

In the Senate of the United States,

June 27, 2002.

Resolved, That the bill from the House of Representatives (H.R. 4546) entitled “An Act to authorize appropriations for fiscal year 2003 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.”, do pass with the following

AMENDMENT:

Strike out all after the enacting clause and insert:

1 ***SECTION 1. SHORT TITLE.***

2 *This Act may be cited as the “National Defense Au-*
3 *thorization Act for Fiscal Year 2003”.*

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

3 (a) *DIVISIONS.*—*This Act is organized into three divi-*
 4 *sions as follows:*

5 (1) *Division A—Department of Defense Author-*
 6 *izations.*

7 (2) *Division B—Military Construction Author-*
 8 *izations.*

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

11 (b) *TABLE OF CONTENTS.*—*The table of contents for*
 12 *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**

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Sec. 102. Navy and Marine Corps.

Sec. 103. Air Force.

Sec. 104. Defense-wide activities.

Sec. 105. Defense Inspector General.

Sec. 106. Chemical agents and munitions destruction, defense.

Sec. 107. Defense health programs.

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*Sec. 111. Pilot program on sales of manufactured articles and services of certain
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 domestic sources.*

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*Sec. 122. Extension of multiyear procurement authority for DDG-51 class de-
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- Sec. 123. Maintenance of scope of cruiser conversion of Ticonderoga class AEGIS cruisers.*
- Sec. 124. Marine Corps live fire range improvements.*

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- Sec. 132. Pathfinder programs.*
- Sec. 133. Oversight of acquisition for defense space programs.*
- Sec. 134. Leasing of tanker aircraft.*
- Sec. 135. Compass Call program.*
- Sec. 136. Sense of Congress regarding assured access to space.*
- Sec. 137. Mobile emergency broadband system.*

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

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- Sec. 201. Authorization of appropriations.*
- Sec. 202. Amount for science and technology.*
- Sec. 203. Defense health programs.*

Subtitle B—Program Requirements, Restrictions, and Limitations

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- Sec. 214. Reallocation of amount available for indirect fire programs.*
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- Sec. 216. Analysis of emerging threats.*
- Sec. 217. Prohibition on transfer of Medical Free Electron Laser program.*
- Sec. 218. Demonstration of renewable energy use.*
- Sec. 219A. Radar power technology for the Army.*
- Sec. 219B. Critical infrastructure protection.*
- Sec. 219C. Theater Aerospace Command and Control Simulation Facility upgrades.*
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- Sec. 219F. Very high speed support vessel for the Army.*
- Sec. 219G. Full-scale high-speed permanent magnet generator.*
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- Sec. 219I. Aerospace Relay Mirror System (ARMS) Demonstration.*
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- Sec. 221. Annual operational assessments and reviews of ballistic missile defense program.*
- Sec. 222. Report on Midcourse Defense program.*
- Sec. 223. Report on Air-based Boost program.*
- Sec. 224. Report on Theater High Altitude Area Defense program.*
- Sec. 225. References to new name for Ballistic Missile Defense Organization.*
- Sec. 226. Limitation on use of funds for nuclear armed interceptors.*

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Sec. 246. Activities and assessment of the Defense Experimental Program to Stimulate Competitive Research.
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Sec. 303. Armed Forces Retirement Home.
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Sec. 342. Calculation of five-year period of limitation for Navy-Marine Corps Intranet contract.

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Sec. 403. Increased allowance for number of Marine Corps general officers on active duty in grades above major general.

Sec. 404. Increase in authorized strengths for Marine Corps officers on active duty in the grade of colonel.

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Sec. 412. End strengths for Reserves on active duty in support of the reserves.

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Sec. 414. Fiscal year 2003 limitations on non-dual status technicians.

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Sec. 421. Authorization of appropriations for military personnel.

TITLE V—MILITARY PERSONNEL POLICY

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- Sec. 502. Extension of authority to waive requirement for significant joint duty experience for appointment as a chief of a reserve component or a National Guard director.*
- Sec. 503. Repeal of limitation on authority to grant certain officers a waiver of required sequence for joint professional military education and joint duty assignment.*
- Sec. 504. Extension of temporary authority for recall of retired aviators.*
- Sec. 505. Increased grade for heads of nurse corps.*
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Subtitle B—Reserve Component Personnel Policy

- Sec. 511. Time for commencement of initial period of active duty for training upon enlistment in reserve component.*
- Sec. 512. Authority for limited extension of medical deferment of mandatory retirement or separation of reserve component officer.*
- Sec. 513. Repeal of prohibition on use of Air Force Reserve AGR personnel for Air Force base security functions.*

Subtitle C—Education and Training

- Sec. 521. Increase in authorized strengths for the service academies.*

Subtitle D—Decorations, Awards, and Commendations

- Sec. 531. Waiver of time limitations for award of certain decorations to certain persons.*
- Sec. 532. Korea Defense Service Medal.*

Subtitle E—National Call to Service

- Sec. 541. Enlistment incentives for pursuit of skills to facilitate national service.*
- Sec. 542. Military recruiter access to institutions of higher education.*

Subtitle F—Other Matters

- Sec. 551. Biennial surveys on racial, ethnic, and gender issues.*
- Sec. 552. Leave required to be taken pending review of a recommendation for removal by a board of inquiry.*
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- Sec. 554. Wear of abayas by female members of the Armed Forces in Saudi Arabia.*

TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

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- Sec. 601. Increase in basic pay for fiscal year 2003.*
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Subtitle C—Travel and Transportation Allowances

- Sec. 631. Deferral of travel in connection with leave between consecutive overseas tours.*
- Sec. 632. Transportation of motor vehicles for members reported missing.*
- Sec. 633. Destinations authorized for Government paid transportation of enlisted personnel for rest and recuperation upon extending duty at designated overseas locations.*
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- Sec. 641. Payment of retired pay and compensation to disabled military retirees.*
- Sec. 642. Increased retired pay for enlisted Reserves credited with extraordinary heroism.*
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- Sec. 651. Additional authority to provide assistance for families of members of the Armed Forces.*
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- Sec. 813. Extension of requirement for annual report on defense commercial pricing management improvement.*
- Sec. 814. Internal controls on the use of purchase cards.*
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Sec. 2802. Repeal of source requirements for family housing construction overseas.
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- Sec. 3151. Administration of program to eliminate weapons grade plutonium production in Russia.*
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Sec. 3156. Expansion of international materials protection, control, and accounting program.
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- Sec. 3171. Indemnification of Department of Energy contractors.*
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Sec. 3173. *One-year extension of authority of Department of Energy to pay voluntary separation incentive payments.*

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1 **SEC. 3. CONGRESSIONAL DEFENSE COMMITTEES DEFINED.**

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

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

6 *(2) the Committee on Armed Services and the*
7 *Committee on Appropriations of the House of Rep-*
8 *resentatives.*

9 **DIVISION A—DEPARTMENT OF**
10 **DEFENSE AUTHORIZATIONS**

11 **TITLE I—PROCUREMENT**

12 **Subtitle A—Authorization of**
13 **Appropriations**

14 **SEC. 101. ARMY.**

15 *Funds are hereby authorized to be appropriated for fis-*
16 *cal year 2003 for procurement for the Army as follows:*

17 *(1) For aircraft, \$2,144,386,000.*

1 (2) *For missiles, \$1,653,150,000.*

2 (3) *For weapons and tracked combat vehicles,*
3 *\$2,242,882,000.*

4 (4) *For ammunition, \$1,205,499,000.*

5 (5) *For other procurement, \$5,513,679,000.*

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

7 (a) *NAVY.—Funds are hereby authorized to be appro-*
8 *priated for fiscal year 2003 for procurement for the Navy*
9 *as follows:*

10 (1) *For aircraft, \$9,037,209,000.*

11 (2) *For weapons, including missiles and tor-*
12 *pedoes, \$2,505,820,000.*

13 (3) *For shipbuilding and conversion,*
14 *\$8,624,160,000.*

15 (4) *For other procurement, \$4,515,500,000.*

16 (b) *MARINE CORPS.—Funds are hereby authorized to*
17 *be appropriated for fiscal year 2003 for procurement for*
18 *the Marine Corps in the amount of \$1,341,219,000.*

19 (c) *NAVY AND MARINE CORPS AMMUNITION.—Funds*
20 *are hereby authorized to be appropriated for fiscal year*
21 *2003 for procurement of ammunition for the Navy and the*
22 *Marine Corps in the amount of \$1,173,157,000.*

23 **SEC. 103. AIR FORCE.**

24 *Funds are hereby authorized to be appropriated for fis-*
25 *cal year 2003 for procurement for the Air Force as follows:*

1 (1) *For aircraft, \$12,613,605,000.*

2 (2) *For ammunition, \$1,275,864,000.*

3 (3) *For missiles, \$3,258,162,000.*

4 (4) *For other procurement, \$10,477,840,000.*

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

6 *Funds are hereby authorized to be appropriated for fis-*
7 *cal year 2003 for Defense-wide procurement in the amount*
8 *of \$3,054,943,000.*

9 **SEC. 105. DEFENSE INSPECTOR GENERAL.**

10 *Funds are hereby authorized to be appropriated for fis-*
11 *cal year 2003 for procurement for the Inspector General of*
12 *the Department of Defense in the amount of \$2,000,000.*

13 **SEC. 106. CHEMICAL AGENTS AND MUNITIONS DESTRUC-**
14 **TION, DEFENSE.**

15 *There is hereby authorized to be appropriated for the*
16 *Office of the Secretary of Defense for fiscal year 2003 the*
17 *amount of \$1,490,199,000 for—*

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

22 (2) *the destruction of chemical warfare materiel*
23 *of the United States that is not covered by section*
24 *1412 of such Act.*

1 **SEC. 107. DEFENSE HEALTH PROGRAMS.**

2 *Funds are hereby authorized to be appropriated for fis-*
3 *cal year 2003 for the Department of Defense for procure-*
4 *ment for carrying out health care programs, projects, and*
5 *activities of the Department of Defense in the total amount*
6 *of \$278,742,000.*

7 ***Subtitle B—Army Programs***

8 **SEC. 111. PILOT PROGRAM ON SALES OF MANUFACTURED**
9 **ARTICLES AND SERVICES OF CERTAIN ARMY**
10 **INDUSTRIAL FACILITIES WITHOUT REGARD**
11 **TO AVAILABILITY FROM DOMESTIC SOURCES.**

12 *(a) EXTENSION OF PROGRAM.—Subsection (a) of sec-*
13 *tion 141 of the National Defense Authorization Act for Fis-*
14 *cal Year 1998 (Public Law 105–85; 10 U.S.C. 4543 note)*
15 *is amended by striking “through 2002” in the first sentence*
16 *and inserting “through 2004”.*

17 *(b) USE OF OVERHEAD FUNDS MADE SURPLUS BY*
18 *SALES.—Such section is further amended—*

19 *(1) by redesignating subsection (c) as subsection*
20 *(d); and*

21 *(2) by inserting after subsection (b) the following*
22 *new subsection (c):*

23 *“(c) For each Army industrial facility participating*
24 *in the pilot program that sells manufactured articles and*
25 *services in a total amount in excess of \$20,000,000 in any*
26 *fiscal year, the amount equal to one-half of one percent of*

1 *such total amount shall be transferred from the sums in*
2 *the Army Working Capital Fund for unutilized plant ca-*
3 *capacity to appropriations available for the following fiscal*
4 *year for the demilitarization of conventional ammunition*
5 *by the Army.”.*

6 *(c) UPDATE OF INSPECTOR GENERAL’S REVIEW.—The*
7 *Inspector General of the Department of Defense shall review*
8 *the experience under the pilot program carried out under*
9 *section 141 of Public Law 105–85 and, not later than July*
10 *1, 2003, submit to Congress a report on the results of the*
11 *review. The report shall contain the views, information, and*
12 *recommendations called for under subsection (d) of such sec-*
13 *tion (as redesignated by subsection (b)(1)). In carrying out*
14 *the review and preparing the report, the Inspector General*
15 *shall take into consideration the report submitted to Con-*
16 *gress under such subsection (as so redesignated).*

17 ***Subtitle C—Navy Programs***

18 ***SEC. 121. INTEGRATED BRIDGE SYSTEM.***

19 *(a) AMOUNT FOR PROGRAM.—Of the amount author-*
20 *ized to be appropriated by section 102(a)(4), \$5,000,000*
21 *shall be available for the procurement of the integrated*
22 *bridge system in items less than \$5,000,000.*

23 *(b) OFFSETTING REDUCTION.—Of the total amount*
24 *authorized to be appropriated by section 102(a)(4), the*

1 amount available for the integrated bridge system in Aegis
2 support equipment is hereby reduced by \$5,000,000.

3 **SEC. 122. EXTENSION OF MULTIYEAR PROCUREMENT AU-**
4 **THORITY FOR DDG-51 CLASS DESTROYERS.**

5 Section 122(b) of the National Defense Authorization
6 Act for Fiscal Year 1997 (Public Law 104-201; 110 Stat.
7 2446), as amended by section 122 of Public Law 106-65
8 (113 Stat. 534) and section 122(a) of the Floyd D. Spence
9 National Defense Authorization Act for Fiscal Year 2001
10 (as enacted into law by Public Law 106-398; 114 Stat.
11 1654A-24), is further amended by striking “October 1,
12 2005” in the first sentence and inserting “October 1, 2007”.

13 **SEC. 123. MAINTENANCE OF SCOPE OF CRUISER CONVER-**
14 **SION OF TICONDEROGA CLASS AEGIS CRUIS-**
15 **ERS.**

16 The Secretary of the Navy should maintain the scope
17 of the cruiser conversion program for the Ticonderoga class
18 of AEGIS cruisers such that the program—

19 (1) covers all 27 Ticonderoga class AEGIS cruis-
20 ers; and

21 (2) modernizes the class of cruisers to include an
22 appropriate mix of upgrades to ships’ capabilities for
23 theater missile defense, naval fire support, and air
24 dominance.

1 **SEC. 124. MARINE CORPS LIVE FIRE RANGE IMPROVE-**
2 **MENTS.**

3 (a) *INCREASE IN AUTHORIZATION OF APPROPRIA-*
4 *TIONS.—The amount authorized to be appropriated by sec-*
5 *tion 102(b) for procurement for the Marine Corps is hereby*
6 *increased by \$1,900,000, with the amount of the increase*
7 *to be allocated to Training Devices.*

8 (b) *AVAILABILITY.—(1) Of the amount authorized to*
9 *be appropriated by section 102(b) for procurement for the*
10 *Marine Corps, as increased by subsection (a), \$1,900,000*
11 *shall be available as follows:*

12 (A) *For upgrading live fire range target movers.*

13 (B) *To bring live fire range radio controls into*
14 *compliance with Federal Communications Commis-*
15 *sion narrow band requirements.*

16 (2) *Amounts available under paragraph (1) for the*
17 *purposes set forth in that paragraph are in addition to any*
18 *other amounts available in this Act for such purposes.*

19 (c) *OFFSETTING REDUCTION.—The amount authorized*
20 *to be appropriated by section 103(1) for the C-17 interim*
21 *contractor support is reduced by \$1,900,000.*

22 ***Subtitle D—Air Force Programs***

23 **SEC. 131. C-130J AIRCRAFT PROGRAM.**

24 (a) *MULTIYEAR PROCUREMENT AUTHORITY.—Begin-*
25 *ning with the fiscal year 2003 program year, the Secretary*
26 *of the Air Force may, in accordance with section 2306b of*

1 *title 10, United States Code, enter into a multiyear contract*
2 *for the procurement of C-130J aircraft and variants of the*
3 *C-130J aircraft, subject to subsection (b), and except that,*
4 *notwithstanding subsection (k) of such section, such a con-*
5 *tract may be for a period of six program years.*

6 (b) *LIMITATION.—The Secretary of the Air Force may*
7 *not enter into a multiyear contract authorized by subsection*
8 *(a) until the C-130J aircraft has been cleared for worldwide*
9 *over-water capability.*

10 **SEC. 132. PATHFINDER PROGRAMS.**

11 (a) *SPIRAL DEVELOPMENT PLAN FOR SELECTED*
12 *PATHFINDER PROGRAMS.—Not later than February 1,*
13 *2003, the Secretary of the Air Force shall—*

14 (1) *identify among the pathfinder programs list-*
15 *ed in subsection (e) each pathfinder program that the*
16 *Secretary shall conduct as a spiral development pro-*
17 *gram; and*

18 (2) *submit to the Secretary of Defense for each*
19 *pathfinder program identified under paragraph (1) a*
20 *spiral development plan that meets the requirements*
21 *of section 803(c).*

22 (b) *APPROVAL OR DISAPPROVAL OF SPIRAL DEVELOP-*
23 *MENT PLANS.—Not later than March 15, 2003, the Sec-*
24 *retary of Defense shall—*

1 (1) review each spiral development plan sub-
2 mitted under subsection (a)(2);

3 (2) approve or disapprove the conduct as a spi-
4 ral development plan of the pathfinder program cov-
5 ered by each such spiral development plan; and

6 (3) submit to the congressional defense commit-
7 tees a copy of each spiral development plan approved
8 under paragraph (2).

9 (c) *ASSESSMENT OF PATHFINDER PROGRAMS NOT SE-*
10 *LECTED OR APPROVED FOR SPIRAL DEVELOPMENT.*—Not
11 *later than March 15, 2003, each official of the Department*
12 *of Defense specified in subsection (d) shall submit to the*
13 *congressional defense committees the assessment required of*
14 *such official under that subsection for the acquisition plan*
15 *for each pathfinder program as follows:*

16 (1) *Each pathfinder program that is not identi-*
17 *fied by the Secretary of the Air Force under sub-*
18 *section (a)(1) as a program that the Secretary shall*
19 *conduct as a spiral development program.*

20 (2) *Each pathfinder program that is disapproved*
21 *by the Secretary of Defense for conduct as a spiral de-*
22 *velopment program under subsection (b)(2).*

23 (d) *OFFICIALS AND REQUIRED ASSESSMENTS FOR*
24 *PROGRAMS OUTSIDE SPIRAL DEVELOPMENT.*—*The officials*

1 *specified in this subsection, and the assessment required of*
2 *such officials, are as follows:*

3 (1) *The Director of Operational Test and Eval-*
4 *uation, who shall assess the test contents of the acqui-*
5 *sition plan for each pathfinder program covered by*
6 *subsection (c).*

7 (2) *The Chairman of the Joint Requirements*
8 *Oversight Council, who shall assess the extent to*
9 *which the acquisition plan for each such pathfinder*
10 *program addresses validated military requirements.*

11 (3) *The Under Secretary of Defense (Comp-*
12 *troller), in coordination with the Under Secretary of*
13 *Defense for Acquisition, Technology, and Logistics,*
14 *who shall conduct an independent programmatic*
15 *evaluation of the acquisition plan for each such path-*
16 *finder program, including an analysis of the total*
17 *cost, schedule, and technical risk associated with de-*
18 *velopment of such program.*

19 (e) *PATHFINDER PROGRAMS.—The pathfinder pro-*
20 *grams listed in this subsection are the program as follows:*

21 (1) *Space Based Radar.*

22 (2) *Global Positioning System.*

23 (3) *Global Hawk.*

24 (4) *Combat Search and Rescue.*

25 (5) *B-2 Radar.*

1 (6) *Predator B.*

2 (7) *B-1 Defensive System Upgrade.*

3 (8) *Multi Mission Command and Control Con-*
4 *stellation.*

5 (9) *Unmanned Combat Air Vehicle.*

6 (10) *Global Transportation Network.*

7 (11) *C-5 Avionics Modernization Program.*

8 (12) *Hunter/Killer.*

9 (13) *Tanker/Lease.*

10 (14) *Small Diameter Bomb.*

11 (15) *KC-767.*

12 (16) *AC-130 Gunship.*

13 **SEC. 133. OVERSIGHT OF ACQUISITION FOR DEFENSE**
14 **SPACE PROGRAMS.**

15 (a) *IN GENERAL.*—*The Office of the Secretary of De-*
16 *fense shall maintain oversight of acquisition for defense*
17 *space programs.*

18 (b) *REPORT ON OVERSIGHT.*—(1) *Not later than*
19 *March 15, 2003, the Secretary of Defense shall submit to*
20 *the congressional defense committees a detailed plan on how*
21 *the Office of the Secretary of Defense shall provide oversight*
22 *of acquisition for defense space programs.*

23 (2) *The plan shall set forth the following:*

24 (A) *The organizations in the Office of the Sec-*
25 *retary of Defense, and the Joint Staff organizations,*

1 to be involved in oversight of acquisition for defense
2 space programs.

3 (B) The process for the review of defense space
4 programs by the organizations specified under sub-
5 paragraph (A).

6 (C) The process for the provision by such organi-
7 zations of technical, programmatic, scheduling, and
8 budgetary advice on defense space programs to the
9 Deputy Secretary of Defense and the Under Secretary
10 of the Air Force.

11 (D) The process for the development of inde-
12 pendent cost estimates for defense space programs, in-
13 cluding the organization responsible for developing
14 such cost estimates and when such cost estimates shall
15 be required.

16 (E) The process for the development of the budget
17 for acquisition for defense space programs.

18 (F) The process for the resolution of issues re-
19 garding acquisition for defense space programs that
20 are raised by the organizations specified under sub-
21 paragraph (A).

22 (c) *DEFENSE SPACE PROGRAM DEFINED.*—In this sec-
23 tion, the term “defense space program” means any major
24 defense acquisition program (as that term is defined in sec-

1 tion 2430 of title 10, United States Code) for the acquisition
2 of—

3 (1) space-based assets, space launch assets, or
4 user equipment for such assets; or

5 (2) earth-based or spaced-based assets dedicated
6 primarily to space surveillance or space control.

7 **SEC. 134. LEASING OF TANKER AIRCRAFT.**

8 The Secretary of the Air Force shall not enter into any
9 lease for tanker aircraft until the Secretary submits the re-
10 port required by section 8159(c)(6) of the Department of
11 Defense Appropriations Act, 2002 (division A of Public
12 Law 107–117; 115 Stat. 2284) and obtains authorization
13 and appropriation of funds necessary to enter into a lease
14 for such aircraft consistent with his publicly stated commit-
15 ments to the Congress to do so.

16 **SEC. 135. COMPASS CALL PROGRAM.**

17 Of the amount authorized to be appropriated by sec-
18 tion 103(1), \$12,700,000 shall be available for the Compass
19 Call program within classified projects and not within the
20 Defense Airborne Reconnaissance Program.

21 **SEC. 136. SENSE OF CONGRESS REGARDING ASSURED AC-**
22 **CESS TO SPACE.**

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

24 (1) Assured access to space is a vital national se-
25 curity interest of the United States.

