmful proliferation. But I do not think this legislation achieves the goal.

In January, 1996, the United States decontrolled export of computers up to a speed of 7,000 MTOPS to so-called tier-III countries. This was done as a consequence of a study by independent experts commissioned by the United States government to determine what level of computer technology existed

outside the United States, and what level needed to be controlled for national security purposes.

It was believed, correctly, in my view, that continuing to rigorously license widely available computer technology would undermine efforts to control truly significant technology. That is what is at issue here: how do we control truly significant technology. We all want to keep certain computer technology out of the hands of China and Russia, but this amendment would apply to a much broader group of countries, including Israel, one of our closest allies. It is overkill.

I suggest that the best way to go is to support the existing export control laws. That is right, support the existing laws. Those who violate our export control laws, the ones on the books now, could face a prohibition of all exports for the company of up to 20 years, 10 years in prison, and a $50,000 fine for each violation.

Mr. Chairman, these are strict penalties. Enforcing existing sanctions is the right way to go. This unilateral approach to deny widely available technology will only hurt American companies, and will not help national security.

I urge a ''no'' vote.

Mr. SPENCE. Mr. Chairman, I yield 2 minutes to the gentleman from Florida [Mr. PORTER GOSS], chairman of the Permanent Select Committee on Intelligence.

(Mr. GOSS asked and was given permission to revise and extend his remarks.)

Mr. GOSS. Mr. Chairman, I thank the distinguished gentleman from South Carolina, the chairman, for yielding me this time.

Mr. Chairman, as chairman of the House Permanent Select Committee on Intelligence, my concern is that we should err on the side of caution. While I know that there are very good arguments that are being made by other people, including the distinguished chairman, and this is a debate that is very worthy, it is the same as the debate on encryption, in my view, where we have to make a balance in this House between national security, law enforcement, and our export opportunities and our economic opportunities and our economic muscle overseas.

My view is based on the reports I have. We have three facts. One is that the administration has in fact relaxed controls twice. Where they have relaxed those controls in the case of the Russians, they have given the Russians a capability 10 times greater than anything they ever had before with regard to nuclear weapons. That is what concerns me.

Secondly, I am very concerned that the Chinese academy of sciences, which is involved in nuclear weapons and missile research, has access to these computers also. That is a fact. That bothers me.

Reports, there are reports we have that things are a little out of control in terms of areas of proliferation. This is not a good place to have things out of control. Proliferation of weapons of mass destruction is probably the single biggest categorical threat to our Nation that I can think of.

So I think we ought to err on the side of caution. I think that the proposals in the amendment are definitely reasonable. I do not see anything in there, when talking about approvals and verifications, those are things that seem reasonable to me. I realize this is not the last word on this. I realize there are other sides to be heard on it as well, but I am going to support this amendment because I think it errs on the side of caution, which is where we ought to be on this issue.

Mr. SPENCE. Mr. Chairman, I yield 1 minute to the gentlewoman from Jacksonville, FL [Mrs. FOWLER].

(Mrs. FOWLER asked and was given permission to revise and extend her remarks.)

Mrs. FOWLER. Mr. Chairman, I rise today to express my strong support for this amendment. I urge my colleagues to support it also. It is unfortunate that this administration has sacrificed long-term national security for short-term economic gain. That is the bottom line.

It has been verified that the supercomputers that have been sold to the Peoples Republic of China and to Russia can be turned around and used militarily against our young men and women, that we have allowed them to advance their technology by millions of times over what they would have been able to do. This is inexcusable, and we are going to pay the price for it. Our young men and women will pay the price for it.

We need to support this amendment. It is a valid amendment, because the loosening of these export controls is what is going to be doing in our young men and women in uniform.

Mr. Chairman, I rise today to express my strong support for this amendment and urge my colleagues to support it also. One of the great advantages the U.S. military has always had in the past was our technological superiority. U.S. troops have known that they were not only the best-trained in the world, but the best-equipped—and that gave them an edge on the battlefield. To preserve that edge, we carefully guarded much of our sophisticated technology to keep it from falling into the wrong hands.

Unfortunately over the last several years, export controls on sensitive technology have been loosened to such a degree that we are eroding our own technological superiority. And the current rules on supercomputers are one of the worst aspects of the policy.

I am particularly concerned about this policy with regard to the People's Republic of China. As revealed in a recent congressional hearing, the decontrol of highspeed supercomputers has led to the sale of at least 47 of them to the PRC over the last 15 months—and every one of those computers is at least four times as powerful as those currently in use by the majority of U.S. military systems. In addition, recent news reports indicate that perhaps hundreds of other computers nearly as powerful as those 47 have also been sold to China. Since China is not only doing everything possible to increase its military power projection and develop an indigenous military production capability, but is also a major proliferator of arms and technology throughout the world—this situation should be of serious concern to all Americans.

Supercomputers can provide a user with the ability to essentially build a bomb in the basement—in other words, to design and test nuclear weapons without ever leaving the lab. This cuts down the time and expense involved in such activities dramatically—and also eliminates the tell-tale evidence of physical testing that our intelligence organizations can detect. Other uses include: Sophisticated weather forecasting, which is often crucial to military operations, and is very important in conducting studies for the use of chemical and biological weapons; making and breaking codes; miniaturizing nuclear weapons; and finding submarines on the ocean floor.

The present regulations allow high performance computers to be exported without individual export licenses, which must be reviewed by the Department of Defense, and there is no follow-up on the sale. This means we don't know where the computers will end up, or even if they have been sold to another country. Since China has become a regular arms bazaar for rogue nations like Iran, Iraq, and Libya, this is a serious concern, and one which could have an impact on U.S. troops in the near future.

By allowing what are, in effect, indiscriminate sales of powerful computers, the U.S. is giving a high-tech shot in the arm not only to the nation that none-too-gently reminded us last year that it has nuclear weapons pointed at our west coast, but to terrorist nations around the globe who have no respect for human life and who are of even greater concern to our national security in the near future.

Mr. Chairman, I am a strong supporter of business and I believe in free trade. I also think the United States should remain engaged with China, which is an emerging superpower. However, we must not forget that it is a Communist country that is arming itself at a rapid rate and engaging in proliferation activities around the globe—and we should not be assisting with either of those activities. Free trade is to be desired, but commerce at all costs is not—especially when it provides a more level battlefield.

This amendment will require notification of the Federal Government and more rigorous examination of any sales of computers rated at 2,000 MTOPS (M-tops) and above to countries which may violate non-proliferation agreements. It will not put an onerous burden on businesses, since it provides for timely evaluation of such requests; and it also contains a provision which will enable us to gain a more accurate picture of just how many supercomputers have gone to China and other nations since the current policy was established. I will vote for it, and I wholeheartedly encourage my colleagues to do the same.

Mr. GEJDENSON. Mr. Chairman, I yield 2 minutes to the gentlewoman from California [Ms. LOFGREN].

Ms. LOFGREN. Mr. Chairman, I strongly urge a no vote on the amendment before us. Much has been said about the change in export regulations.

I would point out that the change to the current policy followed an uncontroverted study that determined it was not helpful to anyone to control the export of technology that you could go buy off the shelf someplace abroad.

The change in policy was approved by the Department of Defense, by the State Department, by the Department of Commerce. I would like to quote two other individuals who urged that the policy be changed.

In a letter to President Clinton signed by the gentleman from Missouri [Mr. GEPHARDT] and the gentleman from Georgia [Mr. GINGRICH], they said that ''it is difficult to understand the utility of controlling equipment and technology when it is so easily available to those from whom we are trying to keep it. Yet, by imposing controls, we are limiting the ability of American business to export some of their most marketable items.''

That was true when the gentleman from Georgia and the gentleman from Missouri wrote to the President, and it is true today. Much has been said about the Chinese who have purchased an American computer that was really not all that super. I would like to note that today in the wire service it has been reported that the Chinese themselves are prepared and have developed a 13,000 MTOP computer for their own use and potentially for later sale. So if a 2,700 MTOP computer was indeed sold to the Chinese, perhaps it was a bargain, but they certainly do not need us to acquire a 13,000 MTOP computer.

Mr. Chairman, I am very opposed to the proliferation of nuclear arms. I love our country and I want us to be safe. But I do not see the point in jeopardizing an entire sector of our economy to gain nothing by way of safety; to preclude the export of equipment that anyone can buy that is produced by rival companies in Italy, in France, in the United Kingdom, in Japan.

This amendment does great damage to the economy for no value whatsoever to our security. I urge a ''no'' vote.

□ 1900

Mr. GEJDENSON. Mr. Chairman, I yield 2 minutes to the gentlewoman from California [Mrs. TAUSCHER].

Mrs. TAUSCHER. Mr. Chairman, I thank the gentleman from Connecticut for yielding time to me.

I rise reluctantly to oppose the amendment by the gentleman from South Carolina [Mr. SPENCE] and the gentleman from California [Mr. DELLUMS]. There is no question that we must be diligent about guarding sensitive technology from countries that possess or we believe they possess nuclear weapons. Controlling the spread of nuclear weapons must be our top priority. But it makes no sense whatsoever to impose burdensome regulations on the export of computer technology that is widely available on the world market.

Requiring American companies to secure export licenses which can take anywhere from 3 to 6 months will put them at a competitive disadvantage. The Clinton administration recognized in January 1996 that permitting the export of computers that perform up to 7000 MTOPS should not require a license unless the exporter believed that the end use of the computer would be for proliferation purposes. Adequate civil penalties encourage companies not to violate the law.

Mr. Chairman, current law appropriately balances the interests in selling computers with the need for national security. I urge my colleagues to oppose the Spence-Dellums amendment.

Mr. GEJDENSON. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, we have a very clear situation here. We have lived through it before. The Defense Department at one time told American manufacturers of machine tools, you cannot export these, the quality is too good. Do you know what happened several years later? The Defense Department said, we want to get Japanese machine tools because they are more precise than American machine tools.

This country does not live at the bottom of technology. If we are going to build the last decade's technology, it is going to come from lots of places around the globe. So this is not as if we are hampering just a few little sales at the top. What we are doing is killing the future of our technical ability. Why? We have been successful as a Nation, not because we have put an iron curtain around our technology understanding that today it is easier and easier to copy it. What we have done is profited off those systems and then developed the technology that has kept us ahead.

Now, COCOM is gone. We have a new group. We are not quite sure what they are doing in Wassenegger. But every time we had a restriction, guess what, the Germans, the French, the English, the Japanese, they sold better stuff than we had. If we think Siemens and Olivetti and Japanese and French and English companies are going to be impressed by the action on the floor today, they will. Just as that German company Brocat was impressed, they said: Thank you, America; we have built a multimillion-dollar company because of your restrictions.

Now, the end result of what will happen here is we will move intelligence and capital offshore so they do not have to come to America's rules and regulations and the Defense Department for a computer that operates at a speed which will be a home computer in 2 or 3 years. This is no place for the Defense Department that has never been able to discern effectively the kind of technical issues at hand.

I remember 6 years ago, Secretary Mosbacher decontrolled 286 computers. Secretary Cheney went ballistic. He says, oh my God. What do we do with a 286 computer today? We could not figure out what to do with it.

We have a situation here where the policies on this floor will drive away the kind of capital that our companies get to stay out in front. There is an American company today that ships its product to Russia so the Russians can add the control portion and then sell it worldwide. Those are jobs and developments that would happen here.

When we take this action on the floor, if this legislation succeeds in the process, we will hurt the largest, most important industry in America, and we will do nothing for national security. By my colleague's own admission, the Chinese already have computers with this capability. The only thing we are going to do is turn the high speed computer market out of this country, hurt America's future and give somebody else control.

Mr. Chairman, I reserve the balance of my time.

Mr. DELLUMS. Mr. Chairman, I yield myself the balance of my time.

I would hope that everyone involved in the debate has read the legislation. If they have, it says that the President shall establish the process of prior approval. The President. So read the legislation.

Now, I have already pointed out, Mr. Chairman, that there is already a licensing regime in place. What we have found is that in one aspect of it there, it is alike.

Now, let me establish another fact. The Commerce Department on behalf of the interagency process, not DOD, the five agencies involved here, Department of Defense, ACDA, Energy, Department of State, and Commerce, the five agencies, move away from the rhetoric, deal with the facts. The Commerce has commissioned a study on the question of appropriate threshold levels for control. That study hopefully will look at whether or not 2000 MTOPS is appropriate or whether it is 3, 5, 7, 10 or whatever. At that particular point, all we are saying is, once you have established a level of threshold control, you need to be able to control it. We do not have to be too bright to understand that.

The debate ought to be over what should be the threshold level. If the argument is that 2000 is obsolete, Commerce has commissioned an independent study to address that question. That is what the debate ought to be about, raising the level. But we are also charged with a fiduciary responsibility. We are the government. At whatever level the threshold is, we ought to agree that we ought to be able to control it. That is all this gentleman says. I am not unreasonable.

Final point, Mr. Chairman, this is one part of the process. This is not the end of the process. We move from here to the conference. We engage. Hopefully the administration engages. And in the give and take, we figure out

what is in the best interest of the country. I walk away. But I have a responsibility, as all of us do, to impact the process.

So, A, this is interagency; B, there is also a licensing regime; C, we ought to be talking about threshold levels and not these other extraneous matters. Once we establish a threshold level, whatever it is, we ought to be able to say that we ought to be able to control it.

We have struck in this legislation some midground. Maybe it is not perfect. But we stepped up to our responsibility, and I believe that we stepped up to a midground that at least ought to allow the process to go to the next step. Let us engage both on a bicameral, bipartisan basis and hopefully across the two branches of government and at the end of the day do what is in the best interest of the American people.