1 (2) *The Evolved Expendable Launch Vehicle pro-*
2 *gram of the Department of Defense is a critical ele-*
3 *ment of the Department's plans for assuring United*
4 *States access to space.*

5 (3) *Significant contractions in the commercial*
6 *space launch marketplace have eroded the overall via-*
7 *bility of the United States space launch industrial*
8 *base and could hamper the ability of the Department*
9 *of Defense to provide assured access to space in the*
10 *future.*

11 (4) *The continuing viability of the United States*
12 *space launch industrial base is a critical element of*
13 *any strategy to ensure the long-term ability of the*
14 *United States to assure access to space.*

15 (5) *The Under Secretary of the Air Force, as ac-*
16 *quisition executive for space programs in the Depart-*
17 *ment of Defense, has been authorized to develop a*
18 *strategy to address United States space launch and*
19 *assured access to space requirements.*

20 (b) *SENSE OF CONGRESS.—It is the sense of Congress*
21 *that the Under Secretary of the Air Force should—*

22 (1) *evaluate all options for sustaining the United*
23 *States space launch industrial base;*

1 (2) *develop an integrated, long-range, and ade-*
2 *quately funded plan for assuring United States access*
3 *to space; and*

4 (3) *submit to Congress a report on the plan at*
5 *the earliest opportunity practicable.*

6 **SEC. 137. MOBILE EMERGENCY BROADBAND SYSTEM.**

7 (a) *AMOUNT FOR PROGRAM.*—*Of the total amount au-*
8 *thorized to be appropriated by section 103(4), \$1,000,000*
9 *may be available for the procurement of technical commu-*
10 *nications-electronics equipment for the Mobile Emergency*
11 *Broadband System.*

12 (b) *OFFSETTING REDUCTION.*—*Of the total amount*
13 *authorized to be appropriated by section 103(4), the amount*
14 *available under such section for the Navy for other procure-*
15 *ment for gun fire control equipment, SPQ-9B solid state*
16 *transmitter, is hereby reduced by \$1,000,000.*

17 **TITLE II—RESEARCH, DEVELOP-**
18 **MENT, TEST, AND EVALUA-**
19 **TION**

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

22 **SEC. 201. AUTHORIZATION OF APPROPRIATIONS.**

23 *Funds are hereby authorized to be appropriated for fis-*
24 *cal year 2003 for the use of the Department of Defense for*
25 *research, development, test, and evaluation as follows:*

1 (1) *For the Army, \$7,297,033,000.*

2 (2) *For the Navy, \$12,927,135,000.*

3 (3) *For the Air Force, \$18,608,684,000.*

4 (4) *For Defense-wide activities, \$17,543,927,000,*
5 *of which \$361,554,000 is authorized for the Director*
6 *of Operational Test and Evaluation.*

7 **SEC. 202. AMOUNT FOR SCIENCE AND TECHNOLOGY.**

8 (a) *AMOUNT FOR PROJECTS.*—*Of the total amount au-*
9 *thorized to be appropriated by section 201, \$10,164,358,000*
10 *shall be available for science and technology projects.*

11 (b) *SCIENCE AND TECHNOLOGY DEFINED.*—*In this*
12 *section, the term “science and technology project” means*
13 *work funded in program elements for defense research, de-*
14 *velopment, test, and evaluation under Department of De-*
15 *fense budget activities 1, 2, or 3.*

16 **SEC. 203. DEFENSE HEALTH PROGRAMS.**

17 *Funds are hereby authorized to be appropriated for fis-*
18 *cal year 2003 for the Department of Defense for research,*
19 *development, test, and evaluation for carrying out health*
20 *care programs, projects, and activities of the Department*
21 *of Defense in the total amount of \$67,214,000.*

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

3 ***SEC. 211. BASIC SEISMIC RESEARCH PROGRAM FOR SUP-***
4 ***PORT OF NATIONAL REQUIREMENTS FOR***
5 ***MONITORING NUCLEAR EXPLOSIONS.***

6 *(a) MANAGEMENT OF PROGRAM.—(1) The Secretary of*
7 *the Air Force shall manage the Department of Defense pro-*
8 *gram of basic seismic research in support of national re-*
9 *quirements for monitoring nuclear explosions. The Sec-*
10 *retary shall manage the program in the manner necessary*
11 *to support Air Force mission requirements relating to the*
12 *national requirements.*

13 *(2) The Secretary shall act through the Director of the*
14 *Air Force Research Laboratory in carrying out paragraph*
15 *(1).*

16 *(c) AMOUNT FOR PROGRAM.—Of the amount author-*
17 *ized to be appropriated by section 201(4), \$20,000,000 shall*
18 *be available for the program referred to in subsection (a).*

19 ***SEC. 212. ADVANCED SEAL DELIVERY SYSTEM.***

20 *To the extent provided in appropriations Acts, the Sec-*
21 *retary of Defense may use for research, development, test,*
22 *and evaluation for the Advanced SEAL Delivery System*
23 *any funds that were authorized to be appropriated to the*
24 *Department of Defense for fiscal year 2002 for the procure-*
25 *ment of that system, were appropriated pursuant to such*

1 *authorization of appropriations, and are no longer needed*
2 *for that purpose.*

3 **SEC. 213. ARMY EXPERIMENTATION PROGRAM REGARDING**
4 **DESIGN OF THE OBJECTIVE FORCE.**

5 (a) *REQUIREMENT FOR REPORT.*—*Not later than*
6 *March 30, 2003, the Secretary of the Army shall submit*
7 *to Congress a report on the experimentation program re-*
8 *garding design of the objective force that is required by sub-*
9 *section (g) of section 113 of the Floyd D. Spence National*
10 *Defense Authorization Act for Fiscal Year 2001, as added*
11 *by section 113 of the National Defense Authorization Act*
12 *for Fiscal Year 2002 (Public Law 107–107; 115 Stat.*
13 *1029).*

14 (b) *BUDGET DISPLAY.*—*Amounts provided for the ex-*
15 *perimentation program in the budget for fiscal year 2004*
16 *that is submitted to Congress under section 1105(a) of title*
17 *31, United States Code, shall be displayed as a distinct pro-*
18 *gram element in that budget and in the supporting docu-*
19 *mentation submitted to Congress by the Secretary of De-*
20 *fense.*

21 **SEC. 214. REALLOCATION OF AMOUNT AVAILABLE FOR IN-**
22 **DIRECT FIRE PROGRAMS.**

23 (a) *REDUCTION OF AMOUNT FOR CRUSADER.*—*Of the*
24 *amount authorized to be appropriated by section 201(1) for*
25 *the Army for research, development, test, and evaluation,*

1 *the amount available for continued research and develop-*
2 *ment of the Crusader artillery system is hereby reduced by*
3 *\$475,600,000.*

4 **(b) INCREASE OF AMOUNT FOR FUTURE COMBAT SYS-**
5 *TEMS.—Of the amount authorized to be appropriated by*
6 *section 201(1) for the Army for research, development, test,*
7 *and evaluation, the amount available for research and de-*
8 *velopment for the Objective Force indirect fire systems is*
9 *hereby increased by \$475,600,000. The amount of the in-*
10 *crease shall be available only for meeting the needs of the*
11 *Army for indirect fire capabilities, and may not be used*
12 *under the authority of this section until 30 days after the*
13 *date on which the Secretary of Defense submits to the con-*
14 *gressional defense committees the report required by sub-*
15 *section (d), together with a notification of the Secretary’s*
16 *plan to use such funds to meet the needs of the Army for*
17 *indirect fire capabilities.*

18 **(c) USE OF FUNDS.—**Subject to subsection (b), the Sec-
19 *retary of Defense may use the amount available under such*
20 *subsection for any program for meeting the needs of the*
21 *Army for indirect fire capabilities.*

22 **(d) REPORTING REQUIREMENT.—**(1) Not later than 30
23 *days after the date of the enactment of this Act, the Chief*
24 *of Staff of the Army shall complete a review of the full range*
25 *of Army programs that could provide improved indirect fire*

1 *for the Army over the next 20 years and shall submit to*
2 *the Secretary of Defense a report containing the rec-*
3 *ommendation of the Chief of Staff on which alternative for*
4 *improving indirect fire for the Army is the best alternative*
5 *for that purpose. The report shall also include information*
6 *on each of the following funding matters:*

7 (A) *The manner in which the amount available*
8 *under subsection (b) should be best invested to support*
9 *the improvement of indirect fire capabilities for the*
10 *Army.*

11 (B) *The manner in which the amount provided*
12 *for indirect fire programs of the Army in the future-*
13 *years defense program submitted to Congress with re-*
14 *spect to the budget for fiscal year 2003 under section*
15 *221 of title 10, United States Code, should be best in-*
16 *vested to support improved indirect fire for the Army.*

17 (C) *The manner in which the amounts described*
18 *in subparagraphs (A) and (B) should be best invested*
19 *to support the improvement of indirect fire capabili-*
20 *ties for the Army in the event of a termination of the*
21 *Crusader artillery system program.*

22 (D) *The portion of the amount available under*
23 *subsection (b) that should be reserved for paying costs*
24 *associated with a termination of the Crusaderartil-*

1 *lery system program in the event of such a termi-*
2 *nation.*

3 *(2) The Secretary of Defense shall submit the report,*
4 *together with any comments and recommendations that the*
5 *Secretary considers appropriate, to the congressional de-*
6 *fense committees.*

7 *(e) ANNUAL UPDATES.—(1) The Secretary shall sub-*
8 *mit to the congressional defense committees, at the same*
9 *time that the President submits the budget for a fiscal year*
10 *referred to in paragraph (4) to Congress under section*
11 *1105(a) of title 31, United States Code, a report on the in-*
12 *vestments proposed to be made in indirect fire programs*
13 *for the Army.*

14 *(2) If the Crusader artillery system program has been*
15 *terminated by the time the annual report is submitted in*
16 *conjunction with the budget for a fiscal year, the report*
17 *shall—*

18 *(A) identify the amount proposed for expenditure*
19 *for the Crusader artillery system program for that fis-*
20 *cal year in the future-years defense program that was*
21 *submitted to Congress in 2002 under section 221 of*
22 *title 10, United States Code; and*

23 *(B) specify—*

24 *(i) the manner in which the amount pro-*
25 *vided in that budget would be expended for im-*

1 *proved indirect fire capabilities for the Army;*
2 *and*

3 *(ii) the extent to which the expenditures in*
4 *that manner would improve indirect fire capa-*
5 *bilities for the Army.*

6 *(3) The requirement to submit an annual report under*
7 *paragraph (1) shall apply with respect to budgets for fiscal*
8 *years 2004, 2005, 2006, 2007, and 2008.*

9 **SEC. 215. LASER WELDING AND CUTTING DEMONSTRATION.**

10 *(a) AMOUNT FOR PROGRAM.—Of the total amount au-*
11 *thorized to be appropriated by section 201(2) for research,*
12 *development, test, and evaluation for the Navy, \$6,000,000*
13 *shall be available for the laser welding and cutting dem-*
14 *onstration in force protection applied research (PE*
15 *0602123N).*

16 *(b) OFFSETTING REDUCTION.—Of the total amount*
17 *authorized to be appropriated by section 201(2) for re-*
18 *search, development, test, and evaluation for the Navy, the*
19 *amount available for laser welding and cutting demonstra-*
20 *tion in surface ship and submarine HM&E advanced tech-*
21 *nology (PE 0603508N) is hereby reduced by \$6,000,000.*

22 **SEC. 216. ANALYSIS OF EMERGING THREATS.**

23 *(a) INCREASE IN AUTHORIZATION OF APPROPRIA-*
24 *TIONS.—The amount authorized to be appropriated by sec-*
25 *tion 201(2) for research, development, test, and evaluation*

1 *for the Navy is hereby increased by \$2,000,000 with the*
2 *amount of the increase to be allocated to Marine Corps Ad-*
3 *vanced Technology Demonstration (ATD) (PE 0603640M).*

4 **(b) AVAILABILITY.**—(1) *Of the amount authorized to*
5 *be appropriated by section 201(2) for research, development,*
6 *test, and evaluation for the Navy, as increased by subsection*
7 *(a), \$2,000,000 may be available for analysis of emerging*
8 *threats.*

9 (2) *The amount available under paragraph (1) for*
10 *analysis of emerging threats is in addition to any other*
11 *amounts available under this Act for analysis of emerging*
12 *threats.*

13 **(c) OFFSET.**—*The amount authorized to be appro-*
14 *priated by section 201(1) for research, development, test,*
15 *and evaluation for the Army is hereby reduced by*
16 *\$2,000,000, with the amount of the reduction allocated as*
17 *follows:*

18 (1) *\$1,000,000 may be allocated to Weapons and*
19 *Munitions Technology (PE 0602624A) and available*
20 *for countermobility systems.*

21 (2) *\$1,000,000 may be allocated to Warfighter*
22 *Advanced Technology (PE 0603001A) and available*
23 *for Objective Force Warrior technologies.*

1 **SEC. 217. PROHIBITION ON TRANSFER OF MEDICAL FREE**
2 **ELECTRON LASER PROGRAM.**

3 *Notwithstanding any other provision of law, the Med-*
4 *ical Free Electron Laser Program (PE 0602227D8Z) may*
5 *not be transferred from the Department of Defense to the*
6 *National Institutes of Health, or to any other department*
7 *or agency of the Federal Government.*

8 **SEC. 218. DEMONSTRATION OF RENEWABLE ENERGY USE.**

9 *Of the amount authorized to be appropriated by sec-*
10 *tion 201(2), \$2,500,000 shall be available for the demonstra-*
11 *tion of renewable energy use program within the program*
12 *element for the Navy energy program and not within the*
13 *program element for facilities improvement.*

14 **SEC. 219A. RADAR POWER TECHNOLOGY FOR THE ARMY.**

15 *(a) INCREASE IN AUTHORIZATION OF APPROPRIA-*
16 *TIONS.—The amount authorized to be appropriated by sec-*
17 *tion 201(1) for the Department of Defense for research, de-*
18 *velopment, test, and evaluation for the Army is hereby in-*
19 *creased by \$4,500,000, with the amount of the increase to*
20 *be allocated to Army missile defense systems integration*
21 *(DEM/VAL) (PE 0603308A).*

22 *(b) AVAILABILITY FOR RADAR POWER TECHNOLOGY.—*

23 *(1) Of the amount authorized to be appropriated by section*
24 *201(1) for the Department of Defense for research, develop-*
25 *ment, test, and evaluation for the Army, as increased by*

1 subsection (a), \$4,500,000 shall be available for radar power
2 technology.

3 (2) The amount available under paragraph (1) for
4 radar power technology is in addition to any other amounts
5 available under this Act for such technology.

6 (c) *OFFSET.*—The amount authorized to be appro-
7 priated by section 201(2) for research, development, test,
8 and evaluation for the Navy is hereby reduced by
9 \$4,500,000, with the amount of the reduction to be allocated
10 to common picture advanced technology (PE 0603235N).

11 **SEC. 219B. CRITICAL INFRASTRUCTURE PROTECTION.**

12 (a) *AMOUNT FOR PROGRAM.*—Of the amount author-
13 ized to be appropriated in section 201(4), \$4,500,000 may
14 be available for critical infrastructure protection (PE
15 35190D8Z).

16 (b) *OFFSET.*—Of the amount authorized to be appro-
17 priated by section 201(2), the amount for power projection
18 advanced technology (PE 63114N) is hereby reduced by
19 \$4,500,000.

20 **SEC. 219C. THEATER AEROSPACE COMMAND AND CONTROL**
21 **SIMULATION FACILITY UPGRADES.**

22 (a) *AVAILABILITY OF FUNDS.*—(1) The amount au-
23 thorized to be appropriated by section 201(3) for the Air
24 Force for wargaming and simulation centers (PE
25 0207605F) is increased by \$2,500,000. The total amount

1 *of the increase may be available for Theater Aerospace Com-*
2 *mand and Control Simulation Facility (TACCSF) up-*
3 *grades.*

4 (2) *The amount available under paragraph (1) for*
5 *Theater Aerospace Command and Control Simulation Fa-*
6 *cility upgrades is in addition to any other amounts avail-*
7 *able under this Act for such upgrades.*

8 (b) *OFFSET.—The amount authorized to be appro-*
9 *priated by section 201(2) for the Navy for Mine and Expe-*
10 *ditionary Warfare Applied Research (PE 0602782N) is re-*
11 *duced by \$2,500,000.*

12 **SEC. 219D. DDG OPTIMIZED MANNING INITIATIVE.**

13 (a) *INCREASE IN AUTHORIZATION OF APPROPRIA-*
14 *TIONS.—The amount authorized to be appropriated by sec-*
15 *tion 201(2) for research, development, test, and evaluation*
16 *for the Navy is hereby increased by \$2,500,000, with the*
17 *amount of the increase to be allocated to surface combatant*
18 *combat system engineering (PE 0604307N).*

19 (b) *AVAILABILITY.—(1) Of the amount authorized to*
20 *be appropriated by section 201(2) for research, development,*
21 *test, and evaluation for the Navy, as increased by subsection*
22 *(a), \$2,500,000 may be available for the DDG optimized*
23 *manning initiative.*

24 (2) *The amount available under paragraph (1) for the*
25 *initiative referred to in that paragraph is in addition to*

1 *any other amounts available under this Act for that initia-*
2 *tive.*

3 (c) *OFFSET.*—*The amount authorized to be appro-*
4 *priated by section 201(1) for research, development, test,*
5 *and evaluation for artillery systems DEM/VAL (PE*
6 *0603854A), by \$2,500,000.*

7 **SEC. 219E. AGROTERRORIST ATTACKS.**

8 (a) *AVAILABILITY.*—(1) *Of the amount authorized to*
9 *be appropriated by section 201(4) for research, development,*
10 *test, and evaluation, defense-wide, the amount available for*
11 *basic research for the Chemical and Biological Defense Pro-*
12 *gram (PE 0601384BP) is hereby increased by \$1,000,000,*
13 *with the amount of such increase to be available for re-*
14 *search, analysis, and assessment of efforts to counter poten-*
15 *tial agroterrorist attacks.*

16 (2) *The amount available under paragraph (1) for re-*
17 *search, analysis, and assessment described in that para-*
18 *graph is in addition to any other amounts available in this*
19 *Act for such research, analysis, and assessment.*

20 (b) *OFFSET.*—*Of the amount authorized to be appro-*
21 *priated by section 201(4) for research, development, test,*
22 *and evaluation, Defense-wide, the amount available for bio-*
23 *logical terrorism and agroterrorism risk assessment and*
24 *prediction in the program element relating to the Chemical*

1 *and Biological Defense Program (PE 0603384BP) is hereby*
2 *reduced by \$1,000,000.*

3 **SEC. 219F. VERY HIGH SPEED SUPPORT VESSEL FOR THE**
4 **ARMY.**

5 (a) *INCREASE IN AUTHORIZATION OF APPROPRIA-*
6 *TIONS.—The amount authorized to be appropriated by sec-*
7 *tion 201(1) for research, development, test, and evaluation*
8 *for the Army is hereby increased by \$5,500,000, with the*
9 *amount of the increase to be allocated to logistics and engi-*
10 *neering equipment—advanced development (PE 0603804A).*

11 (b) *AVAILABILITY.—(1) Of the amount authorized to*
12 *be appropriated by section 201(1) for research, development,*
13 *test, and evaluation for the Army, as increased by sub-*
14 *section (a), \$5,500,000 may be available for development*
15 *of a prototype composite hull design to meet the theater sup-*
16 *port vessel requirement.*

17 (2) *The amount available under paragraph (1) for de-*
18 *velopment of the hull design referred to in that paragraph*
19 *is in addition to any other amounts available under this*
20 *Act for development of that hull design.*

21 (c) *OFFSET.—The amount authorized to be appro-*
22 *priated by section 201(2) for research, development, test,*
23 *and evaluation for the Navy is hereby decreased by*
24 *\$5,500,000, with the amount of the decrease to be allocated*
25 *to submarine tactical warfare system (PE 0604562N) and*

1 amounts available under that program element for up-
2 grades of combat control software to commercial architec-
3 ture.

4 **SEC. 219G. FULL-SCALE HIGH-SPEED PERMANENT MAGNET**
5 **GENERATOR.**

6 (a) *INCREASE IN AUTHORIZATION OF APPROPRIA-*
7 *TIONS.*—*The amount authorized to be appropriated by sec-*
8 *tion 201(2) for research, development, test, and evaluation*
9 *for the Navy is hereby increased by \$1,000,000, with the*
10 *amount of the increase to be allocated to Force Protection*
11 *Advanced Technology (PE 0603123N).*

12 (b) *AVAILABILITY.*—(1) *Of the amount authorized to*
13 *be appropriated by section 201(2) for research, development,*
14 *test, and evaluation for the Navy, as increased by subsection*
15 *(a), \$1,000,000 may be available for development and dem-*
16 *onstration of a full-scale high-speed permanent magnet gen-*
17 *erator.*

18 (2) *The amount available under paragraph (1) for de-*
19 *velopment and demonstration of the generator described in*
20 *that paragraph is in addition to any other amounts avail-*
21 *able in this Act for development and demonstration of that*
22 *generator.*

23 (c) *OFFSET.*—*The amount authorized to be appro-*
24 *priated by section 201(1) for research, development, test,*
25 *and evaluation for the Army is hereby reduced by*

1 \$1,000,000, with the amount of the reduction to be allocated
2 to Artillery Systems–Dem/Val (PE 0603854A).

3 **SEC. 219H. AVIATION-SHIPBOARD INFORMATION TECH-**
4 **NOLOGY INITIATIVE.**

5 *Of the amount authorized to be appropriated by sec-*
6 *tion 201(2) for shipboard aviation systems, up to*
7 *\$8,200,000 may be used for the aviation-shipboard informa-*
8 *tion technology initiative.*

9 **SEC. 219I. AEROSPACE RELAY MIRROR SYSTEM (ARMS)**
10 **DEMONSTRATION.**

11 *Of the amount authorized to be appropriated by sec-*
12 *tion 201(3) for the Department of Defense for research, de-*
13 *velopment, test, and evaluation for the Air Force,*
14 *\$6,000,000 may be available for the Aerospace Relay Mirror*
15 *System (ARMS) Demonstration.*

16 **SEC. 219J. LITTORAL SHIP PROGRAM.**

17 (a) *AMOUNT FOR PROGRAM.*—*Of the amount author-*
18 *ized to be appropriated by section 201(2) for research and*
19 *development, test and evaluation, Navy, \$4,000,000 may be*
20 *available for requirements development of a littoral ship in*
21 *Ship Concept Advanced Design (PE 0603563N).*

22 (b) *OFFSETTING REDUCTION.*—*Of the total amount*
23 *authorized to be appropriated by section 201(2) for research*
24 *and development, test and evaluation, Navy, the amount*
25 *available for FORCENET in Tactical Command System*

1 *(PE 0604231N), is hereby reduced by an additional*
2 *\$4,000,000.*

3 ***Subtitle C—Missile Defense***
4 ***Programs***

5 ***SEC. 221. ANNUAL OPERATIONAL ASSESSMENTS AND RE-***
6 ***VIEWS OF BALLISTIC MISSILE DEFENSE PRO-***
7 ***GRAM.***

8 *(a) ANNUAL OPERATIONAL ASSESSMENT.—(1)(A)*
9 *During the first quarter of each fiscal year, the Director*
10 *of Operational Test and Evaluation shall conduct an oper-*
11 *ational assessment of the missile defense programs listed in*
12 *paragraph (3).*

13 *(B) The annual assessment shall include—*

14 *(i) a detailed, quantitative evaluation of the po-*
15 *tential operational effectiveness, reliability, and suit-*
16 *ability of the system or systems under each program*
17 *as the program exists during the fiscal year of the as-*
18 *essment;*

19 *(ii) an evaluation of the adequacy of testing*
20 *through the end of the previous fiscal year to measure*
21 *and predict the effectiveness of the systems; and*

22 *(iii) a determination of the threats, or type of*
23 *threats, against which the systems would be expected*
24 *to be effective and those against which the systems*
25 *would not be expected to be effective.*

1 (C) *The first assessment under this paragraph shall*
2 *be conducted during fiscal year 2003.*

3 (2) *Not later than January 15 of each year, the Direc-*
4 *tor of Operational Test and Evaluation shall submit to the*
5 *Secretary of Defense and the congressional defense commit-*
6 *tees a report on the assessment conducted during the pre-*
7 *ceding quarter-year. The report shall include the evaluation*
8 *of the potential of the system or systems together with a*
9 *discussion of the basis for the evaluation.*

10 (3) *The requirement for an annual operational assess-*
11 *ment under paragraph (1) shall apply to programs under*
12 *the United States Missile Defense Agency as follows:*

13 (A) *The Ground-based Midcourse Defense pro-*
14 *gram.*

15 (B) *The Sea-based Midcourse Defense program.*

16 (C) *The Theater High Altitude Area Defense*
17 *(THAAD) program.*

18 (D) *The Air-based Boost program (formerly*
19 *known as the Airborne Laser Defense program).*