Mr. GEJDENSON. Mr. Chairman, I yield myself the balance of my time.

The government and the private sector together made the decision that these systems were not controllable. So for all the rhetoric about our desires, the reality is, when the United States says no, this is buried somewhere in an interagency debate between DOD and Commerce, whether or not this 2000 MTOPS computer is to be sold, the process does not stop. What they do is they knock at another door.

Can my colleagues imagine this debate in the Diet in Japan, the Germans, the French? I do not think so. And even the English.

It makes sense for the United States to take actions that have a consequence. The consequence ought to be denying critical technologies to nations whose policies we do not trust. The action we are taking here today does not achieve that goal because what is clearly and universally available is the very same technology across the globe. The Bulgarians make supercomputers today and have for some time.

So what we are going to do here today is say, well, we are going to ignore what has occurred in the past, the review, we are going to ignore that and we are hoping that somewhere in that whole other conference, it will get better.

Do not bet on it getting better. Do not vote for this which is not defendable, I believe, on the facts, hoping that something good is going to come out of conference. It will only encourage Members who have never had the ability to make that tough decision. At what point are we just hurting ourselves? This is the point where we hurt ourselves.

American industry and the American military have succeeded because we have been at the front end of technology, because we made those sales and we made them carefully. But some of the debates get a little silly. 286 computers? 2000 MTOPS will be our home PC in the next 4 years.

So what we are going to do here today is we are going to raise the proliferation banner, the national security banner wrongly, because I believe this will hurt our ability to compete.

Where we saw one article from one company in Germany saying thank you America for your regulations, we will see more. We will slowly transfer the fastest growing, most important industry in this country offshore. Do Members think that companies that are going to be restricted by this are American hostages? Even the American companies have operations in France and England and across the globe? So what we will simply do is transfer talent, money, resource, and intelligence outside the borders of this country.

We saw it before. The Defense Department would not let Americans export machine tools. And within a 5- to 6-year period, the Japanese had made so much progress, maximizing their markets, that the Defense Department was telling people, buy Japanese machine tools, they are better than ours.

I do not want to be back here in 4 or 5 years trying to figure out how to resuscitate the most important piece of equipment in the information age because we took an easy shot across the bow of technology. We cannot put it back in the bottle. We cannot stop the Germans from selling it. We cannot stop the French from selling it. We cannot stop the Italians from selling it, and we are not going to stop the English from selling it. And we are sure not going to stop the Japanese from selling it.

So what are we going to achieve? We are going to move the profits on these sales to foreign corporations and those corporations will develop the new technologies so that the next time we are debating this issue we will have to say, we hope the Japanese will sell us modern enough computers for America to compete.

We have lost other industries as we sat by in electronics, in television, in machine tools, in so many others because we stumbled.

Let us make sure the stumble does not occur here on the floor of the Congress. There are more jobs today in the information computer industry than there are in the automotive industry. They are growing faster and they are paying better. But we only succeed at the top end of technology because there are lots of developing countries and others who take the bottom of technology. The Chinese, the Indians, they can do it.

Let me close with one other observation. This administration is a good administration. I agree with them on lots of things. When they got elected they denied the Chinese a telephone switching system because it was too fast. They were making ones faster in China and other countries were selling ones even faster. Let us not shoot ourselves in the foot.

Mr. SPENCE. Mr. Chairman, I yield the balance of my time to the gentleman from California [Mr. HUNTER].

Mr. HUNTER. Mr. Chairman, I thank the gentleman for yielding time to me.

As the chairman who held the hearing serving the gentleman from California [Mr. DELLUMS] and the gentleman from South Carolina [Mr. SPENCE] on this supercomputer transfer issue, let me say that they are absolutely right. The gentleman from Connecticut [Mr. GEJDENSON] and others who have spoken in a number of areas are absolutely wrong.

Let us just walk through these. First, it was stated that these sales have been made carefully. They have not been made carefully. The first sales to the Soviet Union, the individuals who made the sales have been, according to the briefings that I have gotten, have been fired for making the sales. There are potential criminal actions for making the sales. So these were not prudent private people making sales.

In interviewing the CEO's who were involved with these companies, there are two things here. First, they say they are confused by our supercomputer policy. Because as the gentleman from California [Mr. DELLUMS] points out, if we are selling the supercomputer to the agriculture department in China, ostensibly that is OK. But we all know that is a fiction because the military in China accesses everything.

□ 1915

So we have to presume conclusively it is going to the military. If they put military on the shipping order, then it is illegal. If they put Agriculture Department on the shipping order, then it is okay.

Second, these sales damaged American security. We have talked to the experts, to our best scientists at our weapons laboratories, and they said two things.

They said the sales to the Soviet Union that the gentleman from Pennsylvania [Mr. MCHALE] held a press conference on, he was so proud about getting this American supercomputer, he did not get a Bulgarian computer or a French computer or Japanese computer. The Japanese have been pretty good about this. He got an American computer, and he was so proud about it that he held a press conference on having that particular computer. Our scientists said that helped the Russians only marginally because they have fairly sophisticated nuclear weapons capability.

They said further, however, that the sales of the 47 supercomputers to China have helped China substantially in their military efforts and their nuclear weapons efforts.

The gentleman from California [Mr. DELLUMS] and the gentleman from South Carolina [Mr. SPENCE] are absolutely right with this amendment. Please vote for this amendment.

Mr. MARKEY. Mr. Chairman, I rise in favor of the Spence-Dellums amendment to this bill.

Last fall, four supercomputers that are powerful enough to design nuclear weapons were sold by an American company to the premier nuclear weapons facility in Russia—Chelyabinsk 70, a place whose very existence was top secret until the end of the cold war. The company said that it didn't know that the facility was a weapons lab, and that they had been told that the supercomputers would be used to forecast the weather. But the only clouds these computers will be modeling will be the mushroom cloud of a nuclear blast. In fact, after the sale was disclosed, Viktor Mikhailov, head of Russia's Ministry of Atomic Energy, or Minatom, which controls the Nation's weapons labs, bragged that Russia had the supercomputers, admitting that they would be useful for mathematical modeling of nuclear blasts. The CEO of the American company had this to say: ''It is possible we were duped.'' I guess so.

U.S. law currently calls for an export license on these powerful supercomputers to be requested by the company seeking the license only if it is suspect that the intended recipient might be a suspicious customer. As the Russian case shows, this honor system method just isn't working. Other than the most infamous foreign weapons facilities, American companies often have no way of knowing which recipients are the weather forecasters and which are the would-be proliferators. Once supercomputers get into the wrong hands, there is absolutely nothing we can do to recover them—all we can do is sit and hope that the nuclear weapons they are designing are never aimed at us.

The Spence-Dellums amendment requires that every supercomputer exported to countries of proliferation concern—like Pakistan, India, China, Russia, and Syria—be accompanied by letters of approval from the Secretaries of Energy, Commerce, Defense and State, and from the Director of the Arms Control and Disarmament Agency. Moreover, it calls for a report to be provided to Congress which lists all exports of such supercomputers since January 25, 1996. If a supercomputer that is being proposed for export really will be used to forecast the weather, the sale will be approved. But if it is determined by the Government agencies charged with collecting such intelligence that the supercomputer sale would endanger U.S. national security, the sale will be denied. What's wrong with that? Let's take the export control job away from private industry and give it back to the people who should be doing it—the U.S. Government. Support the Spence-Dellums amendment.

Mr. HAMILTON. Mr. Chairman, I rise in opposition to the Spence-Dellums amendment.

This amendment would reimpose on certain U.S.-made computers export licensing requirements that the President decided could be safely eliminated last year.

The amendment will put U.S. computer manufacturers at a competitive disadvantage in 50 foreign countries, without doing anything to promote U.S. nonproliferation goals or national security.

In this era of high-technology weaponry, our computer sector is critical to the strength of our defense industrial base. As several speaker have pointed out, if computers fall into the wrong hands, they can be put to military uses that can threaten our security. That is why our Government continues to impose conditions on their export.

Technology and weapons programs are always changing, and U.S. export controls need to adapt. Last year, following a review by experts at Stanford University, the administration, with the support of the Defense Department, reached two important conclusions about computers that perform at and above the levels affected by this amendment First, these computers are widely available from numerous foreign suppliers. Second, only the most powerful of these computers have military applications that pose serious threats to U.S. national security.

On the basis of this review, the administration decided to permit computers below that militarily critical level to be exported without individual approvals to civilian customers. Sales to military customers in 50 countries of concern still have to be individually licensed, a process that requires a Defense Department review.

Earlier this year, we learned that a United States firm had sold high-performance computers to two Russian nuclear weapons labs—a clear violation of the new export control policy. If my understanding is correct, the Spence-Dellums amendment was inspired in part by this improper sale.

But the facts assembled so far do not justify the costly reversal of policy this amendment would require.

The Justice Department and the Customs Service are still investigating the Russian sale. The Commerce Department and our intelligence agencies are still trying to determine whether other high-performance computers have ended up in the wrong hands. So far that does not appear to be the case.

Before it has been proved that this problem extends beyond a single firm and a single country, this amendment proposes to impose burdensome new licensing requirements. This would be a new burden on an entire industry on its sales to 50 different foreign countries, several of which, like Israel, are close friends of the United States.

This amendment is premature and unwarranted. It seeks to fix something that nobody has proved is broken. It seeks to turn back the technological clock. It will reimpose controls on computers that are widely available from foreign suppliers and pose little threat to the United States. This amendment won't make us more secure, but it will hurt our computer industry and the people it employs.

I urge members to oppose the Spence-Dellums amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from South Carolina [Mr. SPENCE].

The question was taken; and the Chairman announced that the ayes appeared to have it.

Mr. GEJDENSON. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 169, further proceedings on the amendment offered by the gentleman from South Carolina [Mr. SPENCE] will be postponed.

It is now in order to consider amendment No. 4 printed in part 1 of House Report 105–137.

AMENDMENT NO. 4 OFFERED BY MS. HARMAN

Ms. HARMAN. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 4 offered by Ms. HARMAN:

At the end of subtitle A of title VII (page 267, after line 19), insert the following new section:

SEC. 703. RESTORATION OF POLICY AFFORDING ACCESS TO CERTAIN HEALTH CARE PROCEDURES FOR FEMALE MEMBERS OF THE ARMED FORCES AND DEPENDENTS AT DEPARTMENT OF DEFENSE FACILITIES.

Section 1093 of title 10, United States Code, is amended—

(1) in subsection (a), by striking out ''(a) RESTRICTION ON USE OF FUNDS.—''; and

(2) by striking out subsection (b).

The CHAIRMAN. Pursuant to the rule, the gentlewoman from California [Ms. HARMAN] and a Member opposed each will control 20 minutes.

Mr. BUYER. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from Indiana [Mr. BUYER] rises in opposition to the amendment and will be recognized for 20 minutes.

The Chair recognizes the gentlewoman from California [Ms. HARMAN].

Ms. HARMAN. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, I am the mother of four children. I chose motherhood under the constitutional protections and access to medical care guaranteed by Roe versus Wade. Our service women and their dependents deserve the same chances to make their own choices.

Mr. Chairman, my amendment would do this. It would give U.S. servicewomen stationed overseas access to Department of Defense health facilities by repealing a provision of law which bars these women from using their own funds to obtain legal abortion services in military hospitals.

Mr. Chairman, women who volunteer to serve in our armed forces already give up many freedoms and risk their lives to defend our country. They should not have to sacrifice their privacy, their health and their basic constitutional rights to a policy with no valid military purpose.

This is about women's health.

Local facilities in foreign nations are not equipped to safely handle certain procedures, and medical standards may be far lower than those in the United States. We are putting some of our own at risk.

And it is about fairness, too. Servicewomen and military dependents stationed abroad do not expect special treatment, only the right to receive the same services guaranteed to American women under Roe versus Wade, at their own expense, that are available in this country.

Mr. Chairman, my amendment does not permit taxpayer-funded abortions at military hospitals, nor does it compel any doctor who opposes abortion on principle or as a matter of conscience to perform an abortion. The amendment merely reinstates the policy that was in effect from 1973 to 1988 and again from 1993 to 1996.

This is an issue with broad bipartisan support, including a majority of women

Members of this House and the bipartisan cochairs of our Women's Caucus.

My amendment also has strong support from health care providers, organizations like the American Nurses Association, the American Public Health Association, the American Medical Women's Association, the American College of Obstetricians and Gynecologists, and the Planned Parenthood Federation of America. Mr. Chairman, my amendment is also supported by the Department of Defense.

In sum, Mr. Chairman, this is not about public funding. My amendment only permits women to pay for their choices. The issue is simple: Servicewomen and military dependents deserve equal access to health care procedures regardless of where they are stationed.

Equal access to health care for women, that is the title of this amendment. That ought to be one of the principal objectives of our military in which women play so prominent a part.

Mr. Chairman, I reserve the balance of my time.

Mr. BUYER. Mr. Chairman, I yield myself 2½ minutes.

Over the past three decades, the availability of abortion services at military medical facilities has been subjected to numerous changes and interpretations.

In January of 1993, President Clinton signed an Executive Order directing the Department of Defense to permit privately funded abortions to be performed in military treatment facilities. The changes ordered by the President, however, did not have the effect of greatly increasing access to abortion services. Few abortions were performed at military treatment facilities overseas for two principal reasons:

First, the military had a difficult time finding health care professionals in uniform willing to perform abortions. In 1993, this policy permitting abortionists, when it was first promulgated, these military physicians refused to perform or assist in elective abortions. In response, the administration sought to hire a civilian doctor to do abortions in military facilities.

So we have to ask the question: If the Harman amendment is adopted, not only would taxpayer-funded facilities overseas be used to support abortion on demand, but new personnel would be hired simply so that abortions could, in fact, be performed. Are all the expenses of searching for, hiring and supporting an abortionist to travel from base to base going to be picked up by the private funds? It is an interesting question to ask.

Second, military doctors must in fact obey the laws of the countries where they are providing services, so that they still could not perform abortions in locations where abortions are not permitted even if the Harman amendment were in fact adopted.

The current law is in fact consistent with the Hyde language. It allows military women and dependents to receive abortions in military facilities in cases of rape, incest, or when it is necessary to save the life of the mother. This is the same policy that has been in effect from June of 1988 until President Clinton signed the Executive Order.

The House has voted several times to ban abortions in overseas military hospitals. In fact, between the 1996 defense authorization bill and the defense appropriations bill, the House voted eight times in favor of the ban. Furthermore, the House voted down the fiscal year 1996 defense appropriation conference report because it did not contain an amendment to ban abortions in the military.

In those overseas areas where the female beneficiaries do not have access to safe, legal abortions, beneficiaries have the option of using the space available travel for returning to the United States or traveling to another overseas location for the purpose of obtaining an abortion.

Mr. Chairman, I would say that this is not an issue of whether it is women's rights or of men's rights, this is an issue of life and the use of those taxpayer funded facilities.

Mr. Chairman, I reserve the balance of my time.

Ms. HARMAN. Mr. Chairman, I yield myself 30 seconds just to point out to my colleague and good friend from Indiana, who is a lawyer himself, that section 1093(a) of title X, which remains in effect, which is not repealed by my amendment, says, ''Restriction on use of funds: Funds available to the Department of Defense may not be used to perform abortions except where the life of the mother would be endangered if the fetus were carried to term.''

We are not using Federal funds for abortions. We are not repealing that section of law.

Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. DELLUMS], the ranking member of the Committee on National Security and my good friend.

Mr. DELLUMS. Mr. Chairman, I thank the gentlewoman for yielding me this time.

Mr. Chairman, I want to express my strong support for the amendment offered by my distinguished colleague from California. The ban in current law discriminates against women who have volunteered to serve their country by prohibiting them from exercising their legally protected right to choose simply because they are stationed overseas.

In the United States abortion is a legal medical procedure. Whether one agrees with that or not, that is the reality. However, in many of the countries where our troops are stationed abortion is outlawed. Faced with a crisis pregnancy, a military woman or dependent would have to choose between risking an illegal abortion overseas or paying for transportation back to the United States. Sometimes that is not convenient or they do not have the resources.

While DOD policy respects host country laws regarding abortion, to the extent feasible and consistent with legal obligations, service women stationed overseas should have the same access to abortion services as do women in the United States. Women who serve in our military deserve safe and sanitary medical care. They should not have to risk their health because they are forbidden to have access to American military hospitals for a procedure that is constitutionally protected. Now, we may agree or disagree with that, but that is the fact.

This ban may cause a woman stationed overseas, who is facing an unintended pregnancy, to be forced to delay that procedure several weeks until she can travel to a location where safe, adequate care is available. For each week an abortion is delayed, the risk to the woman's health increases.

Mr. Chairman, beyond the issues of health and access to medical care, I would argue that this is a fundamental and basic issue of equity. An American service woman should not have to lose any of the constitutional protections she has while serving the military simply because she is deployed to a U.S. military facility in another country. We should not deprive these women of the very rights they are assigned to protect when we send them overseas.

Mr. Chairman, I urge my colleagues to support the amendment offered by the distinguished gentlewoman from California [Ms. HARMAN].

Mr. BUYER. Mr. Chairman, I yield myself 10 seconds to respond to the gentlewoman that I thoroughly understand that this is an issue about the restrictions on the use of the facilities.

Mr. Chairman, I yield 3 minutes to the gentleman from Illinois [Mr. HYDE] the chairman of the Committee on the Judiciary.

(Mr. HYDE asked and was given permission to revise and extend his remarks.)

Mr. HYDE. Mr. Chairman, I thank the gentleman for yielding me this time.

My friend from California, [Mr. DELLUMS], said this is an equity issue, and he is right. I listened carefully to his debate, I listened to the gentlewoman from California's debate, and I daresay I listened to everybody on that side in the debate, and none of them will mention a baby. All they mention is the woman. The woman has a problem, the woman wants her privacy, she wants her health taken care of, she has constitutional rights.

What about the baby? The forgotten man or woman. The little tiny innocent human life struggling to live. No, they want to use taxpayer facilities, forget who is going to pay for it. This is the use of taxpayer facilities to kill an innocent unborn child. Some of us find that abhorrent.

I know the woman has rights. I know Roe versus Wade has declared open season on unborn children, but if there is any way this legislation narrows it

down and gives that little girl or little boy, even though unborn, a shot at living, we are for it and I am against abortions. It is not a question of funds.

So the gentlewoman talks about choice. Choice? What are you choosing, vanilla, strawberry? Who has the right to choose to kill an innocent unborn child, even if it is their own? They do not own that child. So abortion is wrong.

We are not in the business of having the military facilitate abortion. We are in the business of having the military win wars, not making war on an innocent little baby in the womb.

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The choice was exercised when the woman got pregnant. And because you drape her in a uniform does not change the equation of a human life at stake. And another tiny, defenseless, voiceless cannot rise up, cannot vote, cannot escape human being, who ought to have the right to life as promised in our Declaration of Independence.

I oppose the amendment of the gentlewoman of California [Ms. HARMAN], and I implore my colleagues on the other side to occasionally think about the baby and whether the little baby ought to have the right to live.

Ms. HARMAN. Mr. Chairman, I yield myself 10 seconds.

I just would like to say to the gentleman from Illinois [Mr. HYDE] that I respect his deeply held views, and I assume he respects mine. The law of the land is Rowe versus Wade, which was carefully decided by the Supreme Court almost 30 years ago, and that is what is at issue here.

Mr. Chairman, I yield 1 minute to the gentleman from Massachusetts [Mr. OLVER].

Mr. OLVER. Mr. Chairman, I thank the gentlewoman from California [Ms. HARMAN] profoundly for her leadership on this issue, which is so vital to the needs of American servicewomen.

Mr. Chairman, denying our military servicewomen their constitutional right to seek safe medical treatment, whether overseas or at home, is wrong. The Harman amendment is not about supporting or paying for abortion. The Government will not put down one single penny to pay for these medical services. This amendment is about restoring access to health care to women in the military while they are away from home.

Restricting access to medical treatment while in a foreign land threatens the very lives of our American servicewomen. Women that are denied health care which can be effectively and safely provided at our military bases will either seek unsafe treatment or will be forced to leave their service duties. Both scenarios undermine our military services.

I urge my colleagues to support this important measure to restore safe and legal abortion to the women who dedicate their lives to serving our country.

Mr. BUYER. Mr. Chairman, I yield 2 minutes to the gentleman from Florida [Mr. STEARNS], chairman of the Subcommittee on Health of the Committee on Veterans' Affairs.

Mr. STEARNS. Mr. Chairman, well, here we go again. We have had this debate before and we had this amendment and we won overwhelmingly in the 104th Congress. This evening, this House is going to spend the greater part of the evening and perhaps all tomorrow talking about where are we going to spend billions and billions of dollars for defense. We will probably be covering over 50 amendments to the defense authorization bill. Some will adjust the levels up and down and will be having great debate.

Mr. Chairman, the vote we take today should be made in an effort to provide our Nation with the best defense capabilities in the world. In fact, all but one vote will. What is that lone vote? Surprise, it is an abortion amendment. After overwhelmingly defeating this amendment in the 104th Congress and now putting this into law, we are faced again with this debate.

I ask my colleagues tonight, does the abortion debate have any place in the authorization of billions of dollars for national defense? Of course not. Here is another question: Do they as taxpayers have any place funding facilities to provide abortions? Of course not.

Abortion proponents argue that this is not an issue of taxpayer funding for abortion, that this amendment would require the woman to pay for her own abortion. Well, then, if taxpayers' dollars are not involved, where exactly would these procedures take place? If taxpayers are not involved, then this amendment would have no place in the defense authorization bill. Would it?

The amendment to this bill exists because a part of what we are debating today is a funding level for the U.S. military medical facilities, precisely the place where the abortions must occur. Yes, taxpayers' dollars are very involved in this issue.

Mr. Chairman, let us keep the contents of this bill dedicated to the subject at hand, to provide for a strong national defense in order to protect ourselves and our children. I oppose the Harman amendment and urge my colleagues to do the same.

Ms. HARMAN. Mr. Chairman, I yield 1 minute to the gentlewoman from California [Ms. WOOLSEY].

Ms. WOOLSEY. Mr. Chairman, first let me thank my friend, the gentlewoman from California [Ms. HARMAN] for her leadership on this issue. She is truly a fighter for equal treatment for women in the military.

Mr. Chairman, make no mistake about it, that is what this issue is really about. It is about equal treatment for servicewomen stationed overseas. This amendment is not about Federal support for abortion services. It is about giving women who have volunteered to serve their country the same protections that civilian women have here at home.

Last Congress, the majority told servicewomen stationed overseas that they could not even spend their own money on abortion services in military hospitals. They sent a message loud and clear to each American servicewoman that their political agenda was more important than her health and her safety. Mr. Chairman, these women fight for our freedom every day. Let us not take their freedoms away.

Mr. BUYER. Mr. Chairman, I yield 1½ minutes to the gentleman from Maryland [Mr. BARTLETT], a member of the committee.

Mr. BARTLETT of Maryland. Mr. Chairman, I would like to make just two very simple points, and I rise in strong opposition to the Harman amendment.

The first point is that the law assures complete health care for our women in the military. If they have a pregnancy problem and their life is at risk, they are assured complete health care. But let me say very emphatically that killing preborn babies is not health care. Let me say it again. Killing preborn babies is not health care.

The second point I want to make is that our military physicians and our military hospitals do not want to perform these abortions. They did not do it when we did not have a law precluding them from doing it. They do not want to do this. I rise in strong opposition to this amendment. The American people are opposed to it. We need to vote it down.

Ms. HARMAN. Mr. Chairman, I yield 1 minute to our colleague, the gentleman from California [Mr. FARR].

Mr. FARR of California. Mr. Chairman, I thank the gentlewoman for yielding me the time.

I rise in strong support of this amendment. I think that the law that this Congress put into being is outrageous. It says that if she is a woman in the military serving in Washington, DC, and she needs medical services and the Government will not pay for them, she can use her own money. She can go down to local hospitals and go get that service, but if we put her in uniform overseas in foreign soil, she cannot get that service. If her health is at risk, she cannot get those services. It is outrageous.

It says if she chooses to defend our Constitution, do not expect the Constitution to apply to her if she serves overseas. This is bad law. We ought to amend it. That is what this amendment does. I urge everyone to support it.

Mr. Chairman, I rise in the debate on the Harman amendment.

I think this debate is really not about abortion. I think it is about our national security.

National security assumes that you will have personal security. Existing law puts women in uniform at risk with their own health care when they serve our country on foreign soil.

This amendment corrects that injustice which prohibits these same women in uniform from access to health care when they are in service abroad, even if they use their own money.

Think about it. Women in uniform have pledged to uphold the Constitution of this country, which grants those women choice in these procedures.

But because of existing misguided law which access at home but not abroad when they serve overseas it is taken away from them.

We must not discriminate against women simply because they serve in the defense of our country.

I urge support for this amendment.

Mr. BUYER. Mr. Chairman, I yield 1 minute to the gentleman from Kentucky [Mr. LEWIS], a member of the committee.

Mr. LEWIS of Kentucky. Mr. Chairman, I rise today in opposition to the amendment of Representative HARMAN. It allows abortions at overseas military bases. I commend my colleague on her bipartisan efforts to promote a strong national defense and her hard work on the Committee on National Security. However, this is an issue where I must respectfully disagree.

I have said it before, and I will say it again: Government should not spend one penny to fund abortions. It is an emotionally charged debate that divides this great Nation. Due to that fact alone, it is not just for our Government to spend taxpayers' dollars on an issue that pits so many Americans against each other. Regardless of reimbursement, no Federal facility should be used to end the life of the unborn.

Mr. Chairman, what is the purpose of our medical personnel in the military? Is it to take lives, or is it to protect lives? I believe the military's medical community is in the business of protecting the lives of innocent people. It nurtures those who are injured. It shelters the sick and the weak. And it seeks to make sure lives are saved, and that includes the life of the unborn. We should not stand by and allow abortions on military bases because it contradicts why we have personnel in our military.

Ms. HARMAN. Mr. Chairman, I yield one minute to the gentlewoman from Connecticut [Ms. DELAURO], a former member of the Committee on National Security and a leader in this fight last year.

Ms. DELAURO. Mr. Chairman, this amendment restores the freedom to choose for military women serving overseas. It is fundamental that those who risk their lives to defend the rights of American citizens should, in fact, enjoy those same rights. Without this amendment, American women living overseas due to service in our military will be discriminated against. Their right to choose, a right which is protected by the Constitution and the Supreme Court, will be denied.

This is not a question of using taxpayers' money to perform abortion. Women will pay for their abortions out of their own pockets. This is not a question requiring doctors to perform procedures with which they do not agree, because this amendment preserves the conscience clause. This is not a question of imposing a new policy. This has been the policy of this Government.

This amendment ensures that women will have access to safe, sanitary medical care even when they are stationed abroad. This debate is, purely and simply, a question of a woman's right to choose. If American military women living overseas can be denied that right, what will protect the rights of American women living in this country?

I urge my colleagues to support the Harman amendment.