20 (b) *ANNUAL REQUIREMENTS REVIEWS.—(1) During*
21 *the first quarter of each fiscal year, the Joint Requirements*
22 *Oversight Council established under section 181 of title 10,*
23 *United States Code, shall review the cost, schedule, and per-*
24 *formance criteria for the missile defense programs under*
25 *the United States Missile Defense Agency and assess the va-*

1 *lidity of the criteria in relation to military requirements.*

2 *The first review shall be carried out in fiscal year 2003.*

3 *(2) Not later than January 15 of each year, the Chair-*

4 *man of the Joint Requirements Oversight Council shall sub-*

5 *mit to the Secretary of Defense and the congressional de-*

6 *fense committees a report on the results of the review carried*

7 *out under paragraph (1) during the preceding quarter-year.*

8 **SEC. 222. REPORT ON MIDCOURSE DEFENSE PROGRAM.**

9 *(a) REQUIREMENT FOR REPORT.—Not later than Jan-*

10 *uary 15, 2003, the Secretary of Defense shall submit to the*

11 *congressional defense committees a report on the Midcourse*

12 *Defense program of the United States Missile Defense Agen-*

13 *cy. The report shall include the following information:*

14 *(1) The development schedule, together with an*

15 *estimate of the annual costs through the completion of*

16 *development.*

17 *(2) The planned procurement schedule, together*

18 *with the Secretary's best estimates of the annual costs*

19 *of, and number of units to be procured under, the*

20 *program through the completion of the procurement.*

21 *(3) The current program acquisition unit cost*

22 *and the history of acquisition unit costs from the date*

23 *the program (including its antecedent program) was*

24 *first included in a Selected Acquisition Report under*

25 *section 2432 of title 10, United States Code.*

1 (4) *The current procurement unit cost, and the*
2 *history of procurement unit costs from the date the*
3 *program (including any antecedent program) was*
4 *first included in a Selected Acquisition Report under*
5 *such section 2432.*

6 (5) *The reasons for any changes in program ac-*
7 *quisition cost, program acquisition unit cost, procure-*
8 *ment cost, or procurement unit cost, and the reasons*
9 *for any changes in program schedule.*

10 (6) *The major contracts under the program and*
11 *the reasons for any changes in cost or schedule*
12 *variances under the contracts.*

13 (7) *The Test and Evaluation Master Plan devel-*
14 *oped for the program in accordance with the require-*
15 *ments and guidance of Department of Defense regula-*
16 *tion 5000.2-R.*

17 (b) *SEGREGATION OF GROUND-BASED AND SEA-*
18 *BASED EFFORTS.—The report under subsection (a) shall*
19 *separately display the schedules, cost estimates, cost his-*
20 *tories, contracts, and test plans for—*

21 (1) *the National Missile Defense/Ground-based*
22 *Midcourse Defense program; and*

23 (2) *the Navy TheaterWide/Sea-based Midcourse*
24 *Defense program.*

1 **SEC. 223. REPORT ON AIR-BASED BOOST PROGRAM.**

2 *Not later than January 15, 2003, the Secretary of De-*
3 *fense shall submit to the congressional defense committees*
4 *a report on the Air-based Boost program (formerly known*
5 *as the Airborne Laser program). The report shall contain*
6 *the following information:*

7 (1) *The development schedule together with the*
8 *estimated annual costs of the program through the*
9 *completion of development.*

10 (2) *The planned procurement schedule, together*
11 *with the Secretary's best estimates of the annual costs*
12 *of, and number of units to be procured under, the*
13 *program through the completion of the procurement.*

14 (3) *The current program acquisition unit cost,*
15 *and the history of program acquisition unit costs*
16 *from the date the program (including any antecedent*
17 *program) was first included in a Selected Acquisition*
18 *Report under section 2432 of title 10, United States*
19 *Code.*

20 (4) *The current procurement unit cost, and the*
21 *history of procurement unit costs from the date the*
22 *program (including any antecedent program) was*
23 *first included in a Selected Acquisition Report under*
24 *such section 2432.*

25 (5) *The reasons for any changes in program ac-*
26 *quisition cost, program acquisition unit cost, procure-*

1 *ment cost, or procurement unit cost, and the reasons*
2 *for any changes in program schedule.*

3 (6) *The major contracts under the program and*
4 *the reasons for any changes in cost or schedule*
5 *variances under the contracts.*

6 (7) *The Test and Evaluation Master Plan devel-*
7 *oped for the program in accordance with the require-*
8 *ments and guidance of Department of Defense regula-*
9 *tion 5000.2-R.*

10 **SEC. 224. REPORT ON THEATER HIGH ALTITUDE AREA DE-**
11 **FENSE PROGRAM.**

12 (a) *REQUIREMENT FOR REPORT.*—*Not later than Jan-*
13 *uary 15, 2003, the Secretary of Defense shall submit to the*
14 *congressional defense committees a report on the Theater*
15 *High Altitude Area Defense program. The report shall con-*
16 *tain the following information:*

17 (1) *The development schedule together with the*
18 *estimated annual costs of the program through the*
19 *completion of development.*

20 (2) *The planned procurement schedule, together*
21 *with the Secretary's best estimates of the annual costs*
22 *of, and number of units to be procured under, the*
23 *program through the completion of the procurement.*

24 (3) *The current program acquisition unit cost*
25 *and the history of program acquisition unit costs*

1 *from the date the program (including any antecedent*
2 *program) was first included in a Selected Acquisition*
3 *Report under section 2432 of title 10, United States*
4 *Code.*

5 (4) *The current procurement unit cost, and the*
6 *history of procurement unit costs from the date the*
7 *program (including any antecedent program) was*
8 *first included in a Selected Acquisition Report under*
9 *such section 2432.*

10 (5) *The reasons for any changes in program ac-*
11 *quisition cost, program acquisition unit cost, procure-*
12 *ment cost, or procurement unit cost, and the reasons*
13 *for any changes in program schedule.*

14 (6) *The major contracts under the program and*
15 *the reasons for any changes in cost or schedule*
16 *variances under the contracts.*

17 (7) *The Test and Evaluation Master Plan devel-*
18 *oped for the program in accordance with the require-*
19 *ments and guidance of Department of Defense regula-*
20 *tion 5000.2–R.*

21 (b) *FUNDING LIMITATION.—Not more than 50 percent*
22 *of the amount authorized to be appropriated by this Act*
23 *for the United States Missile Defense Agency for the Theater*
24 *High Altitude Area Defense program may be expended until*
25 *the submission of the report required under subsection (a).*

1 **SEC. 225. REFERENCES TO NEW NAME FOR BALLISTIC MIS-**
2 **SILE DEFENSE ORGANIZATION.**

3 (a) *CONFORMING AMENDMENTS.*—The following provi-
4 sions of law are amended by striking “Ballistic Missile De-
5 fense Organization” each place it appears and inserting
6 “United States Missile Defense Agency”:

7 (1) Sections 223 and 224 of title 10, United
8 States Code.

9 (2) Sections 232, 233, and 235 of the National
10 Defense Authorization Act for Fiscal Year 2002 (Pub-
11 lic Law 107–107).

12 (b) *OTHER REFERENCES.*—Any reference to the Bal-
13 listic Missile Defense Organization in any other provision
14 of law or in any regulation, map, document, record, or
15 other paper of the United States shall be considered to be
16 a reference to the United States Missile Defense Agency.

17 **SEC. 226. LIMITATION ON USE OF FUNDS FOR NUCLEAR**
18 **ARMED INTERCEPTORS.**

19 None of the funds authorized to be appropriated by this
20 or any other Act may be used for research, development,
21 test, evaluation, procurement, or deployment of nuclear
22 armed interceptors of a missile defense system.

1 **SEC. 227. REPORTS ON FLIGHT TESTING OF GROUND-**
2 **BASED MIDCOURSE NATIONAL MISSILE DE-**
3 **FENSE SYSTEM.**

4 (a) *REQUIREMENT.*—*The Director of the United States*
5 *Missile Defense Agency shall submit to the congressional de-*
6 *fense committees a report on each flight test of the Ground-*
7 *based Midcourse national missile defense system. The report*
8 *shall be submitted not later than 120 days after the date*
9 *of the test.*

10 (b) *CONTENT.*—*A report on a flight test under sub-*
11 *section (a) shall include the following matters:*

12 (1) *A thorough discussion of the content and ob-*
13 *jectives of the test.*

14 (2) *For each test objective, a statement regarding*
15 *whether the objective was achieved.*

16 (3) *For any test objective not achieved—*

17 (A) *a thorough discussion describing the*
18 *reasons for not achieving the objective; and*

19 (B) *a discussion of any plans for future*
20 *tests to achieve the objective.*

21 (c) *FORMAT.*—*The reports required under subsection*
22 *(a) shall be submitted in classified and unclassified form.*

1 ***Subtitle D—Improved Management***
2 ***of Department of Defense Test***
3 ***and Evaluation Facilities***

4 **SEC. 231. DEPARTMENT OF DEFENSE TEST AND EVALUA-**
5 **TION RESOURCE ENTERPRISE.**

6 (a) *ESTABLISHMENT.*—Section 139 of title 10, United
7 States Code, is amended by adding at the end the following
8 new subsection:

9 “(k)(1) *There is a Test and Evaluation Resource En-*
10 *terprise within the Department of Defense. The head of the*
11 *Test and Evaluation Resource Enterprise shall report to the*
12 *Director of Operational Test and Evaluation.*

13 “(2)(A) *The head of the Test and Evaluation Resource*
14 *Enterprise shall manage all funds available to the Depart-*
15 *ment of Defense for the support of investment in, operation*
16 *and maintenance of, development of, and management of*
17 *the test and evaluation facilities and resources of the Major*
18 *Range and Test Facility Base. All such funds shall be trans-*
19 *ferred to and placed under the control of the head of the*
20 *Department of Defense Test and Evaluation Resource En-*
21 *terprise.*

22 “(B) *Subparagraph (A) shall not be construed to au-*
23 *thorize the head of the Test and Evaluation Enterprise, nor*
24 *to impair the authority of the Secretary of a military de-*
25 *partment, to manage the funds available to that military*

1 *department for the support of investment in, operation and*
2 *maintenance of, development of, and management of the*
3 *training facilities and resources of the Major Range and*
4 *Test Facility Base.*

5 “(3) *The head of the Test and Evaluation Resource*
6 *Enterprise shall—*

7 “(A) *ensure that the planning for and execution*
8 *of the testing of a system within the Major Range and*
9 *Test Facility Base is performed by the activity of a*
10 *military department that is responsible for the test-*
11 *ing;*

12 “(B) *ensure that the military department oper-*
13 *ating a facility or resource within the Major Range*
14 *and Test Facility Base charges an organization using*
15 *the facility or resource for testing only the incre-*
16 *mental cost of the operation of the facility or resource*
17 *that is attributable to the testing;*

18 “(C) *ensure that the military department oper-*
19 *ating a facility or resource within the Major Range*
20 *and Test Facility Base comprehensively and consist-*
21 *ently applies sound enterprise management practices*
22 *in the management of the facility or resource;*

23 “(D) *make investments that are prudent for en-*
24 *sureing that Department of Defense test and evalua-*
25 *tion facilities and resources are adequate to meet the*

1 *current and future testing requirements of Depart-*
2 *ment of Defense programs;*

3 “(E) ensure that there is in place a simplified fi-
4 *nancial management and accounting system for De-*
5 *partment of Defense test and evaluation facilities and*
6 *resources and that the system is uniformly applied to*
7 *the operation of such facilities and resources through-*
8 *out the Department; and*

9 “(F) ensure that unnecessary costs of owning
10 *and operating Department of Defense test and evalua-*
11 *tion resources are not incurred.*

12 “(4) In this section, the term ‘Major Range and Test
13 *Facility Base’ means the test and evaluation facilities and*
14 *resources that are designated by the Director of Operational*
15 *Test and Evaluation as facilities and resources comprising*
16 *the Major Range and Test Facility Base.’”.*

17 (b) *EFFECTIVE DATE AND TRANSITION REQUIRE-*
18 *MENTS.—(1) The amendment made by paragraph (1) shall*
19 *take effect one year after the date of the enactment of this*
20 *Act.*

21 (2)(A) *The Secretary of Defense shall develop a transi-*
22 *tion plan to ensure that the head of the Test and Evaluation*
23 *Resource Enterprise is prepared to assume the responsibil-*
24 *ities under subsection (k) of section 139 of title 10, United*

1 *States Code (as added by subsection (a)), on the effective*
2 *date provided in paragraph (1).*

3 *(B) Until the Test and Evaluation Resource Enter-*
4 *prise has been established, all investments of \$500,000 or*
5 *more in the Major Range and Test Facility Base of the De-*
6 *partment of Defense shall be subject to the approval of the*
7 *Director of Operational Test and Evaluation.*

8 *(C) In this paragraph, the term “Major Range and*
9 *Test Facility Base” has the meaning given that term in*
10 *section 139(k)(4) of title 10, United States Code, as added*
11 *by subsection (a).*

12 **SEC. 232. TRANSFER OF TESTING FUNDS FROM PROGRAM**
13 **ACCOUNTS TO INFRASTRUCTURE ACCOUNTS.**

14 *(a) TRANSFER OF FUNDS.—Notwithstanding any*
15 *other provision of this Act, amounts authorized to be appro-*
16 *priated by this title for demonstration and validation, engi-*
17 *neering and manufacturing development, and operational*
18 *systems development shall be transferred to the major test*
19 *and evaluation investment programs of the military depart-*
20 *ments and to the Central Test and Evaluation Investment*
21 *Program of the Department of Defense, as follows:*

22 *(1) For transfer to the major test and evaluation*
23 *investment program of the Army, the amount equal to*
24 *0.625 percent of the total amount authorized to be ap-*
25 *propriated by this title for the Army for demonstra-*

1 *tion and validation, engineering and manufacturing*
2 *development, and operational systems development.*

3 (2) *For transfer to the major test and evaluation*
4 *investment program of the Navy, the amount equal to*
5 *0.625 percent of the total amount authorized to be ap-*
6 *propriated by this title for the Navy for demonstra-*
7 *tion and validation, engineering and manufacturing*
8 *development, and operational systems development.*

9 (3) *For transfer to the major test and evaluation*
10 *investment program of the Air Force, the amount*
11 *equal to 0.625 percent of the total amount authorized*
12 *to be appropriated by this title for the Air Force for*
13 *demonstration and validation, engineering and man-*
14 *ufacturing development, and operational systems de-*
15 *velopment.*

16 (4) *For transfer to the Central Test and Evalua-*
17 *tion Investment Program of the Department of De-*
18 *fense, the amount equal to 0.625 percent of the total*
19 *amount authorized to be appropriated by this title for*
20 *Defense-wide demonstration and validation, engineer-*
21 *ing and manufacturing development, and operational*
22 *systems development.*

23 (b) *INSTITUTIONAL FUNDING OF TEST AND EVALUA-*
24 *TION FACILITIES.—(1)(A) Chapter 433 of title 10, United*
25 *States Code, is amended by inserting after the table of sec-*

1 tions at the beginning of such chapter the following new
2 section:

3 **“§ 4531. Test and evaluation: use of facilities**

4 “(a) *CHARGES FOR USE.*—The Secretary of the Army
5 may charge an entity for using a facility or resource of
6 the Army within the Major Range and Test Facility Base
7 for testing. The amount charged may not exceed the incre-
8 mental cost to the Army of the use of the facility or resource
9 by that user for the testing.

10 “(b) *INSTITUTIONAL AND OVERHEAD COSTS.*—The in-
11 stitutional and overhead costs of a facility or resource of
12 the Army that is within the Major Range and Test Facility
13 Base shall be paid out of the major test and evaluation in-
14 vestment accounts of the Army, the Central Test and Eval-
15 uation Investment Program of the Department of Defense,
16 and other appropriate appropriations made directly to the
17 Army.

18 “(c) *MAJOR RANGE AND TEST FACILITY BASE DE-*
19 *FINED.*—In this section:

20 “(1) The term ‘Major Range and Test Facility
21 Base’ has the meaning given the term in section
22 139(k)(4) of this title.

23 “(2) The term ‘institutional and overhead costs’,
24 with respect to a facility or resource within the Major
25 Range Test and Facility Base—

1 “(A) means the costs of maintaining, oper-
2 ating, upgrading, and modernizing the facility
3 or resource; and

4 “(B) does not include an incremental cost of
5 operating the facility or resource that is attrib-
6 utable to the use of the facility or resource for
7 testing under a particular program.”.

8 (B) The table of section at the beginning of such chap-
9 ter is amended by inserting before the item relating to sec-
10 tion 7522 the following new item:

 “4531. Test and evaluation: use of facilities.”.

11 (2)(A) Chapter 645 of title 10, United States Code, is
12 amended by inserting after the table of sections at the begin-
13 ning of such chapter the following new section:

14 “**§ 7521. Test and evaluation: use of facilities**

15 “(a) *CHARGES FOR USE.*—The Secretary of the Navy
16 may charge an entity for using a facility or resource of
17 the Navy within the Major Range and Test Facility Base
18 for testing. The amount charged may not exceed the incre-
19 mental cost to the Navy of the use of the facility or resource
20 by that user for the testing.

21 “(b) *INSTITUTIONAL AND OVERHEAD COSTS.*—The in-
22 stitutional and overhead costs of a facility or resource of
23 the Navy that is within the Major Range and Test Facility
24 Base shall be paid out of the major test and evaluation in-
25 vestment accounts of the Navy, the Central Test and Eval-

1 *uation Investment Program of the Department of Defense,*
2 *and other appropriate appropriations made directly to the*
3 *Navy.*

4 “(c) *MAJOR RANGE AND TEST FACILITY BASE DE-*
5 *FINED.—In this section:*

6 “(1) *The term ‘Major Range and Test Facility*
7 *Base’ has the meaning given the term in section*
8 *139(k)(4) of this title.*

9 “(2) *The term ‘institutional and overhead costs’,*
10 *with respect to a facility or resource within the Major*
11 *Range Test and Facility Base—*

12 “(A) *means the costs of maintaining, oper-*
13 *ating, upgrading, and modernizing the facility*
14 *or resource; and*

15 “(B) *does not include an incremental cost of*
16 *operating the facility or resource that is attrib-*
17 *utable to the use of the facility or resource for*
18 *testing under a particular program.”.*

19 “(B) *The table of section at the beginning of such chap-*
20 *ter is amended by inserting before the item relating to sec-*
21 *tion 7522 the following new item:*

 “7521. *Test and evaluation: use of facilities.”.*

22 “(3)(A) *Chapter 933 of title 10, United States Code, is*
23 *amended by inserting after the table of sections at the begin-*
24 *ning of such chapter the following new section:*

1 **“§ 9531. Test and evaluation: use of facilities**

2 “(a) *CHARGES FOR USE.*—*The Secretary of the Air*
3 *Force may charge an entity for using a facility or resource*
4 *of the Air Force within the Major Range and Test Facility*
5 *Base for testing. The amount charged may not exceed the*
6 *incremental cost to the Air Force of the use of the facility*
7 *or resource by that user for the testing.*

8 “(b) *INSTITUTIONAL AND OVERHEAD COSTS.*—*The in-*
9 *stitutional and overhead costs of a facility or resource of*
10 *the Air Force that is within the Major Range and Test Fa-*
11 *cility Base shall be paid out of the major test and evalua-*
12 *tion investment accounts of the Air Force, the Central Test*
13 *and Evaluation Investment Program of the Department of*
14 *Defense, and other appropriate appropriations made di-*
15 *rectly to the Air Force.*

16 “(c) *MAJOR RANGE AND TEST FACILITY BASE DE-*
17 *FINED.*—*In this section:*

18 “(1) *The term ‘Major Range and Test Facility*
19 *Base’ has the meaning given the term in section*
20 *139(k)(4) of this title.*

21 “(2) *The term ‘institutional and overhead costs’,*
22 *with respect to a facility or resource within the Major*
23 *Range Test and Facility Base—*

24 “(A) *means the costs of maintaining, oper-*
25 *ating, upgrading, and modernizing the facility*
26 *or resource; and*

1 “(B) does not include an incremental cost of
2 operating the facility or resource that is attrib-
3 utable to the use of the facility or resource for
4 testing under a particular program.”.

5 (B) The table of section at the beginning of such chap-
6 ter is amended by inserting before the item relating to sec-
7 tion 9532 the following new item:

 “9531. Test and evaluation: use of facilities.”.

8 (4) Not later than 30 days after the date of the enact-
9 ment of this Act, the Under Secretary of Defense (Comp-
10 troller) shall review the funding policies of each military
11 department to ensure that the Secretary of the military de-
12 partment has in place the policies necessary to comply with
13 the Secretary’s responsibilities under section 4531, 7521, or
14 9531 of title 10, United States Code (as added by this sub-
15 section), as the case may be. The Under Secretary shall con-
16 sult with the Director of Operational Test and Evaluation
17 in carrying out the review.

18 **SEC. 233. INCREASED INVESTMENT IN TEST AND EVALUA-**
19 **TION FACILITIES.**

20 (a) AMOUNT.—Of the amount authorized to be appro-
21 priated under section 201(4), \$251,276,000 shall be avail-
22 able for the Central Test and Evaluation Investment Pro-
23 gram of the Department of Defense.

24 (b) ADDITIONAL AVAILABLE FUNDING.—In addition to
25 the amount made available under subsection (a), amounts

1 transferred pursuant to section 232(a)(4) shall be available
2 for the Central Test and Evaluation Investment Program
3 of the Department of Defense.

4 **SEC. 234. UNIFORM FINANCIAL MANAGEMENT SYSTEM FOR**
5 **DEPARTMENT OF DEFENSE TEST AND EVAL-**
6 **UATION FACILITIES.**

7 (a) *REQUIREMENT FOR SYSTEM.*—Not later than two
8 years after the date of the enactment of this Act, the Sec-
9 retary of Defense shall implement a single financial man-
10 agement and accounting system for all test and evaluation
11 facilities of the Department of Defense.

12 (b) *SYSTEM FEATURES.*—The financial management
13 and accounting system shall be designed to achieve, at a
14 minimum, the following functional objectives:

15 (1) *Enable managers within the Department of*
16 *Defense to compare the costs of conducting test and*
17 *evaluation activities in the various facilities of the*
18 *military departments.*

19 (2) *Enable the Secretary of Defense—*

20 (A) *to make prudent investment decisions;*

21 *and*

22 (B) *to reduce the extent to which unneces-*
23 *sary costs of owning and operating Department*
24 *of Defense test and evaluation facilities are in-*
25 *curred.*

1 (3) *Enable the Department of Defense to track*
2 *the total cost of test and evaluation activities.*

3 (4) *Comply with the financial management en-*
4 *terprise architecture developed by the Secretary of De-*
5 *fense under section 1006.*

6 **SEC. 235. TEST AND EVALUATION WORKFORCE IMPROVE-**
7 **MENTS.**

8 (a) *REPORT ON CAPABILITIES.*—*Not later than March*
9 *15, 2003, the Under Secretary of Defense for Acquisition,*
10 *Technology, and Logistics shall submit to Congress a report*
11 *on the capabilities of the test and evaluation workforce of*
12 *the Department of Defense. The Under Secretary shall con-*
13 *sult with the Under Secretary of Defense for Personnel and*
14 *Readiness and the Director of Operational Test and Eval-*
15 *uation in preparing the report.*

16 (b) *REQUIREMENT FOR PLAN.*—(1) *The report shall*
17 *contain a plan for taking the actions necessary to ensure*
18 *that the test and evaluation workforce of the Department*
19 *of Defense is of sufficient size and has the expertise nec-*
20 *essary to timely and accurately identify issues of military*
21 *suitability and effectiveness of Department of Defense sys-*
22 *tems through testing of the systems.*

23 (2) *The plan shall set forth objectives for the size, com-*
24 *position, and qualifications of the workforce, and shall*

1 *specify the actions (including recruitment, retention, and*
2 *training) and milestones for achieving the objectives.*

3 *(c) ADDITIONAL MATTERS.—The report shall also in-*
4 *clude the following matters:*

5 *(1) An assessment of the changing size and de-*
6 *mographics of the test and evaluation workforce, in-*
7 *cluding the impact of anticipated retirements among*
8 *the most experienced personnel over the five-year pe-*
9 *riod beginning with 2003, together with a discussion*
10 *of the management actions necessary to address the*
11 *changes.*

12 *(2) An assessment of the anticipated workloads*
13 *and responsibilities of the test and evaluation work-*
14 *force over the ten-year period beginning with 2003,*
15 *together with the number and qualifications of mili-*
16 *tary and civilian personnel necessary to carry out*
17 *such workloads and responsibilities.*

18 *(3) The Secretary's specific plans for using the*
19 *demonstration authority provided in section 4308 of*
20 *the National Defense Authorization Act for Fiscal*
21 *Year 1996 (Public Law 104–106; 10 U.S.C. 1701*
22 *note) and other special personnel management au-*
23 *thorities of the Secretary to attract and retain quali-*
24 *fied personnel in the test and evaluation workforce.*

1 (4) *Any recommended legislation or additional*
2 *special authority that the Secretary considers appro-*
3 *priate for facilitating the recruitment and retention*
4 *of qualified personnel for the test and evaluation*
5 *workforce.*

6 (5) *Any other matters that are relevant to the ca-*
7 *pacilities of the test and evaluation workforce.*

8 **SEC. 236. COMPLIANCE WITH TESTING REQUIREMENTS.**

9 (a) *ANNUAL OT&E REPORT.*—Subsection (g) of section
10 *139 of title 10, United States Code, is amended by inserting*
11 *after the fourth sentence the following: “The report for a*
12 *fiscal year shall also include an assessment of the waivers*
13 *of and deviations from requirements in test and evaluation*
14 *master plans and other testing requirements that occurred*
15 *during the fiscal year, any concerns raised by the waivers*
16 *or deviations, and the actions that have been taken or are*
17 *planned to be taken to address the concerns.”.*

18 (b) *REORGANIZATION OF PROVISION.*—Subsection (g)
19 *of such section, as amended by subsection (a), is further*
20 *amended—*

21 (1) *by inserting “(1)” after “(g)”;*

22 (2) *by designating the second sentence as para-*
23 *graph (2);*

24 (3) *by designating the third sentence as para-*
25 *graph (3);*

1 (4) by designating the matter consisting of the
2 fourth and fifth sentences as paragraph (4);

3 (5) by designating the sixth sentence as para-
4 graph (5); and

5 (6) by realigning paragraphs (2), (3), (4), and
6 (5), as so designated, two ems from the left margin.

7 **SEC. 237. REPORT ON IMPLEMENTATION OF DEFENSE**
8 **SCIENCE BOARD RECOMMENDATIONS.**

9 (a) *REQUIREMENT.*—Not later than March 1, 2003, the
10 Secretary of Defense shall submit to the congressional de-
11 fense committees a report on the extent of the implementa-
12 tion of the recommendations set forth in the December 2000
13 Report of the Defense Science Board Task Force on Test
14 and Evaluation Capabilities.

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

16 (1) For each recommendation that is being im-
17 plemented or that the Secretary plans to implement—

18 (A) a summary of all actions that have been
19 taken to implement the recommendation; and

20 (B) a schedule, with specific milestones, for
21 completing the implementation of the rec-
22 ommendation.

23 (2) For each recommendation that the Secretary
24 does not plan to implement—

1 (A) *the reasons for the decision not to im-*
2 *plement the recommendation; and*

3 (B) *a summary of any alternative actions*
4 *the Secretary plans to take to address the pur-*
5 *poses underlying the recommendation.*

6 (3) *A summary of any additional actions the*
7 *Secretary plans to take to address concerns raised in*
8 *the December 2000 Report of the Defense Science*
9 *Board Task Force on Test and Evaluation Capabili-*
10 *ties about the state of the test and evaluation infra-*
11 *structure of the Department of Defense.*

12 ***Subtitle E—Other Matters***

13 ***SEC. 241. PILOT PROGRAMS FOR REVITALIZING DEPART-***
14 ***MENT OF DEFENSE LABORATORIES.***

15 (a) *ADDITIONAL PILOT PROGRAM.—(1) The Secretary*
16 *of Defense may carry out a pilot program to demonstrate*
17 *improved efficiency in the performance of research, develop-*
18 *ment, test, and evaluation functions of the Department of*
19 *Defense.*

20 (2) *Under the pilot program, the Secretary of Defense*
21 *shall provide the director of one science and technology lab-*
22 *oratory, and the director of one test and evaluation labora-*
23 *tory, of each military department with authority for the*
24 *following:*

1 (A) *To use innovative methods of personnel man-*
2 *agement appropriate for ensuring that the selected*
3 *laboratories can—*

4 (i) *employ and retain a workforce appro-*
5 *priately balanced between permanent and tem-*
6 *porary personnel and among workers with ap-*
7 *propriate levels of skills and experience; and*

8 (ii) *effectively shape workforces to ensure*
9 *that the workforces have the necessary sets of*
10 *skills and experience to fulfill their organiza-*
11 *tional missions.*

12 (B) *To develop or expand innovative methods of*
13 *entering into and expanding cooperative relationships*
14 *and arrangements with private sector organizations,*
15 *educational institutions (including primary and sec-*
16 *ondary schools), and State and local governments to*
17 *facilitate the training of a future scientific and tech-*
18 *nical workforce that will contribute significantly to*
19 *the accomplishment of organizational missions.*

20 (C) *To develop or expand innovative methods of*
21 *establishing cooperative relationships and arrange-*
22 *ments with private sector organizations and edu-*
23 *cational institutions to promote the establishment of*
24 *the technological industrial base in areas critical for*
25 *Department of Defense technological requirements.*

1 (D) *To waive any restrictions not required by*
2 *law that apply to the demonstration and implementa-*
3 *tion of methods for achieving the objectives set forth*
4 *in subparagraphs (A), (B), and (C).*

5 (3) *The Secretary may carry out the pilot program*
6 *under this subsection at each selected laboratory for a pe-*
7 *riod of three years beginning not later than March 1, 2003.*

8 (b) *RELATIONSHIP TO FISCAL YEARS 1999 AND 2000*
9 *REVITALIZATION PILOT PROGRAMS.—The pilot program*
10 *under this section is in addition to, but may be carried*
11 *out in conjunction with, the fiscal years 1999 and 2000*
12 *revitalization pilot programs.*

13 (c) *REPORTS.—(1) Not later than January 1, 2003,*
14 *the Secretary shall submit to Congress a report on the expe-*
15 *rience under the fiscal years 1999 and 2000 revitalization*
16 *pilot programs in exercising the authorities provided for the*
17 *administration of those programs. The report shall include*
18 *a description of—*

19 (A) *barriers to the exercise of the authorities that*
20 *have been encountered;*

21 (B) *the proposed solutions for overcoming the*
22 *barriers; and*

23 (C) *the progress made in overcoming the bar-*
24 *riers.*

1 (2) *Not later than September 1, 2003, the Secretary*
2 *of Defense shall submit to Congress a report on the imple-*
3 *mentation of the pilot program under subsection (a) and*
4 *the fiscal years 1999 and 2000 revitalization pilot pro-*
5 *grams. The report shall include, for each such pilot pro-*
6 *gram, the following:*

7 (A) *Each laboratory selected for the pilot pro-*
8 *gram.*

9 (B) *To the extent practicable, a description of*
10 *the innovative methods that are to be tested at each*
11 *laboratory.*

12 (C) *The criteria to be used for measuring the*
13 *success of each method to be tested.*

14 (3) *Not later than 90 days after the expiration of the*
15 *period for the participation of a laboratory in a pilot pro-*
16 *gram referred to in paragraph (2), the Secretary of Defense*
17 *shall submit to Congress a final report on the participation*
18 *of that laboratory in the pilot program. The report shall*
19 *include the following:*

20 (A) *A description of the methods tested.*

21 (B) *The results of the testing.*

22 (C) *The lessons learned.*

23 (D) *Any proposal for legislation that the Sec-*
24 *retary recommends on the basis of the experience at*
25 *that laboratory under the pilot program.*

1 (d) *EXTENSION OF AUTHORITY FOR OTHER REVITAL-*
2 *IZATION PILOT PROGRAMS.*—(1) *Section 246(a)(4) of the*
3 *Strom Thurmond National Defense Authorization Act for*
4 *Fiscal Year 1999 (Public Law 105–261; 112 Stat. 1956;*
5 *10 U.S.C. 2358 note) is amended by striking “a period of*
6 *three years” and inserting “up to six years”.*

7 (2) *Section 245(a)(4) of the National Defense Author-*
8 *ization Act for Fiscal Year 2000 (Public Law 106–65; 113*
9 *Stat. 553; 10 U.S.C. 2358 note) is amended by striking “a*
10 *period of three years” and inserting “up to five years”.*

11 (e) *PARTNERSHIPS UNDER PILOT PROGRAM.*—(1) *The*
12 *Secretary of Defense may authorize one or more laboratories*
13 *and test centers participating in the pilot program under*
14 *subsection (a) or in one of the fiscal years 1999 and 2000*
15 *revitalization pilot programs to enter into a cooperative ar-*
16 *rangement (in this subsection referred to as a “public-pri-*
17 *vate partnership”)* *with entities in the private sector and*
18 *institutions of higher education for the performance of work.*

19 (2) *A competitive process shall be used for the selection*
20 *of entities outside the Government to participate in a pub-*
21 *lic-private partnership.*

22 (3)(A) *Not more than one public-private partnership*
23 *may be established as a limited liability corporation.*

24 (B) *An entity participating in a limited liability cor-*
25 *poration as a party to a public-private partnership under*

1 *the pilot program may contribute funds to the corporation,*
2 *accept contribution of funds for the corporation, and pro-*
3 *vide materials, services, and use of facilities for research,*
4 *technology, and infrastructure of the corporation, if it is*
5 *determined under regulations prescribed by the Secretary*
6 *of Defense that doing so will improve the efficiency of the*
7 *performance of research, test, and evaluation functions of*
8 *the Department of Defense.*

9 *(f) EXCEPTED SERVICE UNDER PILOT PROGRAM.—(1)*
10 *To facilitate recruitment of experts in science and engineer-*
11 *ing to improve the performance of research, test, and eval-*
12 *uation functions of the Department of Defense, the Sec-*
13 *retary of Defense may—*

14 *(A) designate a total of not more than 30 sci-*
15 *entific, engineering, and technology positions at the*
16 *laboratories and test centers participating in the pilot*
17 *program under subsection (a) or in any of the fiscal*
18 *years 1999 and 2000 revitalization pilot programs as*
19 *positions in the excepted service (as defined in section*
20 *2103(a) of title 5, United States Code);*

21 *(B) appoint individuals to such positions; and*

22 *(C) fix the compensation of such individuals.*

23 *(2) The maximum rate of basic pay for a position in*
24 *the excepted service pursuant to a designation made under*
25 *paragraph (1) may not exceed the maximum rate of basic*

1 *pay authorized for senior-level positions under section 5376*
2 *of title 5, United States Code, notwithstanding any provi-*
3 *sion of such title governing the rates of pay or classification*
4 *of employees in the executive branch.*

5 *(g) FISCAL YEARS 1999 AND 2000 REVITALIZATION*
6 *PILOT PROGRAMS DEFINED.—In this section, the term “fis-*
7 *cal years 1999 and 2000 revitalization pilot programs”*
8 *means the pilot programs authorized by—*

9 *(1) section 246 of the Strom Thurmond National*
10 *Defense Authorization Act for Fiscal Year 1999 (Pub-*
11 *lic Law 105–261; 112 Stat. 1955; 10 U.S.C. 2358*
12 *note); and*

13 *(2) section 245 of the National Defense Author-*
14 *ization Act for Fiscal Year 2000 (Public Law 106–*
15 *65; 113 Stat. 552; 10 U.S.C. 2358 note).*

16 **SEC. 242. TECHNOLOGY TRANSITION INITIATIVE.**

17 *(a) ESTABLISHMENT AND CONDUCT.—(1) Chapter 139*
18 *of title 10, United States Code, is amended by inserting*
19 *after section 2359 the following new section:*

20 **“§ 2359a. Technology Transition Initiative**

21 *“(a) REQUIREMENT FOR PROGRAM.—The Secretary of*
22 *Defense shall carry out a Technology Transition Initiative*
23 *to facilitate the rapid transition of new technologies from*
24 *science and technology programs of the Department of De-*

1 *fense into acquisition programs for the production of the*
2 *technologies.*

3 “(b) *OBJECTIVES.*—*The objectives of the Initiative are*
4 *as follows:*

5 “(1) *To accelerate the introduction of new tech-*
6 *nologies into Department of Defense acquisition pro-*
7 *grams appropriate for the technologies.*

8 “(2) *To successfully demonstrate new technologies*
9 *in relevant environments.*

10 “(3) *To ensure that new technologies are suffi-*
11 *ciently mature for production.*

12 “(c) *MANAGEMENT.*—(1) *The Secretary of Defense*
13 *shall designate a senior official in the Office of the Secretary*
14 *of Defense to manage the Initiative.*

15 “(2) *In administering the Initiative, the Initiative*
16 *Manager shall—*

17 “(A) *report directly to the Under Secretary of*
18 *Defense for Acquisition, Technology, and Logistics;*
19 *and*

20 “(B) *obtain advice and other assistance from the*
21 *Technology Transition Council established under sub-*
22 *section (e).*

23 “(3) *The Initiative Manager shall—*

24 “(A) *in consultation with the Technology Transi-*
25 *tion Council established under subsection (e), identify*

1 *promising technologies that have been demonstrated*
2 *in science and technology programs of the Depart-*
3 *ment of Defense;*

4 *“(B) develop a list of those technologies that have*
5 *promising potential for transition into acquisition*
6 *programs of the Department of Defense and transmit*
7 *the list to the acquisition executive of each military*
8 *department and to Congress;*

9 *“(C) identify potential sponsors in the Depart-*
10 *ment of Defense to undertake the transition of such*
11 *technologies into production;*

12 *“(D) work with the science and technology com-*
13 *munity and the acquisition community to develop*
14 *memoranda of agreement, joint funding agreements,*
15 *and other cooperative arrangements to provide for the*
16 *transition of the technologies into production; and*

17 *“(E) provide funding support for selected*
18 *projects under subsection (d).*

19 *“(d) JOINTLY FUNDED PROJECTS.—(1) The acquisi-*
20 *tion executive of each military department shall select tech-*
21 *nology projects of the military department to recommend*
22 *for funding support under the Initiative and shall submit*
23 *a list of the recommended projects, ranked in order of pri-*
24 *ority, to the Initiative Manager. The projects shall be se-*
25 *lected, in a competitive process, on the basis of the highest*

1 *potential benefits in areas of interest identified by the Sec-*
2 *retary of that military department.*

3 “(2) *The Initiative Manager, in consultation with the*
4 *Technology Transition Council established under subsection*
5 *(e), shall select projects for funding support from among*
6 *the projects on the lists submitted under paragraph (1). The*
7 *Initiative Manager shall provide funds for each selected*
8 *project. The total amount provided for a project shall be*
9 *determined by agreement between the Initiative Manager*
10 *and the acquisition executive of the military department*
11 *concerned, but shall not be less than the amount equal to*
12 *50 percent of the total cost of the project.*

13 “(3) *The Initiative Manager shall not fund any one*
14 *project under this subsection for more than 3 years.*

15 “(4) *The acquisition executive of the military depart-*
16 *ment shall manage each project selected under paragraph*
17 *(2) that is undertaken by the military department. Memo-*
18 *randa of agreement, joint funding agreements, and other*
19 *cooperative arrangements between the science and tech-*
20 *nology community and the acquisition community shall be*
21 *used in carrying out the project if the acquisition executive*
22 *determines that it is appropriate to do so to achieve the*
23 *objectives of the project.*

1 “(e) *TECHNOLOGY TRANSITION COUNCIL.*—(1) *There*
2 *is a Technology Transition Council in the Department of*
3 *Defense. The Council is composed of the following members:*

4 “(A) *The science and technology executives of the*
5 *military departments and Defense Agencies.*

6 “(B) *The acquisition executives of the military*
7 *departments.*

8 “(C) *The members of the Joint Requirements*
9 *Oversight Council.*

10 “(2) *The Technology Transition Council shall provide*
11 *advice and assistance to the Initiative Manager under this*
12 *section.*

13 “(f) *DEFINITIONS.*—*In this section:*

14 “(1) *The term ‘acquisition executive’, with re-*
15 *spect to a military department, means the official*
16 *designated as the senior procurement executive for*
17 *that military department under section 16(3) of the*
18 *Office of Federal Procurement Policy Act (41 U.S.C.*
19 *414(3)).*

20 “(2) *The term ‘Initiative’ means the Technology*
21 *Transition Initiative carried out under this section.*

22 “(3) *The term ‘Initiative Manager’ means the of-*
23 *ficial designated to manage the Initiative under sub-*
24 *section (c).”.*

1 (2) *The table of sections at the beginning of such chap-*
2 *ter is amended by inserting after the item relating to section*
3 *2395 the following new item:*

“2359a. Technology Transition Initiative.”.

4 (b) *AUTHORIZATION OF APPROPRIATIONS.—Of the*
5 *amount authorized to be appropriated under section 201(4),*
6 *\$50,000,000 shall be available for the Technology Transi-*
7 *tion Initiative under section 2359a of title 10, United*
8 *States Code (as added by subsection (a)), and for other tech-*
9 *nology transition activities of the Department of Defense.*

10 **SEC. 243. ENCOURAGEMENT OF SMALL BUSINESSES AND**
11 **NONTRADITIONAL DEFENSE CONTRACTORS**
12 **TO SUBMIT PROPOSALS POTENTIALLY BENE-**
13 **FICIAL FOR COMBATING TERRORISM.**

14 (a) *ESTABLISHMENT OF OUTREACH PROGRAM.—Dur-*
15 *ing the 3-year period beginning on the date of the enact-*
16 *ment of this Act, the Secretary of Defense shall carry out*
17 *a program of outreach to small businesses and nontradi-*
18 *tional defense contractors for the purpose set forth in sub-*
19 *section (b).*

20 (b) *PURPOSE.—The purpose of the outreach program*
21 *is to provide a process for reviewing and evaluating re-*
22 *search activities of, and new technologies being developed*
23 *by, small businesses and nontraditional defense contractors*
24 *that have the potential for meeting a defense requirement*
25 *or technology development goal of the Department of De-*

1 *fense that relates to the mission of the Department of De-*
2 *fense to combat terrorism.*

3 (c) *GOALS.—The goals of the outreach program are as*
4 *follows:*

5 (1) *To increase efforts within the Department of*
6 *Defense to survey and identify technologies being de-*
7 *veloped outside the Department that have the poten-*
8 *tial described in subsection (b).*

9 (2) *To provide the Under Secretary of Defense*
10 *for Acquisition, Technology, and Logistics with a*
11 *source of expert advice on new technologies for com-*
12 *bating terrorism.*

13 (3) *To increase efforts to educate nontraditional*
14 *defense contractors on Department of Defense acquisi-*
15 *tion processes, including regulations, procedures,*
16 *funding opportunities, military needs and require-*
17 *ments, and technology transfer so as to encourage*
18 *such contractors to submit proposals regarding re-*
19 *search activities and technologies described in sub-*
20 *section (b).*

21 (4) *To increase efforts to provide timely response*
22 *by the Department of Defense to acquisition proposals*
23 *(including unsolicited proposals) submitted to the De-*
24 *partment by small businesses and by nontraditional*
25 *defense contractors regarding research activities and*

1 *technologies described in subsection (b), including*
2 *through the use of electronic transactions to facilitate*
3 *the processing of proposals.*

4 *(d) REVIEW PANEL.—(1) The Secretary shall appoint,*
5 *under the outreach program, a panel for the review and*
6 *evaluation of proposals described in subsection (c)(4).*

7 *(2) The panel shall be composed of qualified personnel*
8 *from the military departments, relevant Defense Agencies,*
9 *industry, academia, and other private sector organizations.*

10 *(3) The panel shall review and evaluate proposals that,*
11 *as determined by the panel, may present a unique and valu-*
12 *able approach for meeting a defense requirement or tech-*
13 *nology development goal related to combating terrorism. In*
14 *carrying out duties under this paragraph, the panel may*
15 *act through representatives designated by the panel.*

16 *(4) The panel shall—*

17 *(A) within 60 days after receiving such a pro-*
18 *posal, transmit to the source of the proposal a notifi-*
19 *cation regarding whether the proposal has been se-*
20 *lected for review by the panel;*

21 *(B) to the maximum extent practicable, complete*
22 *the review of each selected proposal within 120 days*
23 *after the proposal is selected for review by the panel;*
24 *and*

1 (C) after completing the review, transmit an
2 evaluation of the proposal to the source of the pro-
3 posal.

4 (5) The Secretary shall ensure that the panel, in re-
5 viewing and evaluating proposals under this subsection, has
6 the authority to obtain assistance, to a reasonable extent,
7 from the appropriate technical resources of the laboratories,
8 research, development, and engineering centers, test and
9 evaluation activities, and other elements of the Department
10 of Defense.

11 (6) If, after completing the review of a proposal, the
12 panel determines that the proposal represents a unique and
13 valuable approach to meeting a defense requirement or tech-
14 nology development goal related to combating terrorism, the
15 panel shall submit that determination to the Under Sec-
16 retary of Defense for Acquisition, Technology, and Logistics
17 together with any recommendations that the panel considers
18 appropriate regarding the proposal.

19 (7) The Secretary of Defense shall ensure that there
20 is no conflict of interest on the part of a member of the
21 panel with respect to the review and evaluation of a pro-
22 posal by the panel.

23 (e) DEFINITIONS.—In this section:

24 (1) The term “nontraditional defense contractor”
25 means an entity that has not, for at least one year

1 *prior to the date of the enactment of this Act, entered*
2 *into, or performed with respect to, any contract de-*
3 *scribed in paragraph (1) or (2) of section 845(e) of*
4 *the National Defense Authorization Act for Fiscal*
5 *Year 1994 (10 U.S.C. 2371 note).*

6 *(2) The term “small business” means a business*
7 *concern that meets the applicable size standards pre-*
8 *scribed pursuant to section 3(a) of the Small Business*
9 *Act (15 U.S.C. 632(a)).*

10 **SEC. 244. VEHICLE FUEL CELL PROGRAM.**

11 *(a) PROGRAM.—The Secretary of Defense shall carry*
12 *out a vehicle fuel cell technology development program in*
13 *cooperation with the Secretary of Energy, the heads of other*
14 *Federal agencies appropriate for participation in the pro-*
15 *gram, and industry.*

16 *(b) GOALS AND OBJECTIVES.—The goals and objectives*
17 *of the program shall be as follows:*

18 *(1) To identify and support technological ad-*
19 *vances that are necessary for the development of fuel*
20 *cell technology for use in vehicles of types to be used*
21 *by the Department of Defense.*

22 *(2) To ensure that critical technology advances*
23 *are shared among the various fuel cell technology pro-*
24 *grams within the Federal Government.*

1 (3) *To ensure maximum leverage of Federal Gov-*
2 *ernment funding for fuel cell technology development.*

3 (c) *CONTENT OF PROGRAM.—The program shall*
4 *include—*

5 (1) *development of vehicle propulsion tech-*
6 *nologies and fuel cell auxiliary power units, together*
7 *with pilot demonstrations of such technologies, as ap-*
8 *propriate; and*

9 (2) *development of technologies necessary to ad-*
10 *dress critical issues such as hydrogen storage and the*
11 *need for a hydrogen fuel infrastructure.*

12 (d) *COOPERATION WITH INDUSTRY.—(1) The Sec-*
13 *retary shall include the automobile and truck manufac-*
14 *turing industry and its systems and component suppliers*
15 *in the cooperative involvement of industry in the program.*

16 (2) *The Secretary of Defense shall consider whether,*
17 *in order to facilitate the cooperation of industry in the pro-*
18 *gram, the Secretary and one or more companies in industry*
19 *should enter into a cooperative agreement that establishes*
20 *an entity to carry out activities required under subsection*
21 *(c). An entity established by any such agreement shall be*
22 *known as a defense industry fuel cell partnership.*

23 (3) *The Secretary of Defense shall provide for industry*
24 *to bear, in cash or in kind, at least one-half of the total*
25 *cost of carrying out the program.*

1 (e) *AMOUNT FOR PROGRAM.*—Of the amount author-
2 ized to be appropriated by section 201(4), \$10,000,000 shall
3 be available for the program required by this section.