Mr. BUYER. Mr. Chairman, I yield 1½ minutes to the gentleman from New Jersey [Mr. PAPPAS], a member of the committee.

Mr. PAPPAS. Mr. Chairman, I thank the gentleman for yielding me the time.

Mr. Chairman, the amendment offered by the gentlewoman from California was soundly defeated by a vote of 22 to 33 in the Committee on National Security. As has been the case in previous years, this amendment was defeated because Members recognized that Americans do not want their hard earned tax dollars paying for abortions.

The funds that we appropriate for the Defense Department should be used to support our national security and not for other purposes. Americans do not support the use of public funds to support military hospitals where abortions would be performed. This amendment could mean taxpayer funds could be used to hire personnel to perform abortions as well as subsidies to the facilities where abortions would take place.

Today's debate on the defense bill will be marked by having many Members debating about the lack of funding for certain aspects of our national defense. The Harman amendment would add more expenses to an otherwise tight budget.

I urge my colleagues to defeat this amendment. Our military hospitals are dedicated to healing and nurturing human life. They should not be forced to facilitate the taking of the most innocent of human life.

Ms. HARMAN. Mr. Chairman, I mentioned that this amendment has bipartisan support. I would now like to yield 1 minute to our colleague from Maryland [Mrs. MORELLA].

Mrs. MORELLA. Mr. Chairman, I thank the gentlewoman for yielding me the time.

Mr. Chairman, I rise in strong support of the Harman amendment. It would restore the guarantee that those members serving in our Armed Forces can exercise their full range of constitutionally protected rights. This amendment is not about using U.S. taxpayers' dollars to finance abortion. Rather, it is an effort to assure that service members and their dependents based in countries that do not allow abortion will be able to access the medical facilities which we provide for them to attend to their own medical needs as they see fit.

Even if other servicemen and women are serving in developing countries where abortion is legal, they are not likely to find the same high standards of cleanliness, safety, and medical expertise that is available at a U.S. facility.

The Harman amendment would simply allow service members and their dependents to obtain the same range of health services at those facilities that they can now obtain at home. This is not a complicated issue. The amendment would assure that those in our armed forces need not sacrifice their constitutional rights to serve their country.

Mr. BUYER. Mr. Chairman, I yield 2 minutes to the gentleman from Indiana [Mr. HOSTETTLER], a member of the committee.

(Mr. HOSTETTLER asked and was given permission to revise and extend his remarks.)

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Mr. HOSTETTLER. Mr. Chairman, I thank the gentleman for his time.

Mr. Chairman, I rise in strong opposition to this amendment. Just as the Supreme Court said in 1857 in the now infamous Dred Scott decision, that slavery was constitutional, that same institution has told us that for the time being we have to allow the killing of pre-born children. It has not, however, told us that Government has an obligation to provide this service. This amendment would do just that.

This amendment obligates the United States to make sure abortion services and facilities are available at U.S. military bases. It is this obligation that I believe the Committee on National Security and the House soundly rejected last year on so many occasions and should again reject.

Abortion remains a very decisive practice in America and indeed the world. Allowing abortions to be performed on military installation would bring that discord and dissension right on to our military bases complete with pickets and the like.

The core principle at issue today, whether the Government is obligated to provide what is merely a right, is a serious issue with serious ramifications. Does the freedom of the press guaranteed by the first amendment obligate the Federal Government to provide every interested American with a printing press? Does the right to distribute pornography, which has been upheld by the court, obligate the military to distribute it to the troops? I think not.

Congress has the clear responsibility under the Constitution to provide for the rules and regulations of the military. We must not make it the policy of the United States to use its military facilities to destroy an innocent preborn life.

I urge a ''no'' vote on this amendment, Mr. Chairman.

Ms. HARMAN. Mr. Chairman, I yield 1 minute to the gentlewoman from California [Ms. PELOSI].

Ms. PELOSI. Mr. Chairman, I too want to add my accommodation to the gentlewoman from California [Ms. HARMAN] for her exceptional leadership in fighting this fight for America's service women; really, really for all women in America, and I rise in strong support of the Harman amendment to the defense authorization bill to repeal the provision in this bill prohibiting abortion services in U.S. military hospitals overseas. This provision is a clear threat to the health and safety of women military personnel and military families and a threat to the constitutional rights of all American women.

Mr. Chairman, women stationed overseas in service to their country depend on base hospitals for medical care. Access to comprehensive reproductive health is essential for all women, civilian or military. These women are citizens ready and willing to sacrifice their lives for our country. Under the bill, as it currently stands, however, these women are treated as second-class citizens. Under this bill these brave women would be denied access to safe medical care.

The Harman amendment is not an issue of taxpayer funding. Women in the military had previously used and would continue to be required to use their own funds to obtain abortion services at military hospitals. The Harman amendment is not an issue of coercing medical providers to perform abortion services. The Harman amendment maintains the conscious clause already in effect. It is, however, the intent of the language in this bill to deny more women the right to choose.

Mr. BUYER. Mr. Chairman, I yield 1 minute to the gentleman from Alabama [Mr. ADERHOLT].

(Mr. ADERHOLT asked and was given permission to revise and extend his remarks.)

Mr. ADERHOLT. Mr. Chairman, I rise today in opposition to the Harman amendment to the national security authorization bill and in support of current law which prohibits abortions in military facilities abroad. The Harman amendment would turn U.S. military hospitals into abortion clinics. How can we justify using U.S. military hospitals, military personnel and hard earned tax dollars for the destruction of innocent human life? Despite the arguments that these abortions would be privately funded, there would be some costs to the taxpayer.

In 1993, when President Clinton argued that the military's policy to allow abortions on these U.S. facilities made many outraged military physicians refuse to perform this procedure. They rightly believe that this is simply not a procedure that should be performed in U.S. military hospitals.

As Pope John Paul once stated, a nation which kills its own children is a nation without a future. I stand today with those who oppose the Harman amendment and support life.

Ms. HARMAN. Mr. Chairman, I yield 1 minute to the gentlewoman from New York [Mrs. LOWEY].

Mrs. LOWEY. Mr. Chairman, I rise in strong support of the Harman amendment, and I urge my colleagues to support this amendment.

The fiscal year 1996 Defense Authorization Act went much further than a limitation on the use of government funds for abortion. It actually barred military women and dependents from using their own money to pay for abortion services at military bases, just as they would use their own funds to pay for those services if they were in the United States.

The current law puts the health of our military women at risk. Many of these women are stationed in countries where there is just no access to safe and legal abortions outside of the military hospitals. A woman forced to seek an abortion at local facilities or forced to wait to travel to apply safe abortion services faces tremendous health risks.

This amendment does not force the Department of Defense to pay for abortion. It simply gives women access to health care that they could receive if they were at home. It is unimaginable to me and to the American people that Congress would reward the American service women who have volunteered to serve this Nation by violating their constitutional right to assess abortion.

Mr. BUYER. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. HUNTER].

Mr. HUNTER. Mr. Chairman, I thank the gentleman for yielding this time to me, and I want to thank the gentleman for his extraordinary leadership of this subcommittee and just echo his feelings here and those that have been given by many Members who are against allowing abortions to take place in military hospitals.

Mr. Chairman, let us not involve the military in abortion. Is that a double standard? Yes, it is a double standard, and the military has a double standard in a number of areas with respect to marital fidelity, with respect to pornography on base, and yes, with respect to abortion. We have our young people focused on duty, honor and country, and that involves a higher standard sometimes than the general public.

But do my colleagues know something? The general public likes that. They respect the military more than any other institution because they have the higher standard. Let us keep that higher standard, and let us stick with the committee's position, and I thank the gentleman for his extraordinary leadership on this issue.

Ms. HARMAN. Mr. Chairman, I yield 1 minute to the gentlewoman from Texas [Ms. JACKSON-LEE].

(Ms. JACKSON-LEE of Texas asked and was given permission to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. Mr. Chairman, I thank the gentlewoman from California for not giving up on this fight. This is very important to women all over this country. Prohibiting women from using their own funds to obtain abortion services at overseas U.S. military facilities endangers their health simply plain and simple. American women stationed overseas depend on their base hospitals for medical care and are often situated in areas where local facilities are inadequate or unavailable. If the defense authorization bill is enacted without this amendment, American military personnel overseas would face the prospect of a long medically dangerous wait to return to the United States if stationed in countries that ban abortions or the prospect of having the procedure done in an unsafe unsanitary foreign hospital, perhaps causing a woman facing crisis pregnancy to seek out a illegal unsafe abortion. This ban may cause a woman stationed overseas who is facing an unintended pregnancy to be forced to delay the procedure and again travel very dangerously.

Let me make a point. No medical providers will be forced to perform these abortions if they do not desire. All three branches of the military have conscience clauses that do not allow them to do it if they do not desire to do so.

Let me say that we need to give fair and equal treatment to the women in the military service. Let us support this amendment.

Mr. Chairman, I rise today in support of the Harman amendment repealing recently enacted provisions of current law that prohibits privately funded abortions at overseas Department of Defense medical facilities and to thank Congresswoman HARMAN for her leadership in bringing this amendment to the House floor.

The ban on privately funded abortions at overseas Department of Defense medical facilities discriminates against women who have volunteered to serve their country by prohibiting them from exercising their legally protected right to choose simply because they are stationed overseas. We must ensure that American female military personnel and dependents of military personnel stationed overseas can exercise the same constitutional right to choose that is available to women in this country.

Prohibiting women from using their own funds to obtain abortion services at overseas U.S. military facilities endangers their health. American women stationed overseas depend on their base hospitals for medical care, and are often situated in areas where local facilities are inadequate or unavailable. If the defense authorization bill is enacted without this amendment, American military personnel overseas would face the prospect of a long, medically dangerous wait to return to the United States if stationed in countries that bans abortions, or the prospect of having the procedure done in an unsafe, unsanitary foreign hospital perhaps causing a woman facing a crisis pregnancy to seek out an illegal, unsafe procedure.

This ban may cause a woman stationed overseas who is facing an unintended pregnancy to be forced to delay the procedure for several weeks until she can travel to a location where safe, adequate care is available. For each week an abortion is delayed, the risk to the woman's health increases.

This is not an issue of taxpayer funding for abortions. Under the amendment the patient,

not the Federal Government, would pay for the procedure.

No medical providers will be forced to perform abortions. All three branches of the military have conscience clause provisions which permit medical personnel who have moral, religious, or ethical objections to abortion not to participate in the procedure. These conscience clauses remain intact.

Simply put, current law does not ensure equal health service access for all members of the United States armed services. Barring women living overseas from using their own funds to receive reproductive health care procedures legally available in the United States, is at best hypocritical and at worst a serious danger to their health.

Women in the armed services have committed themselves to protecting the constitutional rights of all the citizens of the United States, yet we choose time and time again to deny them the same rights that we extend to women on U.S. soil.

I urge my colleagues to support the Harman amendment.

Mr. BUYER. Mr. Chairman, I yield 1 minute to the gentleman from Michigan [Mr. BARCIA].

Mr. BARCIA. Mr. Chairman, I rise in opposition to the distinguished gentlewoman from California's amendment, and I urge my colleagues to support current policy that prevents Department of Defense medical treatment facilities from being used to perform abortions. The current policy does contain exceptions. If the life of the mother is in danger or in the case of rape or in the case of incest abortion is not prohibited.

Yes, the Supreme Court upheld the woman's right to choose. However, the Supreme Court did not require nor commit U.S. taxpayers to pay for the procedure for military personnel or civilians.

When this policy was repealed in 1993, a majority of military physicians refused to perform or assist in elective abortions. Our military doctors should not be obligated or forced to perform abortions, particularly if they are morally opposed to abortion.

Pro-life Americans believe that it is improper that any tax dollars are used to perform abortions. We in Congress should not support any policy that ignores our citizens' unyielding belief in the right to life.

Support current military policy. Support the ideals of our American citizens. Oppose this amendment.

Ms. HARMAN. Mr. Chairman, I yield 1 minute to the gentleman from New York [Mr. NADLER].

Mr. NADLER. Mr. Chairman, I urge support of the Harman amendment which would reverse the shameful policy of forbidding women in our armed services from using their own money to pay for an abortion in a safe U.S. medical facility abroad. It is disgraceful that we require women who are serving their country to risk their health and lives to exercise their constitutional right to choose an abortion.

Why should not women in the Armed Forces enjoy the same fundamental rights that all other women in the United States enjoy?

This bill would deny our Nation's service women stationed abroad a right they are absoltely entitled to and can exercise when in the United States, but if they are stationed abroad, they are forced to wait until they can return to the United States for an abortion or to go what in many countries are substandard and unsafe foreign medical facilities.

Whatever anyone in this Chamber may think about abortion, it is a constitutionally protected right of every American woman. Our service women are prepared to risk their lives to defend our values and to protect our freedoms. We should not require them to risk their lives to exercise their constitutional right to an abortion.

I urge my colleagues to vote for this amendment and expunge the shame from our statute books.

Mr. BUYER. Mr. Chairman, I yield myself 20 seconds to say that I believe it is shameful and a disgraceful as a policy of the United States, since none of the military doctors would perform an abortion, for us to use taxpayer funds to hire an abortionist. That would be a shameful policy if this Harman amendment would pass.

Mr. Chairman, I yield 1 minute to the gentleman from Mississippi [Mr. TAYLOR].

Mr. TAYLOR of Mississippi. Mr. Chairman, I would like to thank my subcommittee chairman for making this possible.

Mr. Chairman, I rise in opposition to the Harman amendment. That is not what our Nation should be about, and for those of of my colleagues who come to the floor on an annual basis, and this seems to be the only thing in the military that one can speak on, I would encourage my colleagues, if they really want to help the troops, why do you not try to help us find the funds so that we can get those 13,000 soldiers, sailors, airmen, and marines who are on food stamps, and two-thirds of whom have families of their own and children of their own, at least pay them enough so they are not eligible for food stamps?

Where I come from there is a stigma to being on food stamps, and no one who serves our country should have to live with that kind of a stigma.

Ms. HARMAN. Mr. Chairman, I yield 1 minute to the gentlewoman from New York [Mrs. MALONEY].

Mrs. MALONEY of New York. Mr. Chairman, only under a Republican Congress can a woman sign up to serve her country and have her rights denied in return. Last time I looked it was still legal for a woman to have the right to choose in this country, but only if she remains in this country. If she decides to serve her country overseas, then she loses that constitutional right.

If a male member of the armed services needs medical attention overseas, he receives the best. If a female member of the armed services needs a specific medical procedure overseas, then she has to come back to the United States to get that procedure or go to a foreign hospital that may be unsanitary.

This bill will not cost taxpayers one cent. The women will pick up the tab. All they want is the right to do it, and women have waited long enough to receive equal treatment in the military.

I hope my colleagues will support the Harman amendment and give these most deserving soldiers back that which is rightfully theirs.

Mr. BUYER. Mr. Chairman, I yield 2 minutes to the gentleman from New Jersey [Mr. SMITH].

Mr. SMITH of New Jersey. Mr. Chairman, today because virtually every military physician deployed around the globe, as a matter of deep conviction and conscience, has refused to facilitate a 1993 Clinton Executive Order on abortion, and because the Dornan amendment was signed into permanent law a few years later on February 10, 1996, overseas military hospitals continue to be havens of healing, nuturing and disease eradication, not baby killing centers.

The Harman amendment, if enacted, would turn these healing facilities into abortion mills where unborn children could be dismembered or chemically poisoned on demand. The Harman amendment makes a false distinction based not on what happens in an abortion, a baby is violently killed, but in who provides the cash. It also completely overlooks costs borne by the taxpayers to facilitate that abortion, like the provision of operating rooms, the hiring of abortionists and the procurement of poisons and potions and suction machines.

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This amendment says, in effect, it is okay to tear an unborn child, to rip an unborn child from limb to limb or to apply that baby with deadly poisons using a hypodermic needle, so long as somebody else seems to be footing most of the bill.

Somebody earlier said that this is not about abortion. We hear that kind of excuse and defense every time we hear this on the floor. When the D.C. appropriations bill is up, it is a matter of home rule. When the Federal employees health benefits program ban on abortion comes up, it is labor-management negotiations. When the Hyde amendment comes up, it is a matter of rich versus poor women. Of course, that underscores the fact that the unborn of the poor seem to be more able to be discarded and are more expendable.

Mr. Chairman, let me conclude. The Harman amendment facilitates the killing of unborn children, and there is no doubt about that. It treats helpless, defenseless infant baby boys and girls as a disease, or a cyst, or a tumor that can be excised at will.

Medicine is all about curing and mitigating diseases. This is not maternal health care, this is not prenatal

health care, this is killing of unborn children and the exploitation of their mothers.

I urge a ''no'' vote on the Harman amendment.

Ms. HARMAN. Mr. Chairman, I yield 1 minute to the gentleman from Virginia [Mr. MORAN].

Mr. MORAN of Virginia. Mr. Speaker, how arrogant for comfortable male Members of Congress to stand here in such self-righteous judgment over the lives of women who choose to serve our country in the military. We ought to be honest about it. Let us be honest about it. What this bill does is to prevent women, even victims of rape, from being able to exercise the same civil rights that they are granted by law in this country. We are punishing them for choosing to serve in the military, and we know from recent experience that this is not an uncommon situation.

Every one of my colleagues know that they are being hypocritical. If it was their daughter serving in the military who was the victim of a rape, they would not stand in such self-righteous judgment over her.

Grant women who choose to serve our country the same rights that they would be entitled to as American citizens.

Mr. BUYER. Mr. Chairman, will the gentleman yield?

Mr. MORAN of Virginia. I yield to the gentleman from Indiana.

Mr. BUYER. Mr. Chairman, this is the Hyde language, which is the exception for rape. I just wanted to let the gentleman know.

Mr. MORAN of Virginia. Mr. Chairman, reclaiming my time, this is the bill that says that it only applies if the life of the woman would be in danger. This is the bill I was given, and it does not apply to rape.

Mr. BUYER. Mr. Chairman, it does.

Ms. HARMAN. Mr. Chairman, I yield myself 30 seconds. If I could just have a copy of the code that the gentleman from Virginia [Mr. MORAN] was referring to, I would like to read that right now.

Mr. Chairman, the restriction on the use of funds says, the one that remains in the code, ''except where the life of the mother would be endangered.'' There is no exception for rape and incest. I would like to put that in the RECORD.

Mr. Chairman, I yield the remainder of my time to the gentlewoman from Connecticut [Mrs. JOHNSON], the cochair of the Women's Caucus.

The CHAIRMAN. The gentlewoman from Connecticut [Mrs. JOHNSON] is recognized for 3 minutes.

Mrs. JOHNSON of Connecticut. Mr. Chairman, I rise in strong support of the Harman amendment. Is this taxpayer funding of abortions? No, it is not. It is the hard-earned dollars of the service men and service women of America choosing, electing, to have a medical procedure. They are paying for it themselves.

Now my colleagues say, but the hospital is there. What hospital in America does not allocate charges for overhead into their charges for a procedure? No hospital does not allocate overhead charges. So do not tell me they are not paying for whole freight, they are paying their whole freight. This is not taxpayer-funded abortions, this is privately funded abortions that women in our armed services overseas may choose or need to have for medical reasons.

What about military personnel? Do we have to hire doctors? Of course we will not. These are overseas bases, service women, serve the dependents, and so they have obstetricians. And all obstetricians are trained, whether my colleagues like it or not, to do abortions as well as to do many other things. So one is not going to hire physicians. This is not taxpayer-funded abortion. This is far more than that.

There was one other argument that was brought up here that I want to speak to. The military has a higher standard. Boy, I would never touch that argument, folks. It is not a higher standard to deny service men and women the same rights as the citizens they defend. That is an abomination of the concept of higher standards in the military, and I believe the military does command of its people very high standards.

So what is this about? It is about discrimination. If one is a colonel or a major, if one is an officer, one can afford to fly home, one can afford to fly one's wife home; one can afford to fly one's 16-year-old daughter that got in trouble home. If one is an enlisted man, one cannot. One is on space available.

I see it as economic discrimination. Officers are not going to be affected, enlisted men are. But what is this really about? Listen to the language of all of the speakers. This is about abortion, pure and simple. This is not about taxpayer-funded abortions, this is about abortion.

Now, I challenge the pro-life Members of this Congress, for God's sakes, bring a bill to the floor that bans all abortions in America, and if they can win it, fine. Then we will not have to keep debating these things. But as long as abortion is legal, let servicemen have the same access to abortion as other citizens do have.

Not one of my colleagues who has spoken today, this is so distressing to me, because I believe it is unconscionable. Not one of my colleagues who has spoken today has introduced a bill that bans all abortions at all institutions. My colleagues want to ban abortions at a military hospital so military service women and the wives of enlisted men have no rights, because they are too far away, unless they want to go to the local hospital and risk death.

I have made my points. If some want to ban abortion, do it, but do not do it selectively and leave military people without the rights of real Americans.

Mr. BUYER. Mr. Chairman, I yield the balance of my time to close this debate to the gentleman from Florida [Mr. WELDON], former United States Army doctor.

Mr. WELDON of Florida. Mr. Chairman, I rise to strongly urge all of my colleagues to vote no on the Harman amendment. I can bring some perspective to this issue because I was in the United States Army Medical Corps when President Reagan ordered that abortions stop in military facilities, an order that was reversed by Bill Clinton in 1993; and then this Congress corrected it. I can tell my colleagues that the men and women, the doctors and nurses in the Army Medical Corps supported the President because they did not want to have anything to do with this procedure. And the reason the people in the healing arts do not want to have anything to do with this procedure is because they know what it is. Even those who claim to be pro-choice will say to me, I would never perform one. And the reason for that is very clear. It is the destruction of a human life.

We have no business in this Congress having anything to do with supporting abortion at military facilities, and I strongly urge my colleagues, let us not roll the clock back. Support the language in the law, oppose the Harman amendment.

Mrs. KELLY. Mr. Chairman, I rise today in strong support for the Harman amendment and thank my colleague for her leadership in the fight to repeal the ban on privately funded abortions for servicewomen and their dependents at overseas military hospitals.

Our servicewomen have volunteered to defend our country, which is a patriotic calling to be admired and, for which, we should be grateful. So how do we thank them? By denying them basic rights that are extended to all other American women—reproductive rights.

This amendment is an access to health care amendment to repeal a harmful public policy for women who deserve our utmost protection. We are talking about women who are serving in countries that do not share America's standards of quality in health care. Furthermore, some of the countries in which they serve do not share America's affection for human rights—especially women's rights.

Some members of this body claim to not want American tax dollars going to abortion, and that claim in this matter would be fine if it were accurate. But we are talking about privately funded abortions.

In addition, no medical provider in the military will be forced to perform an abortion, for all branches of government have a conscience clause permitting medical personnel who have moral, religious or ethical objections to abortion not to participate in the procedure.

How dare we claim not to be a discriminating country and then continue this ban that clearly singles out patriotic women serving the United States of America overseas. We should be ashamed of ourselves. Support the Harman amendment and repeal this misguided and injurious public policy.

Mrs. EMERSON. Mr. Chairman, I rise today to express my strong opposition to the Harman amendment.

In 1996, the people of the United States assured us that they are firmly opposed to having tax dollars which are allocated for the defense of our country, used to perform abortions.

Currently, Federal law prohibits abortions in military facilities, except when the life of the mother would be endangered if the unborn child were carried to term, or in cases of rape or incest. I could stand up here and speak to all of you about how this is a matter of preserving the law, the reason the law was enacted and the amount of times abortion amendments have been voted down in the past few years. None of that matters however, if the folks in our country feel as though their safety is at issue because we spent funding to allow abortions to be performed at the expense of protecting our country.

Military hospitals are important to the health and life of our military. As a result, they are important for the health and well-being of our national security. If individuals feel less protected based upon the funding of our defense dollars, then our military could be less prepared and ready to defend our Nation.

Just as we need to preserve the strength of human life, it is equally important to preserve the security that people have in our Nation's defensive capabilities. Today in Congress, we have the opportunity to assure the people that we will spend their dollars in a responsible and meaningful way. This is the matter before Congress, and this is why we must make certain to continue to enforce that no Federal taxpayer dollars will be used to finance abortions in Department of Defense funding.

Mr. Chairman, I urge my colleagues to vote "no" on the Harman amendment.

The CHAIRMAN. All time has expired.

The question is on the amendment offered by the gentlewoman from California [Ms. HARMAN].

The question was taken; and the Chairman announced that the noes appeared to have it.

RECORDED VOTE

Ms. HARMAN. Mr. Chairman, I demand a recorded vote.

The CHAIRMAN. Pursuant to House Resolution 169, further proceedings on the amendment offered by the gentlewoman from California [Ms. HARMAN] will be postponed.

It is now in order to consider amendment No. 5 printed in part 1 of House Report 105–137.

AMENDMENT NO. 5 OFFERED BY MR. SHAYS

Mr. SHAYS. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 5 offered by Mr. SHAYS:

At the end of title XII (page 379, after line 19), insert the following new section:

SEC. . 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) For any nation in which United States military personnel are assigned to permanent duty ashore, 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, 1998.

(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, 1998.

(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, 1998, 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);

(3) the difference between the amount allocated by other nations for each of the actions described in subsection (a) during the period beginning on March 1, 1996, and ending on February 28, 1997, and during the period beginning on March 1, 1997, and ending on February 28, 1998; and

(4) 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, 1998, in classified and unclassified form.

The CHAIRMAN. Pursuant to the rule, the gentleman from Connecticut [Mr. SHAYS] and a Member opposed each will control 15 minutes.

Who seeks time in opposition to the amendment?

Mr. SPENCE. Mr. Chairman, I do.

Mr. SHAYS. Mr. Chairman, I ask unanimous consent that the gentleman from Massachusetts [Mr. FRANK], who is an equal partner in this amendment, control half of my time.

The CHAIRMAN. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

The CHAIRMAN. The gentleman from Connecticut [Mr. SHAYS] and the gentleman from Massachusetts [Mr. FRANK] each will control 7½ minutes. The gentleman from South Carolina [Mr. SPENCE] will control 15 minutes.

The Chair recognizes the gentleman from Connecticut [Mr. SHAYS].

Mr. SHAYS. Mr. Chairman, at this time we bring forth an amendment that seeks to have our allies pay more of the share of supporting troops that we have stationed overseas. Presently Japan spends over $3.7 billion a year in direct contributions to the United States to pay for the nonsalaried costs of our troops in the Japanese theater.

The total amount, Mr. Chairman, is almost $4.7 billion when we combine it with in-kind contributions.

Korea pays 63 percent of our nonpersonnel costs, our nonsalaried costs. They contribute a total of $1.8 billion, and in direct contributions, $359 million for 37,000 troops. In Japan, we have 45,000 troops.

Europe, on the other hand, contributes 24 percent of the nonpersonnel costs, $2 billion; but that is quite misleading, because for the 116,000 troops, only $46 million of the amount is in direct cash contribution.

Here we have Japan that contributes in direct payment $3.7 billion, Korea $359 million, and all the European nations $46 million. Our amendment seeks to have the President of the United States negotiate with our European allies and have them pay a greater amount of the nonsalaried costs of our maintaining troops in Europe.