4 **SEC. 245. DEFENSE NANOTECHNOLOGY RESEARCH AND DE-**
5 **VELOPMENT PROGRAM.**

6 (a) *ESTABLISHMENT.*—The Secretary of Defense shall
7 carry out a defense nanotechnology research and develop-
8 ment program.

9 (b) *PURPOSES.*—The purposes of the program are as
10 follows:

11 (1) *To ensure United States global superiority in*
12 *nanotechnology necessary for meeting national secu-*
13 *rity requirements.*

14 (2) *To coordinate all nanoscale research and de-*
15 *velopment within the Department of Defense, and to*
16 *provide for interagency cooperation and collaboration*
17 *on nanoscale research and development between the*
18 *Department of Defense and other departments and*
19 *agencies of the United States that are involved in*
20 *nanoscale research and development.*

21 (3) *To develop and manage a portfolio of funda-*
22 *mental and applied nanoscience and engineering re-*
23 *search initiatives that is stable, consistent, and bal-*
24 *anced across scientific disciplines.*

1 (4) *To accelerate the transition and deployment*
2 *of technologies and concepts derived from nanoscale*
3 *research and development into the Armed Forces, and*
4 *to establish policies, procedures, and standards for*
5 *measuring the success of such efforts.*

6 (5) *To collect, synthesize, and disseminate crit-*
7 *ical information on nanoscale research and develop-*
8 *ment.*

9 (c) *ADMINISTRATION.*—*In carrying out the program,*
10 *the Secretary shall act through the Director of Defense Re-*
11 *search and Engineering, who shall supervise the planning,*
12 *management, and coordination of the program. The Direc-*
13 *tor, in consultation with the Secretaries of the military de-*
14 *partments and the heads of participating Defense Agencies*
15 *and other departments and agencies of the United States,*
16 *shall—*

17 (1) *prescribe a set of long-term challenges and a*
18 *set of specific technical goals for the program;*

19 (2) *develop a coordinated and integrated re-*
20 *search and investment plan for meeting the long-term*
21 *challenges and achieving the specific technical goals;*
22 *and*

23 (3) *develop memoranda of agreement, joint fund-*
24 *ing agreements, and other cooperative arrangements*

1 *necessary for meeting the long-term challenges and*
2 *achieving the specific technical goals.*

3 *(d) ANNUAL REPORT.—Not later than March 1 of each*
4 *of 2004, 2005, 2006, and 2007, the Director of Defense Re-*
5 *search and Engineering shall submit to the congressional*
6 *defense committees a report on the program. The report*
7 *shall contain the following matters:*

8 *(1) A review of—*

9 *(A) the long-term challenges and specific*
10 *goals of the program; and*

11 *(B) the progress made toward meeting the*
12 *challenges and achieving the goals.*

13 *(2) An assessment of current and proposed fund-*
14 *ing levels, including the adequacy of such funding lev-*
15 *els to support program activities.*

16 *(3) A review of the coordination of activities*
17 *within the Department of Defense and with other de-*
18 *partments and agencies.*

19 *(4) An assessment of the extent to which effective*
20 *technology transition paths have been established as a*
21 *result of activities under the program.*

22 *(5) Recommendations for additional program ac-*
23 *tivities to meet emerging national security require-*
24 *ments.*

1 **SEC. 246. ACTIVITIES AND ASSESSMENT OF THE DEFENSE**
2 **EXPERIMENTAL PROGRAM TO STIMULATE**
3 **COMPETITIVE RESEARCH.**

4 (a) *AUTHORIZED ACTIVITIES.*—Subsection (c) of sec-
5 tion 257 of the National Defense Authorization Act for Fis-
6 cal Year 1995 (Public Law 103–337; 10 U.S.C. 2358 note),
7 is amended—

8 (1) in paragraph (1), by striking “research
9 grants” and inserting “grants for research and in-
10 strumentation to support such research”; and

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

13 “(3) Any other activities that are determined
14 necessary to further the achievement of the objectives
15 of the program.”.

16 (b) *COORDINATION.*—Subsection (e) of such section is
17 amended by adding at the end the following:

18 “(4) The Secretary shall contract with the National
19 Research Council to assess the effectiveness of the Defense
20 Experimental Program to Stimulate Competitive Research
21 in achieving the program objectives set forth in subsection
22 (b). The assessment provided to the Secretary shall include
23 the following:

24 “(A) An assessment of the eligibility require-
25 ments of the program and the relationship of such re-
26 quirements to the overall research base in the States,

1 *the stability of research initiatives in the States, and*
2 *the achievement of the program objectives, together*
3 *with any recommendations for modification of the eli-*
4 *gibility requirements.*

5 *“(B) An assessment of the program structure and*
6 *the effects of that structure on the development of a*
7 *variety of research activities in the States and the*
8 *personnel available to carry out such activities, to-*
9 *gether with any recommendations for modification of*
10 *program structure, funding levels, and funding strat-*
11 *egy.*

12 *“(C) An assessment of the past and ongoing ac-*
13 *tivities of the State planning committees in sup-*
14 *porting the achievement of the program objectives.*

15 *“(D) An assessment of the effects of the various*
16 *eligibility requirements of the various Federal pro-*
17 *grams to stimulate competitive research on the ability*
18 *of States to develop niche research areas of expertise,*
19 *exploit opportunities for developing interdisciplinary*
20 *research initiatives, and achieve program objectives.”.*

1 **SEC. 247. FOUR-YEAR EXTENSION OF AUTHORITY OF DARPA**
2 **TO AWARD PRIZES FOR ADVANCED TECH-**
3 **NOLOGY ACHIEVEMENTS.**

4 (a) *EXTENSION.*—Section 2374a(f) of title 10, United
5 States Code, is amended by striking “September 30, 2003”
6 and inserting “September 30, 2007”.

7 (b) *REPORT ON ADMINISTRATION OF PROGRAM.*—(1)
8 Not later than December 31, 2002, the Director of the De-
9 fense Advanced Research Projects Agency shall submit to
10 the congressional defense committees a report on the pro-
11 posal of the Director for the administration of the program
12 to award prizes for advanced technology achievements
13 under section 2374a of title 10, United States Code.

14 (2) The report shall include the following:

15 (A) A description of the proposed goals of the
16 competition under the program, including the tech-
17 nology areas to be promoted by the competition and
18 the relationship of such area to military missions of
19 the Department of Defense.

20 (B) The proposed rules of the competition under
21 the program and a description of the proposed man-
22 agement of the competition.

23 (C) A description of the manner in which funds
24 for cash prizes under the program will be allocated
25 within the accounts of the Agency if a prize is award-
26 ed and claimed.

1 (D) *A statement of the reasons why the competi-*
2 *tion is a preferable means of promoting basic, ad-*
3 *vanced, and applied research, technology development,*
4 *or prototype projects than other means of promotion*
5 *of such activities, including contracts, grants, cooper-*
6 *ative agreements, and other transactions.*

7 ***TITLE III—OPERATION AND***
8 ***MAINTENANCE***

9 ***Subtitle A—Authorization of***
10 ***Appropriations***

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

12 (a) *AUTHORIZATION OF APPROPRIATIONS.—Funds are*
13 *hereby authorized to be appropriated for fiscal year 2003*
14 *for the use of the Armed Forces and other activities and*
15 *agencies of the Department of Defense for expenses, not oth-*
16 *erwise provided for, for operation and maintenance, in*
17 *amounts as follows:*

18 (1) *For the Army, \$24,180,742,000.*

19 (2) *For the Navy, \$29,368,961,000.*

20 (3) *For the Marine Corps, \$3,558,732,000.*

21 (4) *For the Air Force, \$27,445,764,000.*

22 (5) *For Defense-wide activities, \$14,492,266,000.*

23 (6) *For the Army Reserve, \$1,962,610,000.*

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

25 (8) *For the Marine Corps Reserve, \$190,532,000.*

1 (9) *For the Air Force Reserve, \$2,165,004,000.*

2 (10) *For the Army National Guard,*
3 *\$4,506,267,000.*

4 (11) *For the Air National Guard,*
5 *\$4,114,910,000.*

6 (12) *For the Defense Inspector General,*
7 *\$155,165,000.*

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

10 (14) *For Environmental Restoration, Army,*
11 *\$395,900,000.*

12 (15) *For Environmental Restoration, Navy,*
13 *\$256,948,000.*

14 (16) *For Environmental Restoration, Air Force,*
15 *\$389,773,000.*

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

18 (18) *For Environmental Restoration, Formerly*
19 *Used Defense Sites, \$252,102,000.*

20 (19) *For Overseas Humanitarian, Disaster, and*
21 *Civic Aid programs, \$58,400,000.*

22 (20) *For Drug Interdiction and Counter-drug*
23 *Activities, Defense-wide, \$873,907,000.*

1 (21) *For the Kaho'olawe Island Conveyance, Re-*
2 *mediation, and Environmental Restoration Trust*
3 *Fund, \$25,000,000.*

4 (22) *For Defense Health Program,*
5 *\$14,202,441,000.*

6 (23) *For Cooperative Threat Reduction pro-*
7 *grams, \$416,700,000.*

8 (24) *For Overseas Contingency Operations*
9 *Transfer Fund, \$50,000,000.*

10 (25) *For Support for International Sporting*
11 *Competitions, Defense, \$19,000,000.*

12 (b) *ADJUSTMENT.—The total amount authorized to be*
13 *appropriated pursuant to subsection (a) is reduced by—*

14 (1) *\$159,790,000, which represents savings re-*
15 *sulting from reduced travel; and*

16 (2) *\$615,200,000, which represents savings re-*
17 *sulting from foreign currency fluctuations.*

18 **SEC. 302. WORKING CAPITAL FUNDS.**

19 *Funds are hereby authorized to be appropriated for fis-*
20 *cal year 2003 for the use of the Armed Forces and other*
21 *activities and agencies of the Department of Defense for*
22 *providing capital for working capital and revolving funds*
23 *in amounts as follows:*

24 (1) *For the Defense Working Capital Funds,*
25 *\$387,156,000.*

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

3 (3) *For the Defense Commissary Agency Working*
4 *Capital Fund, \$969,200,000.*

5 (4) *For the Pentagon Reservation Maintenance*
6 *Revolving Fund, \$328,000,000.*

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

8 *There is hereby authorized to be appropriated for fiscal*
9 *year 2003 from the Armed Forces Retirement Home Trust*
10 *Fund the sum of \$69,921,000 for the operation of the Armed*
11 *Forces Retirement Home, including the Armed Forces Re-*
12 *tirement Home—Washington and the Armed Forces Retire-*
13 *ment Home—Gulfport.*

14 **SEC. 304. RANGE ENHANCEMENT INITIATIVE FUND.**

15 (a) *AVAILABILITY OF FUNDS.—Of the amount author-*
16 *ized to be appropriated by section 301(a)(5) for operation*
17 *and maintenance for defense-wide activities, \$20,000,000*
18 *shall be available for the Range Enhancement Initiative*
19 *Fund for the purpose specified in subsection (b).*

20 (b) *PURPOSE.—Subject to subsection (c), amounts au-*
21 *thorized to be appropriated for the Range Enhancement*
22 *Initiative Fund shall be available to the Secretary of De-*
23 *fense and the Secretaries of the military departments to*
24 *purchase restrictive easements, including easements that*
25 *implement agreements entered into under section 2697 of*

1 *title 10, United States Code, as added by section 2811 of*
2 *this Act.*

3 (c) *TRANSFER OF AMOUNTS.—(1) Amounts in the*
4 *Range Enhancement Initiative Fund shall, subject to appli-*
5 *cable limitations in appropriations Acts, be made available*
6 *to the Secretary of a military department under subsection*
7 *(b) by transfer from the Fund to the applicable operation*
8 *and maintenance account of the military department, in-*
9 *cluding the operation and maintenance account for the ac-*
10 *tive component, or for a reserve component, of the military*
11 *department.*

12 (2) *Authority to transfer amounts under paragraph*
13 *(1) is in addition to any other authority to transfer funds*
14 *under this Act.*

15 **SEC. 305. NAVY PILOT HUMAN RESOURCES CALL CENTER,**
16 **CUTLER, MAINE.**

17 *Of the amount authorized to be appropriated by sec-*
18 *tion 301(a)(2) for operation and maintenance for the Navy,*
19 *\$1,500,000 may be available for the Navy Pilot Human Re-*
20 *sources Call Center, Cutler, Maine.*

21 **SEC. 306. NATIONAL ARMY MUSEUM, FORT BELVOIR, VIR-**
22 **GINIA.**

23 (a) *ACTIVATION EFFORTS.—The Secretary of the*
24 *Army may carry out efforts to facilitate the commencement*

1 of development for the National Army Museum at Fort
2 Belvoir, Virginia.

3 (b) *FUNDING.*—(1) *The amount authorized to be ap-*
4 *propriated by section 301(a)(1) for operation and mainte-*
5 *nance for the Army is hereby increased by \$100,000.*

6 (2) *Of the amount authorized to be appropriated by*
7 *section 301(a)(1) for operation and maintenance for the*
8 *Army, as increased by paragraph (1), \$100,000 shall be*
9 *available to carry out the efforts authorized by subsection*
10 *(a).*

11 (c) *OFFSET.*—*The amount authorized to be appro-*
12 *priated by section 201(1) for research, development, test,*
13 *and evaluation for the Army is hereby reduced by \$100,000.*

14 **SEC. 307. DISPOSAL OF OBSOLETE VESSELS OF THE NA-**
15 **TIONAL DEFENSE RESERVE FLEET.**

16 *Of the amount authorized to be appropriated by sec-*
17 *tion 301(a)(2) for operation and maintenance for the Navy,*
18 *\$20,000,000 may be available, without fiscal year limita-*
19 *tion if so provided in appropriations Acts, for expenses re-*
20 *lated to the disposal of obsolete vessels in the Maritime Ad-*
21 *ministration National Defense Reserve Fleet.*

1 **Subtitle B—Environmental**
2 **Provisions**

3 **SEC. 311. ENHANCEMENT OF AUTHORITY ON COOPERATIVE**
4 **AGREEMENTS FOR ENVIRONMENTAL PUR-**
5 **POSES.**

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

8 (1) *by redesignating paragraphs (2) and (3) as*
9 *paragraphs (3) and (4), respectively; and*

10 (2) *by inserting after paragraph (1) the fol-*
11 *lowing new paragraph (2):*

12 “(2) *CROSS-FISCAL YEAR AGREEMENTS.—An*
13 *agreement with an agency under paragraph (1) may*
14 *be for a period that begins in one fiscal year and ends*
15 *in another fiscal year if (without regard to any op-*
16 *tion to extend the period of the agreement) the period*
17 *of the agreement does not exceed two years.”.*

18 **SEC. 312. MODIFICATION OF AUTHORITY TO CARRY OUT**
19 **CONSTRUCTION PROJECTS FOR ENVIRON-**
20 **MENTAL RESPONSES.**

21 (a) *RESTATEMENT AND MODIFICATION OF AUTHOR-*
22 *ITY.—(1) Chapter 160 of title 10, United States Code, is*
23 *amended by adding at the end the following new section:*

1 **“§2711. Environmental restoration projects for envi-**
2 **ronmental responses**

3 “(a) *The Secretary of Defense or the Secretary of a*
4 *military department may carry out an environmental res-*
5 *toration project if that Secretary determines that the project*
6 *is necessary to carry out a response under this chapter or*
7 *CERCLA.*

8 “(b) *Any construction, development, conversion, or ex-*
9 *ension of a structure or installation of equipment that is*
10 *included in an environmental restoration project may not*
11 *be considered military construction (as that term is defined*
12 *in section 2801(a) of this title).*

13 “(c) *Funds authorized for deposit in an account estab-*
14 *lished by section 2703(a) of this title shall be the only source*
15 *of funds to conduct an environmental restoration project*
16 *under this section.*

17 “(d) *In this section, the term ‘environmental restora-*
18 *tion project’ includes construction, development, conversion,*
19 *or extension of a structure or installation of equipment in*
20 *direct support of a response.”.*

21 (2) *The table of sections at the beginning of that chap-*
22 *ter is amended by adding at the end the following new item:*

“2711. Environmental restoration projects for environmental responses.”.

23 (b) **REPEAL OF SUPERSEDED PROVISION.**—(1) *Section*
24 *2810 of title 10, United States Code, is repealed.*

1 (2) *The table of sections at the beginning of chapter*
2 *169 of that title is amended by striking the item relating*
3 *to section 2810.*

4 **SEC. 313. INCREASED PROCUREMENT OF ENVIRON-**
5 **MENTALLY PREFERABLE PRODUCTS.**

6 (a) *PROCUREMENT GOALS.—(1) The Secretary of De-*
7 *fense shall establish goals for the increased procurement by*
8 *the Department of Defense of procurement items that are*
9 *environmentally preferable or are made with recovered ma-*
10 *terials.*

11 (2) *The goals established under paragraph (1) shall be*
12 *consistent with the requirements of section 6002 of the Solid*
13 *Waste Disposal Act (42 U.S.C. 6962).*

14 (3) *In establishing goals under paragraph (1), the Sec-*
15 *retary shall review the Comprehensive Procurement Guide-*
16 *lines and Guidance on Acquisition of Environmentally*
17 *Preferable Products and Services developed pursuant to Ex-*
18 *ecutive Order 13101 and products identified as environ-*
19 *mentally preferable in the Federal Logistics Information*
20 *System.*

21 (4) *In establishing goals under paragraph (1), the Sec-*
22 *retary shall establish a procurement goal for each category*
23 *of procurement items that is environmentally preferable or*
24 *is made with recovered materials.*

1 (5) *The goals established under paragraph (1) shall*
2 *apply to Department purchases in each category of procure-*
3 *ment items designated by the Secretary for purposes of*
4 *paragraph (4), but shall not apply to—*

5 (A) *products or services purchased by Depart-*
6 *ment contractors and subcontractors, even if such*
7 *products or services are incorporated into procure-*
8 *ment items purchased by the Department; or*

9 (B) *credit card purchases or other local pur-*
10 *chases that are made outside the requisitioning proc-*
11 *ess of the Department.*

12 (b) *ASSESSMENT OF TRAINING AND EDUCATION.—The*
13 *Secretary shall assess the need to establish a program, or*
14 *enhance existing programs, for training and educating De-*
15 *partment of Defense procurement officials and contractors*
16 *to ensure that they are aware of Department requirements,*
17 *preferences, and goals for the procurement of items that are*
18 *environmentally preferable or are made with recovered ma-*
19 *terials.*

20 (c) *TRACKING SYSTEM.—The Secretary shall develop*
21 *a tracking system to identify the extent to which the De-*
22 *partment of Defense is procuring items that are environ-*
23 *mentally preferable or are made with recovered materials.*
24 *The tracking system shall separately track procurement of*

1 *each category of procurement items for which a goal has*
2 *been established under subsection (a)(4).*

3 *(d) INITIAL REPORT.—Not later than 120 days after*
4 *the date of the enactment of this Act, the Secretary shall*
5 *submit to the congressional defense committees a report that*
6 *sets forth—*

7 *(1) the initial goals the Secretary plans to estab-*
8 *lish under subsection (a); and*

9 *(2) the findings of the Secretary as a result of*
10 *the assessment under subsection (b), together with any*
11 *recommendations of the Secretary as a result of the*
12 *assessment.*

13 *(e) IMPLEMENTATION.—Not later than 180 days after*
14 *the date of the enactment of this Act, the Secretary shall—*

15 *(1) establish an initial set of goals in accordance*
16 *subsection (a);*

17 *(2) begin the implementation of any rec-*
18 *ommendations of the Secretary under subsection*
19 *(d)(2) as a result of the assessment under subsection*
20 *(b); and*

21 *(3) implement the tracking system required by*
22 *subsection (c).*

23 *(f) ANNUAL REPORT.—Not later than March 1 of each*
24 *year from 2004 through 2007, the Secretary shall submit*

1 to Congress a report on the progress made in the implemen-
2 tation of this section. Each report shall—

3 (1) identify each category of procurement items
4 for which a goal has been established under subsection
5 (a) as of the end of such year; and

6 (2) provide information from the tracking system
7 required by subsection (b) that indicates the extent to
8 which the Department has met the goal for the cat-
9 egory of procurement items as of the end of such year.
10 (g) DEFINITIONS.—In this section:

11 (1) ENVIRONMENTALLY PREFERABLE.—The term
12 “environmentally preferable”, in the case of a pro-
13 curement item, means that the item has a lesser or re-
14 duced effect on human health and the environment
15 when compared with competing procurement items
16 that serve the same purpose. The comparison may be
17 based upon consideration of raw materials acquisi-
18 tion, production, manufacturing, packaging, distribu-
19 tion, reuse, operation, maintenance, or disposal of the
20 procurement item, or other appropriate matters.

21 (2) PROCUREMENT ITEM.—The term “procure-
22 ment item” has the meaning given that term in sec-
23 tion 1004(16) of the Solid Waste Disposal Act (40
24 U.S.C. 6903(16)).