Mr. Chairman, I reserve the balance of my time.

Mr. SPENCE. Mr. Chairman, I yield myself such time as I may consume.

(Mr. SPENCE asked and was given permission to revise and extend his remarks.)

Mr. SPENCE. Mr. Chairman, while I am personally opposed to this amendment in its present form, I am prepared to accept it and continue to work with the sponsors as we move toward the conference with the other body.

Mr. Chairman, I reserve the balance of my time.

Mr. FRANK of Massachusetts. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, that is the toughest argument to counter I have ever been presented with, and I will confess to my friend from South Carolina, I have no answer for him, but I will work on one.

I do want to talk about why this is so important, and I appreciate his spirit of cooperation. The gentleman from Connecticut and I have been working on this. We kind of inherited this from the former Member, the gentleman from Colorado, and others. What we are saying is very important, and we want to get this into the RECORD.

We have signed a budget deal. The budget deal includes some difficult choices. Some of us have rejected it, a great majority have accepted it, but obviously, among those who have accepted it, they are aware, in fact, they are proud of the fact that it will cause some difficulty, it will impose some restraints.

One big set of constraints comes in discretionary spending. Military spending is half of that. Many of those who support a strong military think we are allocating too little to the military. Some of us feel that the military is getting too much and that is constraining other programs. We ought to have virtual unanimity on this point.

If we could get our wealthy allies who are now doing so little in comparison to the American taxpayer to provide for the common defense, we could make funds available that we could use for defense, we could use for domestic discretionary, we could use for foreign economic cooperation; we could use those funds.

I sent out over the weekend, or I sent out on Monday an article from the Washington Post which reported the trend of our European allies, our wealthy and powerful European allies, to cut their military budget. And Klaus Naumann, the Chairman of the NATO military committee, pointed out that the disparity in military spending, both in dollars and as a percentage of gross domestic product between the United States and the Western Europeans, is so great that a little disconnect has grown up.

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We spend so much greater a percentage of our gross domestic product on the military than Germany and France and England and Norway and Denmark and Belgium, et cetera, that we no longer have a genuinely integrated military. We have gone too far ahead of them.

Obviously, there are places in this world where the United States must bear the burden: In the Middle East; we must stand by South Korea facing that terrible regime in North Korea. But there is no good reason for the American taxpayer to subsidize Western Europe.

This amendment repeats an amendment that was adopted overwhelmingly by the House in the last budget, with one very important change. We, after conference, for the first time got into law some legislation requiring the administration to try burden-sharing. Let me say, one of the problems we have had, Mr. Chairman, is this administration, as all of its predecessors, has failed to do its job in trying to get an adequate share from the allies.

Mr. Chairman, we set up some criteria to measure what our allies are doing. The administration was told to report, and guess what, Mr. Chairman? This administration, like every previous administration, reported that the allies were doing terrific. They are just wonderful people.

They note that the best is Japan, and by the way, it is not an accident that Japan gives us the most. As my friend, the gentleman from Connecticut [Mr. SHAYS] points out, Japan gives us significantly more than any other country because this Congress singled out Japan and insisted that it does. The time has come now to make sure others do.

The point I want to make is on page 3 of this amendment there is a critical new section beginning on line 21. It now sets up a series of comparisons. We have this year's report. What we hope to do is to now get a series by which we can measure the extent to which administrations have successfully pressed our allies to contribute more.

Mr. Chairman, it is important for us to continue this, to let the administration know and our allies know that especially now that we have so constrained spending here, we do not think it appropriate for the American taxpayers to carry a disproportionate share of the burden.

Mr. Chairman, I reserve the balance of my time.

Mr. SHAYS. Mr. Chairman, I yield 3 minutes to the gentleman from Maryland [Mr. HOYER].

Mr. HOYER. Mr. Chairman, I thank my friend, the gentleman from Connecticut [Mr. SHAYS] for yielding time to me.

Mr. Chairman, I rise in support of the Shays-Frank-Upton-Gephardt-Foley-Dellums and I suppose almost everybody, now, amendment.

Clearly, Mr. Chairman, Americans benefit from having our troops strategically stationed around the globe. These men and women protect U.S. interests even as they protect world peace. But these troops also provide enormous benefits to their host countries, not only economic benefits but obviously security benefits. There is no reason why those allies should not pay a greater share, a proportionate share, of the costs.

Mr. Chairman, honestly, I have opposed this amendment sometimes, and I am now supporting it because I believe it is an important statement to the rest of the world as we continue to bear a burden here. And we talk about our taxpayers' burden. This amendment directs the President to ensure that our allies meet at least one of four criteria for sufficient burden-sharing.

Mr. Chairman, I would like to speak about one country, and the gentleman from Massachusetts [Mr. FRANK] mentioned South Korea. I believe that it is important that we have a presence in South Korea. But I also believe that it is important that South Korea bear its burden.

Frankly, we are not universally popular in South Korea, interestingly enough. However, meetings between President Clinton and President Kim Yong-sam in other negotiations, mutual agreement has been reached to increase their support for our troops. Support has already risen, Mr. Chairman, from $150 million in 1991 to $300 million in 1995. That amount is scheduled to increase by 10 percent in each of the next few years.

Mr. Chairman, this is movement in the right direction, but in my opinion it is not enough. Even while troop deployments in other parts of the world are being cut back, we have continued, appropriately, a strong presence in South Korea because of the threat from North Korea.

With United States support, South Korea joined the United Nations in 1992, and in 1995 was added as a nonpermanent member of the United States Security Council. Many South Koreans, nevertheless, still resent the American presence, especially at the base near Seoul. While this makes it tough for the Government to pay its

fair share, there is no question that the South Korean economy is strong and positively advantaged by having United States troops in the country.

Mr. Chairman, as I said, I support this amendment. I support it because I think it sends an appropriate message. It does give flexibility, and it does say that America is continuing and will continue to bear its burden, to play its role on which the world relies, and which advantages the United States as well.

Mr. Chairman, I appreciate this time to rise and I appreciate the gentleman from Connecticut [Mr. SHAYS] yielding me the time in support of this amendment.

Mr. Chairman, I rise to support the Shays-Frank-Upton-Gephardt-Foley-Dellums amendment.

Clearly, Americans benefit from having our troops strategically stationed around the globe. These men and women protect U.S. interests even as they protect world peace.

But these troops also provide enormous benefits to their host countries and there is no reason why those allies should not pay a greater share of the costs.

This amendment directs the President to ensure that our allies meet at least one of four criteria for sufficient burdensharing.

I am especially concerned about South Korea.

Through meetings between President Clinton and President Kim Young Sam and other negotiations, mutual agreement has been reached to increase their support for our troops.

Support has already risen—from $150 million in 1991 to $300 million in 1995. That amount is scheduled to increase by 10 percent in each of the next few years.

This is movement in the right direction but it is not enough. Even while troop deployments in other parts of the world are being cut back we have continued a strong presence in South Korea because of the threat from North Korea.

With United States support, South Korea joined the United Nations in 1992 and, in 1995, was added as a nonpermanent member of the U.N. Security Council.

Despite all of this assistance, many South Koreans resent the American presence, especially at the base near Seoul.

While this makes it tough for the Government to pay its fair share, there is no question that the South Korean economy is strong and positively advantaged by having United States troops in the country.

I support this amendment which will continue the pressure on South Korea and other allies to recognize the enormous value of our highly trained Armed Forces.

Mr. FRANK of Massachusetts. Mr. Chairman, I yield 1½ minutes to the gentlewoman from Texas [Ms. JACKSON-LEE].

(Ms. JACKSON-LEE of Texas asked and was given permission to revise and extend her remarks.)

Ms. JACKSON-LEE of Texas. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, let me thank the gentleman from Connecticut [Mr. SHAYS], the gentleman from Massachusetts [Mr. FRANK], the gentleman from Michigan [Mr. UPTON], the gentleman from Missouri [Mr. GEPHARDT], the gentleman from California [Mr. DELLUMS], the gentleman from Florida [Mr. FOLEY], and the gentleman from South Carolina [Mr. SPENCE] very much. This is an important discussion. It shows the mutual seriousness that all of us have in ensuring the safety and security of this Nation, but the recognition of the importance of the involvement at a more heightened level of our European friends.

Let me say, having visited Europe recently, I agree that there is great prosperity emerging, and certainly existing in Europe today.

In addition, along with our other sites, we can look to Europe to have a unified currency. Therefore, I think it is adequate that this particular amendment gives flexibility to the President to assess how we would in fact increase benefit-sharing. What that means is that a greater amount of moneys are contributed by our allies to this national and world defense.

Let me also say if we are concerned about military personnel, housing, the fact that many of our enlisted men and women are on food stamps, the reordering of funding, taking it away from the hard nuts and bolts of maintaining troops overseas and focusing on military salaries, housing, and the ability to pay our military personnel, it will be a real boost for the morale of our men and women in the United States military, who every day by their commitment offer their lives for our freedom.

So I thank the gentlemen for this very thoughtful amendment that allows the freedom and the expression to do several things in order to assure that there is a balanced perspective on the funding of our defense. I hope that all of my colleagues will support this amendment.

Mr. SHAYS. Mr. Chairman, I yield 2 minutes to the gentleman from Florida [Mr. FOLEY].

Mr. FOLEY. Mr. Chairman, I commend the gentleman from Connecticut [Mr. SHAYS] for this very fine amendment, and also the spirit that is being exhibited on the floor today by both sides of the aisle in recognizing that we do need assistance from our friends and allies in the payment of our expensive defense, to assist them in the defense of their countries.

The gentleman from Florida [Mr. HASTINGS] and I traveled to Korea, to the DMZ, and met with our troops, our fine men and women who make up our military. One of the things they asked us is to come back to Washington and look out for them; look out for their pay; look out for their housing; think about their families. So we are here today to find a way to strengthen our budget for the military and the personnel of this Nation.

I appreciate the comments of the gentlewoman from Texas [Ms. JACKSON-LEE], because clearly if we are able to get our allies to contribute a greater share of our peacekeeping mission, we will then be able to deploy the assets we are currently spending on our personnel, those that desperately deserve it.

Mr. Chairman, this amendment does not call for U.S. troop withdrawal from overseas. It does ask our allies to contribute more to our mutual defense. Although Japan contributes 77 percent of the nonpersonnel costs for the stationing of U.S. troops in that country, our European allies contribute less than 25 percent toward these costs. This amendment ends this discrepancy by calling on all of our allies to gradually bring contributions to 75 percent.

It is in the best interests of the United States to maintain American troops in Europe and Asia to provide for mutual defense. No one denies that fact. But it is time that they step up to the plate, assist in their fair responsibility so we can continue our commitment to providing safety and security for people around the globe. That is what America has been known for. That is one of our greatest strengths.

Our friendship we bring to the international community is because of our strength, the strength of our defense, but again, clearly, if we have extra dollars they should go to military personnel and allow our allies to pay more of the burden.

Mr. FRANK of Massachusetts. Mr. Chairman, I yield myself the balance of my time.

The CHAIRMAN. The gentleman from Massachusetts [Mr. FRANK] is recognized for 2 minutes

Mr. FRANK of Massachusetts. No one is arguing, Mr. Chairman, that there is no benefit to the United States from our presence in Europe. What we are arguing is that there is at least as much benefit to the Europeans. They simply have not been doing a fair share.

The gentleman from Florida who just spoke cited the contribution we get from the Japanese, but that is a direct result of this Congress, over the objections of the administration then in power, mandating that the Japanese pay us some part of the nonpersonnel costs. I believe we ought to be doing the same with Western Europe.

There is an enormous disparity between the percentage of the American gross domestic product that goes to the military and that of our European allies, and it is all the more important that we do this now, because the Europeans are now facing pressure to cut their budgets, to get their deficits down to 3 percent so they can get into the common European currency.

If we do not send a strong message to this administration, which has been as sadly reluctant as its predecessors seriously to represent the American taxpayers' interest in equity here, then we will see a continued drop in what the Europeans do, with an expectation that we will continue to do more.

Members have noted that we have been promised we would be out of

Bosnia some time ago. We are there because the Europeans simply will not live up to their responsibilities. We are not asking Europe to replace us in the Middle East where we take on the burden. We are not asking them to replace us in South Korea. We are not asking them to replace us in many other parts of the world. We are not asking for European troops to come to the United States.

What we are saying is that where we are talking about military presence in Western Europe, it is simply illogical for the United States taxpayer to be doing so much compared to the Western Europeans that do so little. These nations are prosperous, they face no overpowering enemy, they are populous.

We started the policy of America basically picking up all the tab 45 or 50 years ago when Europe was poor and they faced a strong enemy. They are no longer poor and they no longer face a strong enemy. We should not still be picking up so disproportionate a part of the tab.

Mr. SHAYS. Mr. Chairman, I yield myself the balance of my time.

The CHAIRMAN. The gentleman from Connecticut [Mr. SHAYS] is recognized for 1 minute.

Mr. SHAYS. Mr. Chairman, I would say that this amendment allows for burden-sharing. It is similar in essence to the amendment we passed last year, which passed by a vote of 353 to 62. It is seeking to get the European nations primarily to contribute more to the nonmilitary costs of our troops stationed in Europe, or to provide more defense spending, or to increase their foreign aid, or to increase their funds to national military operations in the United Nations. It is an attempt, a very good attempt, to get the Europeans to do more for the defense of this world and the free world.

Mr. SPENCE. Mr. Chairman, I yield the balance of my time to the gentleman from Indiana [Mr. BUYER].

The CHAIRMAN. The gentleman from Indiana [Mr. BUYER] is recognized for 5 minutes.

Mr. BUYER. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, I would like to take a step back here. One, I want to compliment the gentleman from Connecticut [Mr. SHAYS] and the gentleman from Massachusetts [Mr. FRANK]. I am not really speaking in opposition. What I want to talk about is a little bit about history and our foreign policy dollars and where we are going from here.

When I think about the United States and our emergence upon the world scene, not only from World War I, and in particular World War II, and then how the United States, not only in the Marshall Plan and what we did in Europe, but also in particular what we did in the Pacific Rim and MacArthur and his assistance in helping draft a constitution in Japan, and setting forth different agreements in burden-sharing in Japan, much different than what we find on the Korean Peninsula.

□ 2030

So now over the last 50 years, the United States, while in the cold war, have been providing security and that blanket was a pretty good size in the Pacific, and it was a pretty good size in Europe. We provided their security. We grew the economies of Europe. We grew the economies in the Pacific to the point where they were highly competitive with the United States, to the point where today a lot of the electronic components, highly competitive coming at us from the Pacific Rim. A lot of the Airbus and other things happening in our competition from the European sector. The United States now finds itself the sole remaining superpower in the world.

Now, let us talk about our foreign policy for a second, talk about how it ties into burden sharing. The United States is the sole remaining superpower. I believe, as a vision of foreign policy, the United States, what we should have is, the United States should not engage itself in every little corner of the world and every little hot spot. We in the United States should engage and encourage our regional allies to quiet, to enter regional conflicts that have no tendency to destabilize a region of the world. That is in difference with the administration. I understand that.

But what this issue and what the gentleman from Massachusetts [Mr. FRANK] and the gentleman from Connecticut [Mr. SHAYS] are talking about is asking for our allies to have an increased share of the burden. Increased share of the burden of what? For security. Not the United States carrying the big stick always swooping in. So Bosnia comes to the attention. We are going to debate that here in a few days. We are asking our European allies for a greater share.

My good friend, the gentleman from California [Mr. DELLUMS], is sitting over here. I would love to ask him, Mr. Chairman, if George Foreman was his bodyguard, would he lift weights? He would not have to. The United States, we are the George Foreman. These other countries do not want to have to lift weights so long as we are there providing their security. They do not want to increase the share of the burden.

Let me extend some compliments. I was with the gentleman from South Carolina [Mr. SPENCE] a few years ago when we were in Norway. We signed new burden sharing agreements that were negotiated by the ambassador of burden sharing of the Clinton administration. We were there. They signed them. It did not make the European allies very happy. But that is a good thing. That is a good thing, because we want them to increase their share and their burdens.

I am a little uncomfortable here about the measures and the points out of this bill about, if they do not, it is going to affect our agreements. It will affect our memorandums, our letters of understanding, pretty stressful measures in there. Diplomacy is not that easy, I would say to my colleagues.

The gentleman from Maryland [Mr. HOYER] brought up some points about Korea. What I would like to share about Korea is that next year the new special measures agreement with regard to Korea will be renegotiated. I see my good friend sitting right over here knows exactly what I am talking about. We went ahead and approved some measures for military construction based upon great needs in Korea. Korea, we find ourselves very juxtaposed. We are on the brink of war at the same time we are on the brink of peace. And we have military facilities that meet their tier one responsibilities under a master plan.

Now we have to ask, if we want to sign off onto a master plan with Korea, do we want to spend a billion dollars on the Korean Peninsula? That is a pretty tough question. So what I would ask my colleagues here who are so strongly concerned about the issue of burden sharing, let us take a pretty stern look here at this new master plan about military construction in Korea, over a billion dollars.

Let me jump to the issue about residual value. Think what happened, what we did in Europe upon the reunification of Germany. When it happened, do my colleagues know what the State Department did? The State Department went ahead and negotiated away all of these facilities.

We spent millions and millions and millions of dollars on appropriated and nonappropriated facilities. And what did the State Department do? We did not have a residual value. They negotiated it right away. Let us not start the very same thing, move into a multibillion dollar construction program on the Korean Peninsula without addressing the residual values issues.

Mr. FRANK of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. BUYER. I yield to the gentleman from Massachusetts.

Mr. FRANK of Massachusetts. Mr. Chairman, I thank the gentleman for yielding to me. I appreciate the very thoughtful way he has addressed this.

Let me say, I agree with him and the gentleman from Maryland who mentioned this. It is a great mistake. I would like to connect two dots, if I could.

The gentleman said he was generally supportive of this but he was made uncomfortable by some of the measures. Let me say to him, in an ideal world, we would not be coming up with this amendment because the administration would, as a matter of course, be doing everything it could to get our allies to do it. The problem we have run into, as he alluded to with Germany, is there has been a bipartisan bias on the part of administrations, executive branches, State Departments not to

press any of our allies anywhere, any time, until we got into it. So the reason, it seems to me, we have to legislate and legislate with more specificity than would be ideal and to put more pressure on is precisely the kind of attitude that was evinced by the administration that negotiated everything away and that I do not think would protect our interests in South Korea sufficiently unless we intervened.

There is just a constituency problem there, and the State Department and, to some extent, the Defense Department, have a constituency that is not concerned with the taxes here, more concerned with making nice overseas.

And I think that the gentleman has stated it very clearly. I agree with him. That is why we need to do this.

Mr. BUYER. Mr. Chairman, reclaiming my time, I say to the gentleman, we have report language in here that is pretty stern about the issue of residual value, as we move into the negotiations about the special measures agreement on the Korean Peninsula. Let us not repeat the mistakes of Europe. I will work with the gentlemen to make these corrections as we go to conference.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Connecticut [Mr. SHAYS].

The amendment was agreed to.

SEQUENTIAL VOTES POSTPONED IN COMMITTEE OF THE WHOLE

The CHAIRMAN. Pursuant to House Resolution 169, proceedings will now resume on those part 1 amendments on which further proceedings were postponed, in the following order:

Amendment No. 2 offered by the gentleman from South Carolina [Mr. SPENCE]; amendment No. 3 offered by the gentleman from South Carolina [Mr. SPENCE]; and amendment No. 4 offered by the gentlewoman from California [Ms. HARMAN].

The Chair will reduce to 5 minutes the time for any electronic vote after the first vote in this series.

AMENDMENT NO. 2 OFFERED BY MR. SPENCE

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from South Carolina [Mr. SPENCE] on which further proceedings were postponed and on which the ayes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 405, noes 14, not voting 15, as follows:

[Roll No. 215]

AYES—405

Abercrombie
Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baesler
Baker
Baldacci
Ballenger
Barcia
Barr
Barrett (NE)
Barrett (WI)
Barton
Bass
Bateman
Becerra
Bentsen
Bereuter
Berman
Berry
Bilbray
Bilirakis
Bishop
Blagojevich
Bliley
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Boswell
Boucher
Boyd
Brady
Brown (CA)
Brown (FL)
Brown (OH)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Capps
Cardin
Carson
Castle
Chabot
Chambliss
Chenoweth
Christensen
Clay
Clayton
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Conyers
Cook
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cubin
Cummings
Cunningham
Danner
Davis (FL)
Davis (VA)
Deal
DeFazio
Delahunt
DeLauro
DeLay
Dellums
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doggett
Dooley
Doolittle
Doyle
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Ensign
Eshoo
Etheridge
Everett
Ewing
Farr
Fattah
Fawell
Fazio
Filner
Flake
Foglietta
Foley
Forbes
Ford
Fowler
Fox
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Furse
Gallegly
Ganske
Gejdenson
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Gordon
Goss
Graham
Granger
Green
Greenwood
Gutierrez
Gutknecht
Hall (OH)
Hamilton
Hansen
Harman
Hastert
Hastings (FL)
Hastings (WA)
Hayworth
Hefley
Hefner
Herger
Hill
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (WI)
Johnson, E. B.
Johnson, Sam
Jones
Kanjorski
Kasich
Kelly
Kennedy (RI)
Kennelly
Kildee
Kilpatrick
Kim
Kind (WI)
King (NY)
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Lantos
Largent
Latham
LaTourette
Lazio
Leach
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Livingston
LoBiondo
Lofgren
Lowey
Lucas
Luther
Maloney (CT)
Maloney (NY)
Manton
Manzullo
Markey
Martinez
Mascara
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDade
McDermott
McHale
McHugh
McInnis
McIntosh
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek
Menendez
Metcalf
Mica
Millender-McDonald
Miller (FL)
Minge
Mink
Molinari
Mollohan
Moran (KS)
Morella
Murtha
Myrick
Nadler
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Obey
Olver
Ortiz
Owens
Oxley
Packard
Pallone
Pappas
Parker
Pascrell
Pastor
Paul
Paxon
Payne
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Petri
Pickering
Pickett
Pitts
Porter
Portman
Poshard
Price (NC)
Pryce (OH)
Quinn
Radanovich
Rahall
Ramstad
Rangel
Redmond
Regula
Riggs
Riley
Rivers
Rodriguez
Roemer
Rogan
Rogers
Rohrabacher
Ros-Lehtinen
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryun
Sabo
Salmon
Sanchez
Sanders
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Schumer
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Shimkus
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Adam
Smith, Linda
Snowbarger
Snyder
Solomon
Souder
Spence
Spratt
Stabenow
Stearns
Stenholm
Stokes
Strickland
Stump
Stupak
Sununu
Tanner
Tauscher
Tauzin
Taylor (MS)
Thomas
Thompson
Thornberry
Thune
Thurman
Tiahrt
Tierney
Towns
Traficant
Turner
Upton
Velazquez
Vento
Visclosky
Walsh
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
Wexler
Weygand
White
Whitfield
Wicker
Wise
Wolf
Woolsey
Wynn
Young (AK)
Young (FL)

NOES—14

Bartlett
Borski
Davis (IL)
Evans
Goodling
Hall (TX)
Jackson (IL)
Kennedy (MA)
McGovern
Moakley
Moran (VA)
Neal
Reyes
Talent

NOT VOTING—15

Ackerman
DeGette
Dreier
Gephardt
Kaptur
Lipinski
Miller (CA)
Oberstar
Pombo
Pomeroy
Schiff
Stark
Taylor (NC)
Torres
Yates

□ 2059

Messrs. NEAL, TALENT, KENNEDY of Massachusetts, MORAN of Virginia, DAVIS of Illinois, BARTLETT of Maryland, and HALL of Texas changed their vote from ''aye'' to ''no.''

So the amendment was agreed to.

The result of the vote was announced as above recorded.

□ 2100

ANNOUNCEMENT BY THE CHAIRMAN

The CHAIRMAN. Pursuant to House Resolution 169, the Chair announces that he will reduce to a minimum of 5 minutes the period of time within which a vote by electronic device will be taken on each amendment on which the Chair has postponed further proceedings.

AMENDMENT OFFERED BY MR. SPENCE

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentleman from South Carolina [Mr. SPENCE] on which further proceedings were postponed and on which the ayes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 332, noes 88, not voting 14, as follows:

[Roll No. 216]

AYES—332

Abercrombie
Aderholt
Allen
Andrews
Archer
Armey
Bachus
Baesler
Baker
Baldacci
Ballenger
Barcia
Barr
Barrett (WI)
Barton
Bass
Bateman
Becerra
Berman
Berry
Bilirakis
Bishop
Blagojevich
Bliley
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boyd
Brown (CA)
Brown (FL)
Brown (OH)
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Campbell
Canady
Cannon
Cardin
Carson
Castle
Chambliss
Chenoweth
Christensen
Clay
Clayton
Clement
Clyburn
Coble
Coburn
Collins
Combest
Condit
Conyers
Cook
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crapo
Cubin
Cummings
Cunningham
Danner
Davis (IL)
Deal
DeLay
Dellums
Deutsch
Diaz-Balart
Dickey
Dicks
Dingell
Dixon
Doyle
Duncan
Dunn
Edwards
Ehrlich
Emerson
Engel
Ensign
Evans
Everett
Ewing
Fattah
Fawell
Flake
Foglietta
Foley
Ford
Fowler
Fox
Franks (NJ)
Frelinghuysen
Gallegly
Ganske
Gekas
Gibbons
Gilchrest
Gonzalez
Goode
Goodling
Gordon
Goss
Graham
Granger
Greenwood
Gutierrez
Hansen
Hastert
Hastings (FL)
Hastings (WA)
Hayworth
Hefley
Hefner
Herger
Hill
Hilleary
Hilliard
Hinchey
Hinojosa
Hobson
Hoekstra
Holden
Horn
Hostettler
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inglis
Istook
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson, E. B.
Johnson, Sam
Jones
Kanjorski
Kaptur
Kasich
Kildee
Kilpatrick
Kim
King (NY)
Kingston
Kleczka
Klink
Klug
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Lantos
Largent
Latham
LaTourette
Lazio
Leach
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Livingston
LoBiondo
Lowey
Lucas
Maloney (CT)
Maloney (NY)
Manton
Markey
Martinez
Mascara
McCollum
McCrery
McDade
McHale
McHugh
McInnis
McIntosh
McIntyre
McKeon
McKinney
McNulty
Meek
Menendez
Metcalf
Mica
Millender-McDonald
Miller (FL)
Mink
Molinari
Mollohan
Moran (KS)
Morella
Murtha
Nadler
Nethercutt
Neumann
Ney
Northup
Norwood
Nussle
Ortiz
Owens
Oxley
Packard
Pappas
Parker
Pascrell
Pastor
Paxon
Payne
Pease
Pelosi
Peterson (MN)
Peterson (PA)
Pickering
Pickett
Pitts
Porter
Portman
Poshard
Pryce (OH)
Quinn
Radanovich
Rahall
Rangel
Redmond
Regula
Reyes
Riggs
Riley
Rodriguez
Roemer
Rogan
Rogers
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryun
Salmon
Sanders
Sandlin
Sanford
Sawyer
Saxton
Scarborough
Schaefer, Dan
Schaffer, Bob
Schumer
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shimkus
Shuster
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (NJ)
Smith (OR)
Smith (TX)
Smith, Linda
Snowbarger
Snyder
Solomon
Souder
Spence
Spratt
Stearns
Stenholm
Stokes
Strickland
Stump
Stupak
Sununu
Talent
Tanner
Tauzin
Taylor (MS)
Thompson
Thornberry
Thune
Thurman
Tiahrt
Towns
Traficant
Turner
Upton
Velazquez
Visclosky
Walsh
Wamp
Waters
Watkins
Watts (OK)
Waxman
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wise
Wolf
Wynn
Young (AK)
Young (FL)