1 (3) *RECOVERED MATERIALS.*—*The term “recov-*
2 *ered materials” means waste materials and by-prod-*
3 *ucts that have been recovered or diverted from solid*
4 *waste, but does not include materials and by-products*
5 *generated from, and commonly used within, an origi-*
6 *nal manufacturing process.*

7 **SEC. 314. CLEANUP OF UNEXPLODED ORDNANCE ON**
8 **KAHO’OLAWE ISLAND, HAWAII.**

9 (a) *LEVEL OF CLEANUP REQUIRED.*—*The Secretary of*
10 *the Navy shall continue activities for the clearance and re-*
11 *moval of unexploded ordnance on the Island of Kaho’olawe,*
12 *Hawaii, and related remediation activities, until the later*
13 *of the following dates:*

14 (1) *The date on which the Kaho’olawe Island ac-*
15 *cess control period expires.*

16 (2) *The date on which the Secretary achieves*
17 *each of the following objectives:*

18 (A) *The inspection and assessment of all of*
19 *Kaho’olawe Island in accordance with current*
20 *procedures.*

21 (B) *The clearance of 75 percent of*
22 *Kaho’olawe Island to the degree specified in the*
23 *Tier One standards in the memorandum of un-*
24 *derstanding.*

1 (C) *The clearance of 25 percent of*
2 *Kaho’olawe Island to the degree specified in the*
3 *Tier Two standards in the memorandum of un-*
4 *derstanding.*

5 (b) *DEFINITIONS.—In this section:*

6 (1) *The term “Kaho’olawe Island access control*
7 *period” means the period for which the Secretary of*
8 *the Navy is authorized to retain the control of access*
9 *to the Island of Kaho’olawe, Hawaii, under title X of*
10 *the Department of Defense Appropriations Act, 1994*
11 *(Public Law 103–139; 107 Stat. 1480).*

12 (2) *The term “memorandum of understanding”*
13 *means the Memorandum of Understanding Between*
14 *the United States Department of the Navy and the*
15 *State of Hawaii Concerning the Island of Kaho’olawe,*
16 *Hawaii.*

17 ***Subtitle C—Defense Dependents’***
18 ***Education***

19 ***SEC. 331. ASSISTANCE TO LOCAL EDUCATIONAL AGENCIES***
20 ***THAT BENEFIT DEPENDENTS OF MEMBERS***
21 ***OF THE ARMED FORCES AND DEPARTMENT***
22 ***OF DEFENSE CIVILIAN EMPLOYEES.***

23 (a) *CONTINUATION OF DEPARTMENT OF DEFENSE*
24 *PROGRAM FOR FISCAL YEAR 2003.—Of the amount author-*
25 *ized to be appropriated pursuant to section 301(a)(5) for*

1 *operation and maintenance for Defense-wide activities,*
2 *\$30,000,000 shall be available only for the purpose of pro-*
3 *viding educational agencies assistance to local educational*
4 *agencies.*

5 (b) *NOTIFICATION.*—*Not later than June 30, 2003, the*
6 *Secretary of Defense shall notify each local educational*
7 *agency that is eligible for assistance or a payment under*
8 *subsection (a) for fiscal year 2003 of—*

9 (1) *that agency’s eligibility for the assistance or*
10 *payment; and*

11 (2) *the amount of the assistance or payment for*
12 *which that agency is eligible.*

13 (c) *DISBURSEMENT OF FUNDS.*—*The Secretary of De-*
14 *fense shall disburse funds made available under subsection*
15 *(a) not later than 30 days after the date on which notifica-*
16 *tion to the eligible local educational agencies is provided*
17 *pursuant to subsection (b).*

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

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

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

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

3 **SEC. 332. IMPACT AID FOR CHILDREN WITH SEVERE DIS-**
4 **ABILITIES.**

5 *Of the amount authorized to be appropriated pursuant*
6 *to section 301(a)(5) for operation and maintenance for De-*
7 *fense-wide activities, \$5,000,000 shall be available for pay-*
8 *ments under section 363 of the Floyd D. Spence National*
9 *Defense Authorization Act for Fiscal Year 2001 (as enacted*
10 *into law by Public Law 106–398; 114 Stat. 1654A–77; 20*
11 *U.S.C. 7703a).*

12 **SEC. 333. OPTIONS FOR FUNDING DEPENDENT SUMMER**
13 **SCHOOL PROGRAMS.**

14 *Section 1402(d)(2) of the Defense Dependents' Edu-*
15 *cation Act of 1978 (20 U.S.C. 921(d)(2)) is amended to read*
16 *as follows:*

17 *“(2) The Secretary shall provide any summer school*
18 *program under this subsection on the same financial basis*
19 *as programs offered during the regular school year, except*
20 *that the Secretary may charge reasonable fees for all or por-*
21 *tions of such summer school programs to the extent that*
22 *the Secretary determines appropriate.”.*

1 **SEC. 334. COMPTROLLER GENERAL STUDY OF ADEQUACY**
 2 **OF COMPENSATION PROVIDED FOR TEACH-**
 3 **ERS IN THE DEPARTMENT OF DEFENSE OVER-**
 4 **SEAS DEPENDENTS' SCHOOLS.**

5 (a) *ADDITIONAL CONSIDERATION FOR STUDY.*—Sub-
 6 *section (b) of section 354 of the National Defense Authoriza-*
 7 *tion Act for Fiscal Year 2002 (Public Law 107–107; 115*
 8 *Stat. 1064) is amended by inserting after paragraph (2)*
 9 *the following new paragraph:*

10 “(3) *Whether the process for setting teacher com-*
 11 *penetration is efficient and cost effective.*”

12 (b) *EXTENSION OF TIME FOR REPORTING.*—Sub-
 13 *section (c) of such section is amended by striking “May 1,*
 14 *2002” and inserting “December 12, 2002”.*

15 ***Subtitle D—Other Matters***

16 **SEC. 341. USE OF HUMANITARIAN AND CIVIC ASSISTANCE**
 17 **FUNDS FOR RESERVE COMPONENT MEMBERS**
 18 **OF SPECIAL OPERATIONS COMMAND EN-**
 19 **GAGED IN ACTIVITIES RELATING TO CLEAR-**
 20 **ANCE OF LANDMINES.**

21 *Section 401(c) of title 10, United States Code, is*
 22 *amended by adding at the end the following new paragraph*
 23 *(5):*

24 “(5) *Up to 10 percent of the amount available for a*
 25 *fiscal year for activities described in subsection (e)(5) may*
 26 *be expended for the pay and allowances of reserve compo-*

1 *ment members of the Special Operations Command per-*
2 *forming duty in connection with training and activities re-*
3 *lated to the clearing of landmines for humanitarian pur-*
4 *poses.”.*

5 **SEC. 342. CALCULATION OF FIVE-YEAR PERIOD OF LIMITA-**
6 **TION FOR NAVY-MARINE CORPS INTRANET**
7 **CONTRACT.**

8 (a) *COMMENCEMENT OF PERIOD.*—*The five-year pe-*
9 *riod of limitation that is applicable to the multiyear Navy-*
10 *Marine Corps Intranet contract under section 2306c of title*
11 *10, United States Code, shall be deemed to have begun on*
12 *the date on which the Under Secretary of Defense for Acqui-*
13 *sition, Technology, and Logistics and the Chief Information*
14 *Officer of the Department of Defense approved the ordering*
15 *of additional workstations under such contract in accord-*
16 *ance with subsection (c) of section 814 of the Floyd D.*
17 *Spence National Defense Authorization Act for Fiscal Year*
18 *2001, as added by section 362(a) of the National Defense*
19 *Authorization Act for Fiscal Year 2002 (Public Law 107–*
20 *107; 115 Stat. 1065).*

21 (b) *DEFINITION.*—*In this section, the term “Navy-Ma-*
22 *rine Corps Intranet contract” has the meaning given such*
23 *term in section 814(i)(1) of the Floyd D. Spence National*
24 *Defense Authorization Act for Fiscal Year 2001 (as amend-*

1 *ed by section 362(c) of Public Law 107–107 (115 Stat.*
2 *1067)).*

3 **SEC. 343. REIMBURSEMENT FOR RESERVE COMPONENT IN-**
4 **TELLIGENCE SUPPORT.**

5 *(a) SOURCE OF FUNDS.—Chapter 1003 of title 10,*
6 *United States Code, is amended by adding at the end the*
7 *following new section:*

8 **“§ 10115. Reimbursement for reserve component intel-**
9 **ligence support**

10 *“(a) AUTHORITY.—Funds appropriated or otherwise*
11 *made available to a military department, Defense Agency,*
12 *or combatant command for operation and maintenance*
13 *shall be available for the pay, allowances, and other costs*
14 *that would be charged to appropriations for a reserve com-*
15 *ponent for the performance of duties by members of that*
16 *reserve component in providing intelligence or counterintel-*
17 *ligence support to—*

18 *“(1) such military department, Defense Agency,*
19 *or combatant command; or*

20 *“(2) a joint intelligence activity, including any*
21 *such activity for which funds are authorized to be ap-*
22 *propriated within the National Foreign Intelligence*
23 *Program, the Joint Military Intelligence Program, or*
24 *the Tactical Intelligence and Related Activities aggreg-*
25 *ate (or any successor to such program or aggregate).*

1 “(b) *CONSTRUCTION OF PROVISION.*—Nothing in this
2 section shall be construed to authorize deviation from estab-
3 lished reserve component personnel or training proce-
4 dures.”.

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

“10115. Reimbursement for reserve component intelligence support.”.

8 **SEC. 344. REBATE AGREEMENTS UNDER THE SPECIAL SUP-**
9 **PLEMENTAL FOOD PROGRAM.**

10 (a) *APPLICABILITY TO NAVY EXCHANGE MARKETS.*—
11 Paragraph (1)(A) of section 1060a(e) of title 10, United
12 States Code, is amended by inserting “or Navy Exchange
13 Markets” after “commissary stores”.

14 (b) *INCREASED MAXIMUM PERIOD OF AGREEMENT.*—
15 Paragraph (3) of such section 1060a(e) is amended by strik-
16 ing “subsection may not exceed one year” in the first sen-
17 tence and inserting “subsection, including any period of ex-
18 tension of the contract by modification of the contract, exer-
19 cise of an option, or other cause, may not exceed three
20 years”.

21 **SEC. 345. LOGISTICS SUPPORT AND SERVICES FOR WEAPON**
22 **SYSTEMS CONTRACTORS.**

23 (a) *AUTHORITY.*—The Secretary of Defense may make
24 available, in accordance with this section and the regula-
25 tions prescribed under subsection (e), logistics support and

1 *logistics services to a contractor in support of the perform-*
2 *ance by the contractor of a contract for the construction,*
3 *modification, or maintenance of a weapon system that is*
4 *entered into by an official of the Department of Defense.*

5 **(b) SUPPORT CONTRACTS.**—*Any logistics support and*
6 *logistics services that is to be provided under this section*
7 *to a contractor in support of the performance of a contract*
8 *shall be provided under a separate contract that is entered*
9 *into by the Director of the Defense Logistics Agency with*
10 *that contractor.*

11 **(c) SCOPE OF SUPPORT AND SERVICES.**—*The logistics*
12 *support and logistics services that may be provided under*
13 *this section in support of the performance of a contract de-*
14 *scribed in subsection (a) are the distribution, disposal, and*
15 *cataloging of materiel and repair parts necessary for the*
16 *performance of that contract.*

17 **(d) LIMITATIONS.**—*(1) The number of contracts de-*
18 *scribed in subsection (a) for which the Secretary makes lo-*
19 *gistics support and logistics services available under the au-*
20 *thority of this section may not exceed five contracts. The*
21 *total amount of the estimated costs of all such contracts for*
22 *which logistics support and logistics services are made*
23 *available under this section may not exceed \$100,000,000.*

24 **(2)** *No contract entered into by the Director of the De-*
25 *fense Logistics Agency under subsection (b) may be for a*

1 *period in excess of five years, including periods for which*
2 *the contract is extended under options to extend the con-*
3 *tract.*

4 *(e) REGULATIONS.—Before exercising the authority*
5 *under this section, the Secretary of Defense shall prescribe*
6 *in regulations such requirements, conditions, and restric-*
7 *tions as the Secretary determines appropriate to ensure that*
8 *logistics support and logistics services are provided under*
9 *this section only when it is in the best interests of the*
10 *United States to do so. The regulations shall include, at*
11 *a minimum, the following:*

12 *(1) A requirement for the authority under this*
13 *section to be used only for providing logistics support*
14 *and logistics services in support of the performance of*
15 *a contract that is entered into using competitive pro-*
16 *cedures (as defined in section 4 of the Office of Fed-*
17 *eral Procurement Policy Act (41 U.S.C. 403)).*

18 *(2) A requirement for the solicitation of offers for*
19 *a contract described in subsection (a), for which logis-*
20 *tics support and logistics services are to be made*
21 *available under this section, to include—*

22 *(A) a statement that the logistics support*
23 *and logistics services are to be made available*
24 *under the authority of this section to any con-*
25 *tractor awarded the contract, but only on a basis*

1 that does not require acceptance of the support
2 and services; and

3 (B) a description of the range of the logis-
4 tics support and logistics services that are to be
5 made available to the contractor.

6 (3) A requirement for the rates charged a con-
7 tractor for logistics support and logistics services pro-
8 vided to a contractor under this section to reflect the
9 full cost to the United States of the resources used in
10 providing the support and services, including the
11 costs of resources used, but not paid for, by the De-
12 partment of Defense.

13 (4) A requirement to credit to the General Fund
14 of the Treasury amounts received by the Department
15 of Defense from a contractor for the cost of logistics
16 support and logistics services provided to the con-
17 tractor by the Department of Defense under this sec-
18 tion but not paid for out of funds available to the De-
19 partment of Defense.

20 (5) With respect to a contract described in sub-
21 section (a) that is being performed for a department
22 or agency outside the Department of Defense, a prohi-
23 bition, in accordance with applicable contracting pro-
24 cedures, on the imposition of any charge on that de-
25 partment or agency for any effort of Department of

1 *Defense personnel or the contractor to correct defi-*
2 *ciencies in the performance of such contract.*

3 (6) *A prohibition on the imposition of any*
4 *charge on a contractor for any effort of the contractor*
5 *to correct a deficiency in the performance of logistics*
6 *support and logistics services provided to the con-*
7 *tractor under this section.*

8 (f) *RELATIONSHIP TO TREATY OBLIGATIONS.—The*
9 *Secretary shall ensure that the exercise of authority under*
10 *this section does not conflict with any obligation of the*
11 *United States under any treaty or other international*
12 *agreement.*

13 (g) *TERMINATION OF AUTHORITY.—(1) The authority*
14 *provided in this section shall expire on September 30, 2007,*
15 *subject to paragraph (2).*

16 (2) *The expiration of the authority under this section*
17 *does not terminate—*

18 (A) *any contract that was entered into by the*
19 *Director of the Defense Logistics Agency under sub-*
20 *section (b) before the expiration of the authority or*
21 *any obligation to provide logistics support and logis-*
22 *tics services under that contract; or*

23 (B) *any authority—*

24 (i) *to enter into a contract described in sub-*
25 *section (a) for which a solicitation of offers was*

1 *issued in accordance with the regulations pre-*
2 *scribed pursuant to subsection (e)(2) before the*
3 *date of the expiration of the authority; or*

4 *(ii) to provide logistics support and logistics*
5 *services to the contractor with respect to that*
6 *contract in accordance with this section.*

7 **SEC. 346. CONTINUATION OF ARSENAL SUPPORT PROGRAM**
8 **INITIATIVE.**

9 *(a) EXTENSION THROUGH FISCAL YEAR 2004.—Sub-*
10 *section (a) of section 343 of the Floyd D. Spence National*
11 *Defense Authorization Act for Fiscal Year 2001 (as enacted*
12 *into law by Public Law 106–398; 114 Stat. 1654A–65) is*
13 *amended by striking “and 2002” and inserting “through*
14 *2004”.*

15 *(b) REPORTING REQUIREMENTS.—Subsection (g) of*
16 *such section is amended—*

17 *(1) in paragraph (1), by striking “2002” and in-*
18 *serting “2004”; and*

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

1 *manufacturing arsenals and the Department of the*
2 *Army and the success of the program in achieving the*
3 *purposes specified in subsection (b).”.*

4 **SEC. 347. TWO-YEAR EXTENSION OF AUTHORITY OF THE**
5 **SECRETARY OF DEFENSE TO ENGAGE IN COM-**
6 **MERCIAL ACTIVITIES AS SECURITY FOR IN-**
7 **TELLIGENCE COLLECTION ACTIVITIES**
8 **ABROAD.**

9 *Section 431(a) of title 10, United States Code, is*
10 *amended by striking “December 31, 2002” in the second*
11 *sentence and inserting “December 31, 2004”.*

12 **SEC. 348. INSTALLATION AND CONNECTION POLICY AND**
13 **PROCEDURES REGARDING DEFENSE SWITCH**
14 **NETWORK.**

15 *(a) ESTABLISHMENT OF POLICY AND PROCEDURES.—*
16 *Not later than 180 days after the date of the enactment of*
17 *this Act, the Secretary of Defense shall establish clear and*
18 *uniform policy and procedures, applicable to the military*
19 *departments and Defense Agencies, regarding the installa-*
20 *tion and connection of telecom switches to the Defense*
21 *Switch Network.*

22 *(b) ELEMENTS OF POLICY AND PROCEDURES.—The*
23 *policy and procedures shall address at a minimum the fol-*
24 *lowing:*

1 (1) *Clear interoperability and compatibility re-*
2 *quirements for procuring, certifying, installing, and*
3 *connecting telecom switches to the Defense Switch*
4 *Network.*

5 (2) *Current, complete, and enforceable testing,*
6 *validation, and certification procedures needed to en-*
7 *sure the interoperability and compatibility require-*
8 *ments are satisfied.*

9 (c) *EXCEPTIONS.—(1) The Secretary of Defense may*
10 *specify certain circumstances in which—*

11 (A) *the requirements for testing, validation, and*
12 *certification of telecom switches may be waived; or*

13 (B) *interim authority for the installation and*
14 *connection of telecom switches to the Defense Switch*
15 *Network may be granted.*

16 (2) *Only the Assistant Secretary of Defense for Com-*
17 *mand, Control, Communications, and Intelligence, after*
18 *consultation with the Chairman of the Joint Chiefs of Staff,*
19 *may approve a waiver or grant of interim authority under*
20 *paragraph (1).*

21 (d) *INVENTORY OF DEFENSE SWITCH NETWORK.—The*
22 *Secretary of Defense shall prepare and maintain an inven-*
23 *tory of all telecom switches that, as of the date on which*
24 *the Secretary issues the policy and procedures—*

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

3 (2) have not been tested, validated, and certified
4 by the Defense Information Systems Agency (Joint
5 Interoperability Test Center).

6 (e) *INTEROPERABILITY RISKS*.—(1) The Secretary of
7 Defense shall, on an ongoing basis—

8 (A) identify and assess the interoperability risks
9 that are associated with the installation or connection
10 of uncertified switches to the Defense Switch Network
11 and the maintenance of such switches on the Defense
12 Switch Network; and

13 (B) develop and implement a plan to eliminate
14 or mitigate such risks as identified.

15 (2) The Secretary shall initiate action under para-
16 graph (1) upon completing the initial inventory of telecom
17 switches required by subsection (d).

18 (f) *TELECOM SWITCH DEFINED*.—In this section, the
19 term “telecom switch” means hardware or software designed
20 to send and receive voice, data, or video signals across a
21 network that provides customer voice, data, or video equip-
22 ment access to the Defense Switch Network or public
23 switched telecommunications networks.

1 **SEC. 349. ENGINEERING STUDY AND ENVIRONMENTAL**
2 **ANALYSIS OF ROAD MODIFICATIONS IN VI-**
3 **CINITY OF FORT BELVOIR, VIRGINIA.**

4 (a) *STUDY AND ANALYSIS.*—(1) *The Secretary of the*
5 *Army shall conduct a preliminary engineering study and*
6 *environmental analysis to evaluate the feasibility of estab-*
7 *lishing a connector road between Richmond Highway*
8 *(United States Route 1) and Telegraph Road in order to*
9 *provide an alternative to Beulah Road (State Route 613)*
10 *and Woodlawn Road (State Route 618) at Fort Belvoir,*
11 *Virginia, which were closed as a force protection measure.*

12 (2) *It is the sense of Congress that the study and anal-*
13 *ysis should consider as one alternative the extension of Old*
14 *Mill Road between Richmond Highway and Telegraph*
15 *Road.*

16 (b) *CONSULTATION.*—*The study required by subsection*
17 *(a) shall be conducted in consultation with the Department*
18 *of Transportation of the Commonwealth of Virginia and*
19 *Fairfax County, Virginia.*

20 (c) *REPORT.*—*The Secretary shall submit to Congress*
21 *a summary report on the study and analysis required by*
22 *subsection (a). The summary report shall be submitted to-*
23 *gether with the budget justification materials in support of*
24 *the budget of the President for fiscal year 2006 that is sub-*
25 *mitted to Congress under section 1105(a) of title 31, United*
26 *States Code.*

1 (d) *FUNDING.*—Of the amount authorized to be appro-
2 priated by section 301(a)(1) for the Army for operation and
3 maintenance, \$5,000,000 may be available for the study
4 and analysis required by subsection (a).

5 **SEC. 350. EXTENSION OF WORK SAFETY DEMONSTRATION**
6 **PROGRAM.**

7 Section 1112 of the Floyd D. Spence National Defense
8 Authorization Act for Fiscal Year 2001 (as enacted into law
9 by Public Law 106–398; 114 Stat. 1654A–313) is
10 amended—

11 (1) in subsection (d), by striking “September 30,
12 2002” and inserting “September 30, 2003”; and

13 (2) in subsection (e)(2), by striking “December 1,
14 2002” and inserting “December 1, 2003”.

15 **SEC. 351. LIFT SUPPORT FOR MINE WARFARE SHIPS AND**
16 **OTHER VESSELS.**

17 (a) *AMOUNT.*—Of the amount authorized to be appro-
18 priated by section 302(2), \$10,000,000 shall be available for
19 implementing the recommendations resulting from the
20 Navy’s Non-Self Deployable Watercraft (NDSW) Study and
21 the Joint Chiefs of Staff Focused Logistics Study, which
22 are to determine the requirements of the Navy for providing
23 lift support for mine warfare ships and other vessels.

24 (b) *OFFSETTING REDUCTION.*—Of the amount author-
25 ized to be appropriated by section 302(2), the amount pro-

1 *vided for the procurement of mine countermeasures ships*
2 *cradles is hereby reduced by \$10,000,000.*

3 **SEC. 352. NAVY DATA CONVERSION ACTIVITIES.**

4 *(a) AMOUNT FOR ACTIVITIES.—The amount author-*
5 *ized to be appropriated by section 301(a)(2) is hereby in-*
6 *creased by \$1,500,000. The total amount of such increase*
7 *may be available for the Navy Data Conversion and Man-*
8 *agement Laboratory to support data conversion activities*
9 *for the Navy.*

10 *(b) OFFSET.—The amount authorized to be appro-*
11 *priated by section 301(a)(1) is hereby reduced by*
12 *\$1,500,000 to reflect a reduction in the utilities privatiza-*
13 *tion efforts previously planned by the Army.*

14 **TITLE IV—MILITARY PERSONNEL**
15 **AUTHORIZATIONS**

16 **Subtitle A—Active Forces**

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

18 *The Armed Forces are authorized strengths for active*
19 *duty personnel as of September 30, 2003, as follows:*

20 *(1) The Army, 485,000.*

21 *(2) The Navy, 379,200.*

22 *(3) The Marine Corps, 175,000.*

23 *(4) The Air Force, 362,500.*

1 **SEC. 402. AUTHORITY TO INCREASE STRENGTH AND GRADE**
2 **LIMITATIONS TO ACCOUNT FOR RESERVE**
3 **COMPONENT MEMBERS ON ACTIVE DUTY IN**
4 **SUPPORT OF A CONTINGENCY OPERATION.**

5 (a) *ACTIVE DUTY STRENGTH.*—Section 115(c)(1) of
6 title 10, United States Code, is amended to read as follows:

7 “(1) increase the end strength authorized pursu-
8 ant to subsection (a)(1)(A) for a fiscal year for any
9 of the armed forces by—

10 “(A) a number equal to not more than 2
11 percent of that end strength;

12 “(B) a number equal to the number of mem-
13 bers of the reserve components of that armed
14 force on active duty under section 12301(d) of
15 this title in support of a contingency operation
16 in that fiscal year; or

17 “(C) a number not greater than the sum of
18 the numbers authorized by subparagraphs (A)
19 and (B).”.

20 (b) *AUTHORIZED DAILY AVERAGE FOR MEMBERS IN*
21 *PAY GRADES E–8 AND E–9 ON ACTIVE DUTY.*—Section 517
22 of such title is amended by adding at the end the following
23 new paragraph:

24 “(d) The Secretary of Defense may increase the author-
25 ized daily average number of enlisted members on active
26 duty in an armed force in pay grades E–8 and E–9 in

1 *a fiscal year under subsection (a) by the number of enlisted*
2 *members of reserve components of that armed force in pay*
3 *grades E-8 and E-9, respectively, that are on active duty*
4 *in that fiscal year under section 12301(d) of this title in*
5 *support of a contingency operation.”.*

6 *(c) AUTHORIZED STRENGTHS FOR COMMISSIONED OF-*
7 *FICERS IN PAY GRADES O-4, O-5, AND O-6 ON ACTIVE*
8 *DUTY.—Section 523 of such title is amended—*

9 *(1) in subsection (a), by striking “subsection (c)”*
10 *in paragraphs (1) and (2) and inserting “subsections*
11 *(c) and (e)”;* and

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

14 *“(e) The Secretary of Defense may increase the author-*
15 *ized total number of commissioned officers serving on active*
16 *duty in the Army, Navy, Air Force, or Marine Corps in*
17 *a grade referred to in subsection (c) at the end of any fiscal*
18 *year under that subsection by the number of commissioned*
19 *officers of reserve components of the Army, Navy, Air Force,*
20 *or Marine Corps, respectively, that are then serving on ac-*
21 *tive duty in that grade under section 12301(d) of this title*
22 *in support of a contingency operation.”.*

23 *(d) AUTHORIZED STRENGTHS FOR GENERAL AND*
24 *FLAG OFFICERS ON ACTIVE DUTY.—Section 526(a) of such*
25 *title is amended—*

1 (1) by redesignating paragraphs (1), (2), (3),
2 and (4) as subparagraphs (A), (B), (C), and (D), re-
3 spectively;

4 (2) by striking “LIMITATIONS.—The” and insert-
5 ing “LIMITATIONS.—(1) Except as provided in para-
6 graph (2), the”; and

7 (3) by adding at the end the following new para-
8 graph (2):

9 “(2) The Secretary of Defense may increase the number
10 of general and flag officers authorized to be on active duty
11 in the Army, Navy, Air Force, or Marine Corps under
12 paragraph (1) by the number of reserve general or flag offi-
13 cers of reserve components of the Army, Navy, Air Force,
14 or Marine Corps, respectively, that are on active duty under
15 section 12301(d) of this title in support of a contingency
16 operation.”.

17 **SEC. 403. INCREASED ALLOWANCE FOR NUMBER OF MA-**
18 **RINE CORPS GENERAL OFFICERS ON ACTIVE**
19 **DUTY IN GRADES ABOVE MAJOR GENERAL.**

20 Section 525(b)(2)(B) of title 10, United States Code,
21 is amended by striking “16.2 percent” and inserting “17.5
22 percent”.

1 **SEC. 404. INCREASE IN AUTHORIZED STRENGTHS FOR MA-**
 2 **RINE CORPS OFFICERS ON ACTIVE DUTY IN**
 3 **THE GRADE OF COLONEL.**

4 *The table in section 523(a)(1) of title 10, United States*
 5 *Code, is amended by striking the figures under the heading*
 6 *“Colonel” in the portion of the table relating to the Marine*
 7 *Corps and inserting the following:*

“571
632
653
673
694
715
735”.

8 ***Subtitle B—Reserve Forces***

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

10 *(a) IN GENERAL.—The Armed Forces are authorized*
 11 *strengths for Selected Reserve personnel of the reserve com-*
 12 *ponents as of September 30, 2003, as follows:*

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

15 *(2) The Army Reserve, 205,000.*

16 *(3) The Naval Reserve, 87,800.*

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

18 *(5) The Air National Guard of the United*
 19 *States, 106,600.*

20 *(6) The Air Force Reserve, 75,600.*

21 *(7) The Coast Guard Reserve, 9,000.*

1 (b) *ADJUSTMENTS.*—*The end strengths prescribed by*
2 *subsection (a) for the Selected Reserve of any reserve compo-*
3 *nent shall be proportionately reduced by—*

4 (1) *the total authorized strength of units orga-*
5 *nized to serve as units of the Selected Reserve of such*
6 *component which are on active duty (other than for*
7 *training) at the end of the fiscal year; and*

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

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

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

22 *Within the end strengths prescribed in section 411(a),*
23 *the reserve components of the Armed Forces are authorized,*
24 *as of September 30, 2003, the following number of Reserves*
25 *to be serving on full-time active duty or full-time duty, in*

1 *the case of members of the National Guard, for the purpose*
2 *of organizing, administering, recruiting, instructing, or*
3 *training the reserve components:*

4 (1) *The Army National Guard of the United*
5 *States, 24,492.*

6 (2) *The Army Reserve, 13,888.*

7 (3) *The Naval Reserve, 14,572.*

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

9 (5) *The Air National Guard of the United*
10 *States, 11,727.*

11 (6) *The Air Force Reserve, 1,498.*

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

14 *The minimum number of military technicians (dual*
15 *status) as of the last day of fiscal year 2003 for the reserve*
16 *components of the Army and the Air Force (notwith-*
17 *standing section 129 of title 10, United States Code) shall*
18 *be the following:*

19 (1) *For the Army Reserve, 6,599.*

20 (2) *For the Army National Guard of the United*
21 *States, 24,102.*

22 (3) *For the Air Force Reserve, 9,911.*

23 (4) *For the Air National Guard of the United*
24 *States, 22,495.*

1 **SEC. 414. FISCAL YEAR 2003 LIMITATIONS ON NON-DUAL**
2 **STATUS TECHNICIANS.**

3 (a) *LIMITATIONS.*—(1) *Within the limitation provided*
4 *in section 10217(c)(2) of title 10, United States Code, the*
5 *number of non-dual status technicians employed by the Na-*
6 *tional Guard as of September 30, 2003, may not exceed the*
7 *following:*

8 (A) *For the Army National Guard of the United*
9 *States, 1,600.*

10 (B) *For the Air National Guard of the United*
11 *States, 350.*

12 (2) *The number of non-dual status technicians em-*
13 *ployed by the Army Reserve as of September 30, 2003, may*
14 *not exceed 995.*

15 (3) *The Air Force Reserve may not employ any person*
16 *as a non-dual status technician during fiscal year 2003.*

17 (b) *NON-DUAL STATUS TECHNICIANS DEFINED.*—*In*
18 *this section, the term “non-dual status technician” has the*
19 *meaning given the term in section 10217(a) of title 10,*
20 *United States Code.*

21 ***Subtitle C—Authorization of***
22 ***Appropriations***

23 **SEC. 421. AUTHORIZATION OF APPROPRIATIONS FOR MILI-**
24 **TARY PERSONNEL.**

25 *There is hereby authorized to be appropriated to the*
26 *Department of Defense for military personnel for fiscal year*

1 2003 a total of \$94,352,208,000. The authorization in the
2 preceding sentence supersedes any other authorization of
3 appropriations (definite or indefinite) for such purpose for
4 fiscal year 2003.

5 **TITLE V—MILITARY PERSONNEL**
6 **POLICY**

7 **Subtitle A—Officer Personnel Policy**

8 **SEC. 501. EXTENSION OF CERTAIN REQUIREMENTS AND EX-**
9 **CLUSIONS APPLICABLE TO SERVICE OF GEN-**
10 **ERAL AND FLAG OFFICERS ON ACTIVE DUTY**
11 **IN CERTAIN JOINT DUTY ASSIGNMENTS.**

12 (a) **RECOMMENDATIONS FOR ASSIGNMENT TO SENIOR**
13 **JOINT OFFICER POSITIONS.**—Section 604(c) of title 10,
14 United States Code, is amended by striking “September 30,
15 2003” and inserting “December 31, 2003”.

16 (b) **INAPPLICABILITY OF GRADE DISTRIBUTION RE-**
17 **QUIREMENTS.**—Section 525(b)(5)(C) of such title is amend-
18 ed by striking “September 30, 2003” and inserting “Decem-
19 ber 31, 2003”.

20 (c) **EXCLUSION FROM STRENGTH LIMITATION.**—Sec-
21 tion 526(b)(3) of such title is amended by striking “October
22 1, 2002” and inserting “December 31, 2003”.

1 **SEC. 502. EXTENSION OF AUTHORITY TO WAIVE REQUIRE-**
2 **MENT FOR SIGNIFICANT JOINT DUTY EXPERI-**
3 **ENCE FOR APPOINTMENT AS A CHIEF OF A**
4 **RESERVE COMPONENT OR A NATIONAL**
5 **GUARD DIRECTOR.**

6 (a) *CHIEF OF ARMY RESERVE.*—Section 3038(b)(4) of
7 title 10, United States Code, is amended by striking “Octo-
8 ber 1, 2003” and inserting “December 31, 2003”.

9 (b) *CHIEF OF NAVAL RESERVE.*—Section 5143(b)(4)
10 of such title is amended by striking “October 1, 2003” and
11 inserting “December 31, 2003”.

12 (c) *COMMANDER, MARINE FORCES RESERVE.*—Section
13 5144(b)(4) of such title is amended by striking “October 1,
14 2003” and inserting “December 31, 2003”.

15 (d) *CHIEF OF AIR FORCE RESERVE.*—Section
16 8038(b)(4) of such title 10, United States Code, is amended
17 by striking “October 1, 2003” and inserting “December 31,
18 2003”.

19 (e) *DIRECTORS OF THE NATIONAL GUARD.*—Section
20 10506(a)(3)(D) of such title is amended by striking “Octo-
21 ber 1, 2003” and inserting “December 31, 2003”.

1 **SEC. 503. REPEAL OF LIMITATION ON AUTHORITY TO**
2 **GRANT CERTAIN OFFICERS A WAIVER OF RE-**
3 **QUIRED SEQUENCE FOR JOINT PROFES-**
4 **SIONAL MILITARY EDUCATION AND JOINT**
5 **DUTY ASSIGNMENT.**

6 *Section 661(c)(3)(D) of title 10, United States Code,*
7 *is amended by striking “In the case of officers in grades*
8 *below brigadier general” and all that follows through “se-*
9 *lected for the joint specialty during that fiscal year.”.*

10 **SEC. 504. EXTENSION OF TEMPORARY AUTHORITY FOR RE-**
11 **CALL OF RETIRED AVIATORS.**

12 *Section 501(e) of the National Defense Authorization*
13 *Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat.*
14 *589) is amended by striking “September 30, 2002” and in-*
15 *serting “September 30, 2008”.*

16 **SEC. 505. INCREASED GRADE FOR HEADS OF NURSE CORPS.**

17 *(a) ARMY.—Section 3069(b) of title 10, United States*
18 *Code, is amended by striking “brigadier general” in the sec-*
19 *ond sentence and inserting “major general”.*

20 *(b) NAVY.—The first sentence of section 5150(c) of such*
21 *title is amended—*

22 *(1) by inserting “rear admiral (upper half) in*
23 *the case of an officer in the Nurse Corps or” after “for*
24 *promotion to the grade of”; and*

1 (2) by inserting “in the case of an officer in the
2 *Medical Service Corps*” after “rear admiral (lower
3 *half)*”.

4 (c) *AIR FORCE*.—Section 8069(b) of such title is
5 amended by striking “brigadier general” in the second sen-
6 tence and inserting “major general”.

7 **SEC. 506. REINSTATEMENT OF AUTHORITY TO REDUCE**
8 **SERVICE REQUIREMENT FOR RETIREMENT IN**
9 **GRADES ABOVE O-4.**

10 (a) *OFFICERS ON ACTIVE DUTY*.—Subsection
11 (a)(2)(A) of section 1370 of title 10, United States Code,
12 is amended—

13 (1) by striking “may authorize” and all that fol-
14 lows and inserting “may, in the case of retirements
15 effective during the period beginning on September 1,
16 2002, and ending on December 31, 2004, author-
17 ize—”; and

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

19 “(1) the Deputy Under Secretary of Defense for
20 Personnel and Readiness to reduce such 3-year period
21 of required service to a period not less than two years
22 for retirements in grades above colonel or, in the case
23 of the Navy, captain; and

24 “(2) the Secretary of a military department or
25 the Assistant Secretary of a military department hav-

1 *ing responsibility for manpower and reserve affairs to*
2 *reduce such 3-year period to a period of required serv-*
3 *ice not less than two years for retirements in grades*
4 *of lieutenant colonel and colonel or, in the case of the*
5 *Navy, commander and captain.”.*

6 *(b) RESERVE OFFICERS.—Subsection (d)(5) of such*
7 *section is amended—*

8 *(1) in the first sentence—*

9 *(A) by striking “may authorize” and all*
10 *that follows and inserting “may, in the case of*
11 *retirements effective during the period beginning*
12 *on September 1, 2002, and ending on December*
13 *31, 2004, authorize—”; and*

14 *(B) by adding at the end the following:*

15 *“(A) the Deputy Under Secretary of Defense for*
16 *Personnel and Readiness to reduce such 3-year period*
17 *of required service to a period not less than two years*
18 *for retirements in grades above colonel or, in the case*
19 *of the Navy, captain; and*

20 *“(B) the Secretary of a military department or*
21 *the Assistant Secretary of a military department hav-*
22 *ing responsibility for manpower and reserve affairs to*
23 *reduce such 3-year period of required service to a pe-*
24 *riod not less than two years for retirements in grades*

1 *of lieutenant colonel and colonel or, in the case of the*
2 *Navy, commander and captain.”;*

3 *(2) by designating the second sentence as para-*
4 *graph (6) and realigning such paragraph, as so redes-*
5 *ignated 2 ems from the left margin; and*

6 *(3) in paragraph (6), as so redesignated, by*
7 *striking “this paragraph” and inserting “paragraph*
8 *(5)”.*

9 *(c) ADVANCE NOTICE TO THE PRESIDENT AND CON-*
10 *GRESS.—Such section is further amended by adding at the*
11 *end the following new subsection:*

12 *“(e) ADVANCE NOTICE TO CONGRESS.—(1) The Sec-*
13 *retary of Defense shall notify the Committees on Armed*
14 *Services of the Senate and House of Representatives of—*

15 *“(A) an exercise of authority under paragraph*
16 *(2)(A) of subsection (a) to reduce the 3-year min-*
17 *imum period of required service on active duty in a*
18 *grade in the case of an officer to whom such para-*
19 *graph applies before the officer is retired in such*
20 *grade under such subsection without having satisfied*
21 *that 3-year service requirement; and*

22 *“(B) an exercise of authority under paragraph*
23 *(5) of subsection (d) to reduce the 3-year minimum*
24 *period of service in grade required under paragraph*
25 *(3)(A) of such subsection in the case of an officer to*

1 whom such paragraph applies before the officer is
2 credited with satisfactory service in such grade under
3 subsection (d) without having satisfied that 3-year
4 service requirement.

5 “(2) The requirement for a notification under para-
6 graph (1) is satisfied in the case of an officer to whom sub-
7 section (c) applies if the notification is included in the cer-
8 tification submitted with respect to such officer under para-
9 graph (1) of such subsection.

10 “(3) The notification requirement under paragraph
11 (1) does not apply to an officer being retired in the grade
12 of lieutenant colonel or colonel or, in the case of the Navy,
13 commander or captain.”.

14 ***Subtitle B—Reserve Component***
15 ***Personnel Policy***

16 ***SEC. 511. TIME FOR COMMENCEMENT OF INITIAL PERIOD***
17 ***OF ACTIVE DUTY FOR TRAINING UPON EN-***
18 ***LISTMENT IN RESERVE COMPONENT.***

19 Section 12103(d) of title 10, United States Code, is
20 amended by striking “270 days” in the second sentence and
21 inserting “one year”.

1 **SEC. 512. AUTHORITY FOR LIMITED EXTENSION OF MED-**
2 **ICAL DEFERMENT OF MANDATORY RETIRE-**
3 **MENT OR SEPARATION OF RESERVE COMPO-**
4 **NENT OFFICER.**

5 (a) *AUTHORITY.*—Chapter 1407 of title 10, United
6 States Code, is amended by adding at the end the following
7 new section:

8 **“§ 14519. Deferment of retirement or separation for**
9 **medical reasons**

10 “(a) *AUTHORITY.*—If, in the case of an officer required
11 to be retired or separated under this chapter or chapter
12 1409 of this title, the Secretary concerned determines that
13 the evaluation of the physical condition of the officer and
14 determination of the officer’s entitlement to retirement or
15 separation for physical disability require hospitalization or
16 medical observation and that such hospitalization or med-
17 ical observation cannot be completed with confidence in a
18 manner consistent with the officer’s well being before the
19 date on which the officer would otherwise be required to re-
20 tire or be separated, the Secretary may defer the retirement
21 or separation of the officer.

22 “(b) *PERIOD OF DEFERMENT.*—A deferral of retire-
23 ment or separation under subsection (a) may not extend
24 for more than 30 days after the completion of the evaluation
25 requiring hospitalization or medical observation.”.

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

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

4 **SEC. 513. REPEAL OF PROHIBITION ON USE OF AIR FORCE**
 5 **RESERVE AGR PERSONNEL FOR AIR FORCE**
 6 **BASE SECURITY FUNCTIONS.**

7 (a) *REPEAL.*—*Section 12551 of title 10, United States*
 8 *Code, is repealed.*

9 (b) *CLERICAL AMENDMENT.*—*The table of sections at*
 10 *the beginning of chapter 1215 of such title is amended by*
 11 *striking the item relating to section 12551.*

12 **Subtitle C—Education and**
 13 **Training**

14 **SEC. 521. INCREASE IN AUTHORIZED STRENGTHS FOR THE**
 15 **SERVICE ACADEMIES.**

16 (a) *UNITED STATES MILITARY ACADEMY.*—*Section*
 17 *4342 of title 10, United States Code, is amended—*

18 (1) *in subsection (a), by striking “4,000” in the*
 19 *first sentence and inserting “4,400”; and*

20 (2) *in subsection (i), by striking “variance in*
 21 *that limitation” and inserting “variance above that*
 22 *limitation”.*

23 (b) *UNITED STATES NAVAL ACADEMY.*—*Section 6954*
 24 *of title 10, United States Code, is amended—*

1 (1) *in subsection (a), by striking “4,000” in the*
 2 *first sentence and inserting “4,400”; and*

3 (2) *in subsection (g), by striking “variance in*
 4 *that limitation” and inserting “variance above that*
 5 *limitation”.*

6 (c) *UNITED STATES AIR FORCE ACADEMY.—Section*
 7 *9342 of title 10, United States Code, is amended—*

8 (1) *in subsection (a), by striking “4,000” in the*
 9 *first sentence and inserting “4,400”; and*

10 (2) *in subsection (i), by striking “variance in*
 11 *that limitation” and inserting “variance above that*
 12 *limitation”.*

13 ***Subtitle D—Decorations, Awards,***
 14 ***and Commendations***

15 ***SEC. 531. WAIVER OF TIME LIMITATIONS FOR AWARD OF***
 16 ***CERTAIN DECORATIONS TO CERTAIN PER-***
 17 ***SONS.***

18 (a) *WAIVER.—Any limitation established by law or*
 19 *policy for the time within which a recommendation for the*
 20 *award of a military decoration or award must be submitted*
 21 *shall not apply to awards of decorations described in this*
 22 *section, the award of each such decoration having been de-*
 23 *termined by the Secretary concerned to be warranted in ac-*
 24 *cordance with section 1130 of title 10, United States Code.*

1 **(b) DISTINGUISHED-SERVICE CROSS OF THE ARMY.—**

2 *Subsection (a) applies to the award of the Distinguished-*
3 *Service Cross of the Army as follows:*

4 *(1) To Henry Johnson of Albany, New York, for*
5 *extraordinary heroism in France during the period of*
6 *May 13 to 15, 1918, while serving as a member of the*
7 *Army.*

8 *(2) To Hilliard Carter of Jackson, Mississippi,*
9 *for extraordinary heroism in actions near Troung*
10 *Loung, Republic of Vietnam, on September 28, 1966,*
11 *while serving as a member of the Army.*

12 *(3) To Albert C. Welch of Highland Ranch, Colo-*
13 *rado, for extraordinary heroism in actions in Ong*
14 *Thanh, Binh Long Province, Republic of Vietnam, on*
15 *October 17, 1967, while serving as a member of the*
16 *Army.*

17 **(c) DISTINGUISHED FLYING CROSS OF THE NAVY.—**

18 *Subsection (a) applies to the award of the Distinguished*
19 *Flying Cross of the Navy as follows:*

20 *(1) To Eduguardo Coppola of Falls Church, Vir-*
21 *ginia, for extraordinary achievement while partici-*
22 *pating in aerial flight during World War II, while*
23 *serving as a member of the Navy.*

24 *(2) To James Hoisington, Jr., of Stillman Val-*
25 *ley, Illinois, for extraordinary achievement while par-*

1 *ticipating in aerial flight during World War II, while*
2 *servng as a member of the Navy.*

3 *(3) To William M. Melvin of Lawrenceburg, Ten-*
4 *nessee, for extraordinary achievement while partici-*
5 *pating in aerial flight during World War II, while*
6 *servng as a member of the Navy.*

7 *(4) To Vincent Urbank of Tom River, New Jer-*
8 *sey, for extraordinary achievement while partici-*
9 *pating in aerial flight during World War II, while*
10 *servng as a member of the Navy.*

11 **SEC. 532. KOREA DEFENSE SERVICE MEDAL.**

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

13 *(1) More than 40,000 members of the United*
14 *States Armed Forces have served on the Korean Pe-*
15 *ninsula each year since the signing of the cease-fire*
16 *agreement in July 1953 ending the Korean War.*

17 *(2) An estimated 1,200 members of the United*
18 *States Armed Forces died as a direct result of their*
19 *service in Korea since the cease-fire agreement in*
20 *July 1953.*

21 *(b) ARMY.—(1) Chapter 357 of title 10, United States*
22 *Code, is amended by adding at the end the following new*
23 *section:*

1 **“§ 3755. Korea Defense Service Medal**

2 “(a) *The Secretary of the Army shall issue a campaign*
3 *medal, to be known as the Korea Defense Service Medal,*
4 *to each person who while a member of the Army served in*
5 *the Republic of Korea or the waters adjacent thereto during*
6 *the KDSM eligibility period and met the service require-*
7 *ments for the award of that medal prescribed under sub-*
8 *section (c).*

9 “(b) *In this section, the term ‘KDSM eligibility period’*
10 *means the period beginning on July 28, 1954, and ending*
11 *on such date after the date of the enactment of this section*
12 *as may be determined by the Secretary of Defense to be ap-*
13 *propriate for terminating eligibility for the Korea Defense*
14 *Service Medal.*

15 “(c) *The Secretary of the Army shall prescribe service*
16 *requirements for eligibility for the Korea Defense Service*
17 *Medal. Those requirements shall not be more stringent than*
18 *the service requirements for award of the Armed Forces Ex-*
19 *peditionary Medal for instances in which the award of that*
20 *medal is authorized.”.*

21 (2) *The table of sections at the beginning of such chap-*
22 *ter is amended by adding at the end the following new item:*

 “3755. *Korea Defense Service Medal.*”.

23 (c) *NAVY AND MARINE CORPS.—(1) Chapter 567 of*
24 *title 10, United States Code, is amended by adding at the*
25 *end the following new section:*

1 **“§ 6257. Korea Defense Service Medal**

2 “(a) *The Secretary of the Navy shall issue a campaign*
3 *medal, to be known as the Korea Defense Service Medal,*
4 *to each person who while a member of the Navy or Marine*
5 *Corps served in the Republic of Korea or the waters adja-*
6 *cent thereto during the KDSM eligibility period and met*
7 *the service requirements for the award of that medal pre-*
8 *scribed under subsection (c).*

9 “(b) *In this section, the term ‘KDSM eligibility period’*
10 *means the period beginning on July 28, 1954, and ending*
11 *on such date after the date of the enactment of this section*
12 *as may be determined by the Secretary of Defense to be ap-*
13 *propriate for terminating eligibility for the Korea Defense*
14 *Service Medal.*

15 “(c) *The Secretary of the Navy shall prescribe service*
16 *requirements for eligibility for the Korea Defense Service*
17 *Medal. Those requirements shall not be more stringent than*
18 *the service requirements for award of the Armed Forces Ex-*
19 *peditionary Medal for instances in which the award of that*
20 *medal is authorized.”.*

21 (2) *The table of sections at the beginning of such chap-*
22 *ter is amended by adding at the end the following new item:*

 “6257. *Korea Defense Service Medal.*”.