NOES—88

Barrett (NE)
Bartlett
Bentsen
Bereuter
Bilbray
Blumenauer
Boucher
Brady
Capps
Chabot
Davis (FL)
Davis (VA)
DeFazio
Delahunt
DeLauro
Doggett
Dooley
Doolittle
Dreier
Ehlers
English
Eshoo
Etheridge
Farr
Fazio
Filner
Forbes
Frank (MA)
Frost
Furse
Gejdenson
Gillmor
Gilman
Goodlatte
Green
Gutknecht
Hall (OH)
Hall (TX)
Hamilton
Harman
Hooley
Houghton
Jackson (IL)
Johnson (WI)
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kind (WI)
Levin
Lofgren
Luther
Manzullo
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
Meehan
Minge
Moakley
Moran (VA)
Myrick
Neal
Obey
Olver
Pallone
Paul
Petri
Price (NC)
Ramstad
Rivers
Rohrabacher
Ros-Lehtinen
Sabo
Sanchez
Shays
Sherman
Smith (MI)
Smith, Adam
Stabenow
Tauscher
Thomas
Tierney
Vento
Watt (NC)
White
Woolsey

NOT VOTING—14

Ackerman
DeGette
Gephardt
Lipinski
Miller (CA)
Oberstar
Pombo
Pomeroy
Schiff
Stark
Taylor (NC)
Torres
Weygand
Yates

□ 2110

The Clerk announced the following pair:

On this vote:

Mr. Yates for, with Mr. Ackerman against.

Mr. BENTSEN and Mr. MORAN of Virginia changed their vote from ''aye'' to ''no.''

So the amendment was agreed to.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. WEYGAND. Mr. Chairman, on rollcall No. 216, I was unavoidably detained and unfortunately did not cast a vote on this issue. Had I been present to vote I would have voted in the negative.

AMENDMENT OFFERED BY MS. HARMAN

The CHAIRMAN. The pending business is the demand for a recorded vote on the amendment offered by the gentlewoman from California [Ms. HARMAN] on which further proceedings were postponed and on which the noes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIRMAN. A recorded vote has been demanded.

A recorded vote was ordered.

The CHAIRMAN. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 196, noes 224, not voting 14, as follows:

[Roll No. 217]

AYES—196

Abercrombie
Allen
Andrews
Baesler
Baldacci
Barrett (WI)
Bass
Becerra
Bentsen
Berman
Bishop
Blagojevich
Blumenauer
Boehlert
Bonior
Bono
Boswell
Boucher
Boyd
Brown (CA)
Brown (FL)
Brown (OH)
Campbell
Capps
Cardin
Carson
Castle
Clay
Clayton
Clement
Clyburn
Condit
Conyers
Coyne
Cramer
Cummings
Davis (FL)
Davis (IL)
DeFazio
Delahunt
DeLauro
Dellums
Deutsch
Dicks
Dingell
Dixon
Doggett
Dooley
Dunn
Edwards
Ehrlich
Engel
Eshoo
Etheridge
Evans
Farr
Fattah
Fawell
Fazio
Filner
Flake
Foglietta
Foley
Ford
Fowler
Frank (MA)
Franks (NJ)
Frelinghuysen
Frost
Furse
Gejdenson
Gilchrest
Gilman
Gonzalez
Gordon
Green
Greenwood
Gutierrez
Harman
Hastings (FL)
Hefner
Hilliard
Hinchey
Hinojosa
Hooley
Horn
Houghton
Hoyer
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Johnson (CT)
Johnson (WI)
Johnson, E. B.
Kelly
Kennedy (MA)
Kennedy (RI)
Kennelly
Kilpatrick
Kind (WI)
Klug
Kolbe
LaFalce
Lampson
Lantos
Leach
Levin
Lewis (GA)
Lofgren
Lowey
Luther
Maloney (CT)
Maloney (NY)
Markey
Martinez
Matsui
McCarthy (MO)
McCarthy (NY)
McDermott
McGovern
McHale
McInnis
McKinney
Meehan
Meek
Menendez
Millender-McDonald
Miller (FL)
Minge
Mink
Molinari
Moran (VA)
Morella
Nadler
Neal
Obey
Olver
Owens
Pallone
Pascrell
Pastor
Payne
Pelosi
Pickett
Porter
Price (NC)
Pryce (OH)
Ramstad
Rangel
Reyes
Rivers
Rodriguez
Rothman
Roukema
Roybal-Allard
Rush
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Schumer
Scott
Serrano
Shaw
Shays
Sherman
Sisisky
Skaggs
Slaughter
Smith, Adam
Snyder
Spratt
Stabenow
Stokes
Strickland
Tanner
Tauscher
Thomas
Thompson
Thurman
Tierney
Towns
Traficant
Turner
Velazquez
Vento
Visclosky
Waters
Watt (NC)
Waxman
Wexler
White
Wise
Woolsey
Wynn

NOES—224

Aderholt
Archer
Armey
Bachus
Baker
Ballenger
Barcia
Barr
Barrett (NE)
Bartlett
Barton
Bateman
Bereuter
Berry
Bilbray
Bilirakis
Bliley
Blunt
Boehner
Bonilla
Borski
Brady
Bryant
Bunning
Burr
Burton
Buyer
Callahan
Calvert
Camp
Canady
Cannon
Chabot
Chambliss
Chenoweth
Christensen
Coble
Coburn
Collins
Combest
Cook
Cooksey
Costello
Cox
Crane
Crapo
Cubin
Cunningham
Danner
Davis (VA)
Deal
DeLay
Diaz-Balart
Dickey
Doolittle
Doyle
Dreier
Duncan
Ehlers
Emerson
English
Ensign
Everett

Ewing	LaTourette	Rogan
Forbes	Lazio	Rogers
Fox	Lewis (CA)	Rohrabacher
Gallegly	Lewis (KY)	Ros-Lehtinen
Ganske	Linder	Royce
Gekas	Livingston	Ryun
Gibbons	LoBiondo	Salmon
Gillmor	Lucas	Sanford
Goode	Manton	Saxton
Goodlatte	Manzullo	Scarborough
Goodling	Mascara	Schaefer, Dan
Goss	McCollum	Schaffer, Bob
Graham	McCrery	Sensenbrenner
Granger	McDade	Sessions
Gutknecht	McIntosh	Shadegg
Hall (OH)	McIntyre	Shimkus
Hall (TX)	McKeon	Shuster
Hamilton	McNulty	Skeen
Hansen	Metcalf	Skelton
Hastert	Mica	Smith (MI)
Hastings (WA)	Moakley	Smith (NJ)
Hayworth	Mollohan	Smith (OR)
Hefley	Moran (KS)	Smith (TX)
Herger	Murtha	Smith, Linda
Hill	Myrick	Snowbarger
Hilleary	Nethercutt	Solomon
Hobson	Neumann	Souder
Hoekstra	Ney	Spence
Holden	Northup	Stearns
Hostettler	Norwood	Stenholm
Hulshof	Nussle	Stump
Hunter	Ortiz	Stupak
Hutchinson	Oxley	Sununu
Hyde	Packard	Talent
Inglis	Pappas	Tauzin
Istook	Parker	Taylor (MS)
Jenkins	Paul	Thornberry
John	Paxon	Thune
Johnson, Sam	Pease	Tiahrt
Jones	Peterson (MN)	Upton
Kanjorski	Peterson (PA)	Walsh
Kaptur	Petri	Wamp
Kasich	Pickering	Watkins
Kildee	Pitts	Watts (OK)
Kim	Portman	Weldon (FL)
King (NY)	Poshard	Weldon (PA)
Kingston	Quinn	Weller
Kleczka	Radanovich	Weygand
Klink	Rahall	Whitfield
Knollenberg	Redmond	Wicker
Kucinich	Regula	Wolf
LaHood	Riggs	Young (AK)
Largent	Riley	Young (FL)
Latham	Roemer	

NOT VOTING—14

Ackerman	Miller (CA)	Stark
DeGette	Oberstar	Taylor (NC)
Gephardt	Pombo	Torres
Lipinski	Pomeroy	Yates
McHugh	Schiff	

□ 2119

Mr. POSHARD and Mr. SKELTON changed their vote from ''aye'' to ''no.''

Mr. NEAL of Massachusetts changed his vote from ''no'' to ''aye.''

So the amendment was rejected.

The result of the vote was announced as above recorded.

Mr. SPENCE. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. COOKSEY) having assumed the chair, Mr. YOUNG of Florida, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 1119) to authorize appropriations for fiscal years 1998 and 1999 for military activities of the Department of Defense, to prescribe military personnel strengths for fiscal years 1998 and 1999, and for other purposes, had come to no resolution thereon.

THE JOURNAL

The SPEAKER pro tempore. Pursuant to clause 5 of rule I, the pending business is the question of agreeing to the Speaker's approval of the Journal of the last day's proceedings.

The question is on the Speaker's approval of the Journal.

Pursuant to clause 1, rule I, the Journal stands approved.

SPECIAL ORDERS

The SPEAKER pro tempore. Under the Speaker's announced policy of January 7, 1997, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

WORKERS STANDING UP FOR THEIR RIGHTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. BONIOR] is recognized for 5 minutes.

Mr. BONIOR. Mr. Speaker, tonight I want to talk about workers in this country. Workers all over this country are standing up for their rights, organizing and they are demanding justice. From the hog processors in North Carolina to the nurses in San Diego, from the strawberry workers in California to the newspaper workers in Detroit, workers are raising their voices, and those voices are being heard.

This weekend we will again hear those strong voices loud and clear in Detroit. At least 50,000 workers and their families and supporters are expected to participate in Action Motown 1997, which is a mobilization of solidarity for the Detroit community locked out newspaper workers and union members. I am going to be there, and we will be speaking out for the workers, the labor movement in our community, against the management of the Detroit News and the Detroit Free Press. The News and the Free Press have locked out nearly 2,000 hard-working men and women since February of this year when they sought to resolve a 2-year labor dispute by unconditionally offering to return to work.

□ 2130

How were they treated when they tried to jump start contract talks and return to work? They were locked out, replaced, and told to go home.

It is clear to me that the News and the Free Press are willing to lose millions of dollars in an attempt to break the unions. How clear is it? Well, their combined circulation is down almost 300,000 despite a huge ad rate discount. Fifteen hundred advertisers have stayed away from the paper, costing them a 24-percent dip in advertising revenue.

Yet the most startling fact is not a statistic, but a quote made 1 month after the newspaper workers took the stand for justice by the Detroit News editor and publisher Robert Giles. This is what he said: ''We are going to hire a whole new work force, go on without unions, or they can surrender unconditionally and salvage what they can.''

Now, does that sound like someone who is willing to bargain in good faith?

Despite a 1994 Detroit Free Press editorial which stated that: ''The U.S. Senate should approve a bill that would prohibit companies from hiring permanent replacements for striking workers. The right to strike is essential if workers are to gain and preserve wages.''

Despite that, they did another editorial. They did another editorial after their workers decided to engage in their rights to collective bargaining. Mr. Stroud at the paper, the editor who talks a good game, but when it comes to standing up for principle and backing up his words, he caved, he caved so quick, in a blink of an aye he caved when they came down to corporate headquarters. In fact, that same paper who claimed to support the right to strike in 1994 did an about-face in 1995, and this is what they said: ''We intend to exercise our legal right to hire permanent replacements.''

Perhaps our Cardinal, Cardinal Adam J. Maida of Detroit, put it best when he said, ''The hiring of permanent placement workers is not an acceptable solution. If striking workers are threatened with being permanently replaced, this practice seems to undermine the legitimate purpose of the union and destroy the possibility of collective bargaining.''

I would like to read to my colleagues a quote this evening about a great American who said, ''Labor is prior to and independent of capital. Capital is the only fruit of labor and could never have existed if labor had not first existed.'' That was Abraham Lincoln.

The News and Free Press are owned by two of the biggest media conglomerates in the United States, Gannett and Knight-Ridder, who have deep pockets and are willing to lose millions to set an example in Detroit. They are tying to break the unions and deprive 2,000 workers and their families of a job and a living in a decent community. Their actions are unfair, they are unjust, they are illegal.

We will be marching in Detroit, because many of our parents and our grandparents fought too hard and too long for the gains that unions have made: For the 40-hour work week, for pension benefits, for health care, for the weekend, for safe-working conditions, for overtime pay. That is what people struggled for in this country in the last 100 years, and now people like the News and Free Press want to hire striker replacements in an effort to turn back the clock before we had these benefits.

I encourage everyone to join us for Action. Motown 1997 this weekend.

On another front real quickly, Mr. Speaker, those of us who went out to California and marched with the strawberry workers, people who make $8,500 a year, who have no representation, who are treated miserably, good news on that front. The biggest company, Coastal Berry, was sold to two new