23 (d) *AIR FORCE.—(1) Chapter 857 of title 10, United*
24 *States Code, is amended by adding at the end the following*
25 *new section:*

1 **“§ 8755. Korea Defense Service Medal**

2 “(a) *The Secretary of the Air Force shall issue a cam-*
3 *paign medal, to be known as the Korea Defense Service*
4 *Medal, to each person who while a member of the Air Force*
5 *served in the Republic of Korea or the waters adjacent there-*
6 *to during the KDSM eligibility period and met the service*
7 *requirements for the award of that medal prescribed under*
8 *subsection (c).*

9 “(b) *In this section, the term ‘KDSM eligibility period’*
10 *means the period beginning on July 28, 1954, and ending*
11 *on such date after the date of the enactment of this section*
12 *as may be determined by the Secretary of Defense to be ap-*
13 *propriate for terminating eligibility for the Korea Defense*
14 *Service Medal.*

15 “(c) *The Secretary of the Air Force shall prescribe serv-*
16 *ice requirements for eligibility for the Korea Defense Service*
17 *Medal. Those requirements shall not be more stringent than*
18 *the service requirements for award of the Armed Forces Ex-*
19 *peditionary Medal for instances in which the award of that*
20 *medal is authorized.”.*

21 (2) *The table of sections at the beginning of such chap-*
22 *ter is amended by adding at the end the following new item:*

 “8755. *Korea Defense Service Medal.*”.

23 (e) *AWARD FOR SERVICE BEFORE DATE OF ENACT-*
24 *MENT.—The Secretary of the military department con-*
25 *cerned shall take appropriate steps to provide in a timely*

1 *manner for the issuance of the Korea Defense Service Medal,*
 2 *upon application therefor, to persons whose eligibility for*
 3 *that medal is by reason of service in the Republic of Korea*
 4 *or the waters adjacent thereto before the date of the enact-*
 5 *ment of this Act.*

6 ***Subtitle E—National Call to***
 7 ***Service***

8 ***SEC. 541. ENLISTMENT INCENTIVES FOR PURSUIT OF***
 9 ***SKILLS TO FACILITATE NATIONAL SERVICE.***

10 (a) *AUTHORITY.*—(1) *Chapter 5 of title 37, United*
 11 *States Code, is amended by adding at the end the following*
 12 *new section:*

13 ***“§ 326. Enlistment incentives for pursuit of skills to***
 14 ***facilitate national service***

15 “(a) *INCENTIVES AUTHORIZED.*—*The Secretary of De-*
 16 *fense may carry out a program in accordance with the pro-*
 17 *visions of this section under which program a National Call*
 18 *to Service participant described in subsection (b) shall be*
 19 *entitled to an incentive specified in subsection (d).*

20 “(b) *NATIONAL CALL TO SERVICE PARTICIPANT.*—*In*
 21 *this section, the term ‘National Call to Service participant’*
 22 *means a person who first enlists in the armed forces pursu-*
 23 *ant to a written agreement (prescribed by the Secretary of*
 24 *the military department concerned) under which agreement*
 25 *the person shall—*

1 “(1) upon completion of initial entry training
2 (as prescribed by the Secretary of Defense), serve on
3 active duty in the armed forces in a military occupa-
4 tional specialty designated by the Secretary of Defense
5 under subsection (c) for a period of 15 months; and

6 “(2) upon completion of such service on active
7 duty, and without a break in service, serve the min-
8 imum period of obligated service specified in the
9 agreement under this section—

10 “(A) on active duty in the armed forces;

11 “(B) in the Selected Reserve;

12 “(C) in the Individual Ready Reserve;

13 “(D) in the Peace Corps, Americorps, or an-
14 other national service program jointly designated
15 by the Secretary of Defense and the head of such
16 program for purposes of this section; or

17 “(E) in any combination of service referred
18 to in subparagraphs (A) through (D) that is ap-
19 proved by the Secretary of the military depart-
20 ment concerned pursuant to regulations pre-
21 scribed by the Secretary of Defense.

22 “(c) *DESIGNATED MILITARY OCCUPATIONAL SPECIAL-*
23 *TIES.*—*The Secretary of Defense shall designate military*
24 *occupational specialties for purposes of subsection (b)(1).*
25 *Such military occupational specialties shall be military oc-*

1 *cupational specialties that will facilitate, as determined by*
2 *the Secretary, pursuit of national service by National Call*
3 *to Service participants during and after their completion*
4 *of duty or service under an agreement under subsection (b).*

5 “(d) *INCENTIVES.—The incentives specified in this*
6 *subsection are as follows:*

7 “(1) *Payment of a bonus in the amount of*
8 *\$5,000.*

9 “(2) *Payment of outstanding principal and in-*
10 *terest on qualifying student loans of the National Call*
11 *to Service participant in an amount not to exceed*
12 *\$18,000.*

13 “(3) *Entitlement to an allowance for educational*
14 *assistance at the monthly rate equal to the monthly*
15 *rate payable for basic educational assistance allow-*
16 *ances under section 3015(a)(1) of title 38 for a total*
17 *of 12 months.*

18 “(4) *Entitlement to an allowance for educational*
19 *assistance at the monthly rate equal to $\frac{2}{3}$ of the*
20 *monthly rate payable for basic educational assistance*
21 *allowances under section 3015(b)(1) of title 38 for a*
22 *total of 36 months.*

23 “(e) *ELECTION OF INCENTIVES.—A National Call to*
24 *Service participant shall elect in the agreement under sub-*

1 *section (b) which incentive under subsection (d) to receive.*

2 *An election under this subsection is irrevocable.*

3 “(f) *PAYMENT OF BONUS AMOUNTS.—(1) Payment to*
4 *a National Call to Service participant of the bonus elected*
5 *by the National Call to Service participant under sub-*
6 *section (d)(1) shall be made in such time and manner as*
7 *the Secretary of Defense shall prescribe.*

8 “(2)(A) *Payment of outstanding principal and interest*
9 *on the qualifying student loans of a National Call to Service*
10 *participant, as elected under subsection (d)(2), shall be*
11 *made in such time and manner as the Secretary of Defense*
12 *shall prescribe.*

13 “(B) *Payment under this paragraph of the out-*
14 *standing principal and interest on the qualifying student*
15 *loans of a National Call to Service participant shall be*
16 *made to the holder of such student loans, as identified by*
17 *the National Call to Service participant to the Secretary*
18 *of the military department concerned for purposes of such*
19 *payment.*

20 “(3) *Payment of a bonus or incentive in accordance*
21 *with this subsection shall be made by the Secretary of the*
22 *military department concerned.*

23 “(g) *COORDINATION WITH MONTGOMERY GI BILL*
24 *BENEFITS.—(1) A National Call to Service participant*
25 *who elects an incentive under paragraph (3) or (4) of sub-*

1 *section (d) is not entitled to educational assistance under*
2 *chapter 1606 of title 10 or basic educational assistance*
3 *under subchapter II of chapter 30 of title 38.*

4 “(2)(A) *The Secretary of Defense shall, to the max-*
5 *imum extent practicable, administer the receipt by Na-*
6 *tional Call to Service participants of incentives under*
7 *paragraph (3) or (4) of subsection (d) as if such National*
8 *Call to Service participants were, in receiving such incen-*
9 *tives, receiving educational assistance for members of the*
10 *Selected Reserve under chapter 1606 of title 10.*

11 “(B) *The Secretary of Defense shall, in consultation*
12 *with the Secretary of Veterans Affairs, prescribe regulations*
13 *for purposes of subparagraph (A). Such regulations shall,*
14 *to the maximum extent practicable, take into account the*
15 *administrative provisions of chapters 30 and 36 of title 38*
16 *that are specified in section 16136 of title 10.*

17 “(3) *Except as provided in paragraph (1), nothing in*
18 *this section shall prohibit a National Call to Service partic-*
19 *ipant who satisfies through service under subsection (b) the*
20 *eligibility requirements for educational assistance under*
21 *chapter 1606 of title 10 or basic educational assistance*
22 *under chapter 30 of title 38 from an entitlement to such*
23 *educational assistance under chapter 1606 of title 10 or*
24 *basic educational assistance under chapter 30 of title 38,*
25 *as the case may be.*

1 “(h) *REPAYMENT.*—(1) *If a National Call to Service*
2 *participant who has entered into an agreement under sub-*
3 *section (b) and received or benefited from an incentive*
4 *under subsection (d)(1) or (d)(2) fails to complete the total*
5 *period of service specified in such agreement, the National*
6 *Call to Service participant shall refund to the United States*
7 *the amount that bears the same ratio to the amount of the*
8 *incentive as the uncompleted part of such service bears to*
9 *the total period of such service.*

10 “(2) *Subject to paragraph (3), an obligation to reim-*
11 *burse the United States imposed under paragraph (1) is*
12 *for all purposes a debt owed to the United States.*

13 “(3) *The Secretary concerned may waive, in whole or*
14 *in part, a reimbursement required under paragraph (1) if*
15 *the Secretary concerned determines that recovery would be*
16 *against equity and good conscience or would be contrary*
17 *to the best interests of the United States.*

18 “(4) *A discharge in bankruptcy under title 11 that is*
19 *entered into less than 5 years after the termination of an*
20 *agreement entered into under subsection (b) does not dis-*
21 *charge the person signing the agreement from a debt arising*
22 *under the agreement or under paragraph (1).*

23 “(i) *FUNDING.*—*Amounts for payment of incentives*
24 *under subsection (d), including payment of allowances for*
25 *educational assistance under that subsection, shall be de-*

1 rived from amounts available to the Secretary of the mili-
2 tary department concerned for payment of pay, allowances,
3 and other expenses of the members of the armed force con-
4 cerned.

5 “(j) *REGULATIONS.*—The Secretary of Defense and the
6 Secretaries of the military departments shall prescribe regu-
7 lations for purposes of the program under this section.

8 “(k) *DEFINITIONS.*—In this section:

9 “(1) The term ‘Americorps’ means the
10 Americorps program carried out under subtitle C of
11 title I of the National and Community Service Act of
12 1990 (42 U.S.C. 12571 et seq.).

13 “(2) The term ‘qualifying student loan’ means a
14 loan, the proceeds of which were used to pay the cost
15 of attendance (as defined in section 472 of the Higher
16 Education Act of 1965 (20 U.S.C. 1087ll) at an insti-
17 tution of higher education (as defined in section 101
18 of the Higher Education Act of 1965 (20 U.S.C.
19 1001).

20 “(3) The term ‘Secretary of a military depart-
21 ment’ includes the Secretary of Transportation, with
22 respect to matters concerning the Coast Guard when
23 it is not operating as a service in the Navy.”.

1 (2) *The table of sections at the beginning of that chap-*
 2 *ter is amended by inserting after the item relating to section*
 3 *325 the following new item:*

“326. Enlistment incentives for pursuit of skills to facilitate national service.”.

4 (b) *EFFECTIVE DATE.*—*The amendments made by sub-*
 5 *section (a) shall take effect on October 1, 2002. No indi-*
 6 *vidual entering into an enlistment before that date may*
 7 *participate in the program under section 326 of title 37,*
 8 *United States Code, as added by that subsection.*

9 **SEC. 542. MILITARY RECRUITER ACCESS TO INSTITUTIONS**
 10 **OF HIGHER EDUCATION.**

11 (a) *ACCESS TO INSTITUTIONS OF HIGHER EDU-*
 12 *CATION.*—*Section 503 of title 10, United States Code, is*
 13 *amended—*

14 (1) *by redesignating subsection (d) as subsection*
 15 *(e); and*

16 (2) *by inserting after subsection (c) the following*
 17 *new subsection (d):*

18 “(d) *ACCESS TO INSTITUTIONS OF HIGHER EDU-*
 19 *CATION.*—(1) *Each institution of higher education receiving*
 20 *assistance under the Higher Education Act of 1965 (20*
 21 *U.S.C. 1001 et seq.)—*

22 “(A) *shall provide to military recruiters the*
 23 *same access to students at the institution as is pro-*
 24 *vided generally to prospective employers of those stu-*
 25 *dents; and*

1 “(B) shall, upon a request made by military re-
2 cruiters for military recruiting purposes, provide ac-
3 cess to the names, addresses, and telephone listings of
4 students at the institution, notwithstanding section
5 444(a)(5)(B) of the General Education Provisions Act
6 (20 U.S.C. 1232g(a)(5)(B)).

7 “(2) An institution of higher education may not re-
8 lease a student’s name, address, and telephone listing under
9 paragraph (1)(B) without the prior written consent of the
10 student or the parent of the student (in the case of a student
11 under the age of 18) if the student, or a parent of the stu-
12 dent, as appropriate, has submitted a request to the institu-
13 tion of higher education that the student’s information not
14 be released for a purpose covered by that subparagraph
15 without prior written consent. Each institution of higher
16 education shall notify students and parents of the rights
17 provided under the preceding sentence.

18 “(3) In this subsection, the term ‘institution of higher
19 education’ has the meaning given the term in section 101
20 of the Higher Education Act of 1965 (20 U.S.C. 1001).”.

21 (b) NOTIFICATION.—The Secretary of Education shall
22 provide to institutions of higher education notice of the pro-
23 visions of subsection (d) of section 503 of title 10, United
24 States Code, as amended by subsection (a) of this section.
25 Such notice shall be provided not later than 120 days after

1 *the date of the enactment of this Act, and shall be provided*
2 *in consultation with the Secretary of Defense.*

3 ***Subtitle F—Other Matters***

4 ***SEC. 551. BIENNIAL SURVEYS ON RACIAL, ETHNIC, AND***
5 ***GENDER ISSUES.***

6 *(a) DIVISION OF ANNUAL SURVEY INTO TWO BIENNIAL*
7 *SURVEYS.—Section 481 of title 10, United States Code, is*
8 *amended to read as follows:*

9 ***“§481. Racial, ethnic, and gender issues: biennial***
10 ***surveys***

11 *“(a) IN GENERAL.—The Secretary of Defense shall*
12 *carry out two separate biennial surveys in accordance with*
13 *this section to identify and assess racial, ethnic, and gender*
14 *issues and discrimination among members of the armed*
15 *forces serving on active duty and the extent (if any) of ac-*
16 *tivity among such members that may be seen as so-called*
17 *‘hate group’ activity.*

18 *“(b) BIENNIAL SURVEY ON RACIAL AND ETHNIC*
19 *ISSUES.—One of the surveys conducted every two years*
20 *under this section shall solicit information on racial and*
21 *ethnic issues and the climate in the armed forces for form-*
22 *ing professional relationships among members of the armed*
23 *forces of the various racial and ethnic groups. The informa-*
24 *tion solicited shall include the following:*

1 “(1) Indicators of positive and negative trends
2 for professional and personal relationships among
3 members of all racial and ethnic groups.

4 “(2) The effectiveness of Department of Defense
5 policies designed to improve relationships among all
6 racial and ethnic groups.

7 “(3) The effectiveness of current processes for
8 complaints on and investigations into racial and eth-
9 nic discrimination.

10 “(c) BIENNIAL SURVEY ON GENDER ISSUES.—One of
11 the surveys conducted every two years under this section
12 shall solicit information on gender issues, including issues
13 relating to gender-based harassment and discrimination,
14 and the climate in the armed forces for forming professional
15 relationships between male and female members of the
16 armed forces. The information solicited shall include the fol-
17 lowing:

18 “(1) Indicators of positive and negative trends
19 for professional and personal relationships between
20 male and female members of the armed forces.

21 “(2) The effectiveness of Department of Defense
22 policies designed to improve professional relationships
23 between male and female members of the armed forces.

1 “(3) *The effectiveness of current processes for*
2 *complaints on and investigations into gender-based*
3 *discrimination.*

4 “(d) *SURVEYS TO ALTERNATE EVERY YEAR.—The bi-*
5 *ennial survey under subsection (b) shall be conducted in*
6 *odd-numbered years. The biennial survey under subsection*
7 *(c) shall be conducted in even-numbered years.*

8 “(e) *IMPLEMENTING ENTITY.—The Secretary shall*
9 *carry out the biennial surveys through entities in the De-*
10 *partment of Defense as follows:*

11 “(1) *The biennial review under subsection (b),*
12 *through the Armed Forces Survey on Racial and Eth-*
13 *nic Issues.*

14 “(2) *The biennial review under subsection (c),*
15 *through the Armed Forces Survey on Gender Issues.*

16 “(f) *REPORTS TO CONGRESS.—Upon the completion of*
17 *a biennial survey under this section, the Secretary shall*
18 *submit to Congress a report containing the results of the*
19 *survey.*

20 “(g) *INAPPLICABILITY TO COAST GUARD.—The re-*
21 *quirements for surveys under this section do not apply to*
22 *the Coast Guard.”.*

23 “(b) *CLERICAL AMENDMENT.—The item relating to*
24 *such section in the table of sections at the beginning of chap-*
25 *ter 23 of such title is amended to read as follows:*

“481. *Racial, ethnic, and gender issues: biennial surveys.*”.

1 **SEC. 552. LEAVE REQUIRED TO BE TAKEN PENDING REVIEW**
2 **OF A RECOMMENDATION FOR REMOVAL BY A**
3 **BOARD OF INQUIRY.**

4 (a) *REQUIREMENT.*—Section 1182(c) of title 10,
5 *United States Code, is amended—*

6 (1) *by inserting “(1)” after “(c)”;* and

7 (2) *by adding at the end the following new para-*
8 *graph:*

9 “(2) *Under regulations prescribed by the Secretary*
10 *concerned, an officer referred to in paragraph (1) may be*
11 *required to take leave pending the completion of the action*
12 *under this chapter in the case of that officer. The officer*
13 *may be required to begin such leave at any time following*
14 *the officer’s receipt of the report of the board of inquiry,*
15 *including the board’s recommendation for removal from ac-*
16 *tive duty, and the expiration of any period allowed for sub-*
17 *mission by the officer of a rebuttal to that report. The leave*
18 *may be continued until the date on which action by the*
19 *Secretary concerned under this chapter is completed in the*
20 *case of the officer or may be terminated at any earlier*
21 *time.”.*

22 (b) *PAYMENT FOR MANDATORY EXCESS LEAVE UPON*
23 *DISAPPROVAL OF CERTAIN INVOLUNTARY SEPARATION*
24 *RECOMMENDATIONS.*—Chapter 40 of such title is amended
25 *by inserting after section 707 the following new section:*

1 **“§ 707a. Payment upon disapproval of certain board**
2 **of inquiry recommendations for excess**
3 **leave required to be taken**

4 “(a) An officer—

5 “(1) who is required to take leave under section
6 1182(c)(2) of this title, any period of which is charged
7 as excess leave under section 706(a) of this title, and

8 “(2) whose recommendation for removal from ac-
9 tive duty in a report of a board of inquiry is not ap-
10 proved by the Secretary concerned under section 1184
11 of this title,

12 shall be paid, as provided in subsection (b), for the period
13 of leave charged as excess leave.

14 “(b)(1) An officer entitled to be paid under this section
15 shall be deemed, for purposes of this section, to have accrued
16 pay and allowances for each day of leave required to be
17 taken under section 1182(c)(2) of this title that is charged
18 as excess leave (except any day of accrued leave for which
19 the officer has been paid under section 706(b)(1) of this title
20 and which has been charged as excess leave).

21 “(2) The officer shall be paid the amount of pay and
22 allowances that is deemed to have accrued to the officer
23 under paragraph (1), reduced by the total amount of his
24 income from wages, salaries, tips, other personal service in-
25 come, unemployment compensation, and public assistance
26 benefits from any Government agency during the period the

1 officer is deemed to have accrued pay and allowances. Ex-
2 cept as provided in paragraph (3), such payment shall be
3 made within 60 days after the date on which the Secretary
4 concerned decides not to remove the officer from active duty.

5 “(3) If an officer is entitled to be paid under this sec-
6 tion, but fails to provide sufficient information in a timely
7 manner regarding the officer’s income when such informa-
8 tion is requested under regulations prescribed under sub-
9 section (c), the period of time prescribed in paragraph (2)
10 shall be extended until 30 days after the date on which the
11 member provides the information requested.

12 “(c) This section shall be administered under uniform
13 regulations prescribed by the Secretaries concerned. The reg-
14 ulations may provide for the method of determining an offi-
15 cer’s income during any period the officer is deemed to have
16 accrued pay and allowances, including a requirement that
17 the officer provide income tax returns and other documenta-
18 tion to verify the amount of the officer’s income.”.

19 (c) CONFORMING AMENDMENTS.—(1) Section 706 of
20 such title is amended by inserting “or 1182(c)(2)” after
21 “section 876a” in subsections (a), (b), and (c).

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

1 **“§ 706. Administration of required leave”.**

2 (d) *CLERICAL AMENDMENTS.—The table of sections at*
 3 *the beginning of chapter 40 of title 10, United States Code,*
 4 *is amended—*

5 (1) *by striking the item relating to section 706*
 6 *and inserting the following:*

“706. Administration of required leave.”;

7 *and*

8 (2) *by inserting after the item relating to section*
 9 *707 the following new item:*

“707a. Payment upon disapproval of certain board of inquiry recommendations
 for excess leave required to be taken.”.

10 **SEC. 553. STIPEND FOR PARTICIPATION IN FUNERAL HON-**
 11 **ORS DETAILS.**

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

14 (1) *by striking paragraph (1) and inserting the*
 15 *following:*

16 “(A) *For a participant in the funeral honors de-*
 17 *tail who is a member or former member of the armed*
 18 *forces in a retired status or is not a member of the*
 19 *armed forces (other than a former member in a re-*
 20 *tired status) and not an employee of the United*
 21 *States, either—*

22 “(i) *transportation; or*

1 “(ii) a daily stipend prescribed annually by
2 the Secretary of Defense at a single rate that is
3 designed to defray the costs for transportation
4 and other expenses incurred by the participant
5 in connection with participation in the funeral
6 honors detail.”;

7 (2) by inserting “(1)” after “(d) SUPPORT.—”;

8 (3) by redesignating paragraph (2) as subpara-
9 graph (B);

10 (4) in subparagraph (B), as so redesignated, by
11 inserting “members of the armed forces in a retired
12 status and” after “training for”; and

13 (5) by adding at the end the following:

14 “(2) A stipend paid under paragraph (1)(A) to a
15 member or former member of the armed forces in a retired
16 status shall be in addition to any other compensation to
17 which the retired member may be entitled.”.

18 **SEC. 554. WEAR OF ABAYAS BY FEMALE MEMBERS OF THE**

19 **ARMED FORCES IN SAUDI ARABIA.**

20 (a) *PROHIBITIONS RELATING TO WEAR OF ABAYAS.—*

21 *No member of the Armed Forces having authority over a*
22 *member of the Armed Forces and no officer or employee of*
23 *the United States having authority over a member of the*
24 *Armed Forces may—*

1 (1) *require or encourage that member to wear the*
2 *abaya garment or any part of the abaya garment*
3 *while the member is in the Kingdom of Saudi Arabia*
4 *pursuant to a permanent change of station or orders*
5 *for temporary duty; or*

6 (2) *take any adverse action, whether formal or*
7 *informal, against the member for choosing not to*
8 *wear the abaya garment or any part of the abaya*
9 *garment while the member is in the Kingdom of*
10 *Saudi Arabia pursuant to a permanent change of sta-*
11 *tion or orders for temporary duty.*

12 (b) *INSTRUCTION.—(1) The Secretary of Defense shall*
13 *provide each female member of the Armed Forces ordered*
14 *to a permanent change of station or temporary duty in the*
15 *Kingdom of Saudi Arabia with instructions regarding the*
16 *prohibitions in subsection (a) immediately upon the arrival*
17 *of the member at a United States military installation*
18 *within the Kingdom of Saudi Arabia. The instructions shall*
19 *be presented orally and in writing. The written instruction*
20 *shall include the full text of this section.*

21 (2) *In carrying out paragraph (1), the Secretary shall*
22 *act through the Commander in Chief, United States Central*
23 *Command and Joint Task Force Southwest Asia, and the*
24 *commanders of the Army, Navy, Air Force, and Marine*

1 *Corps components of the United States Central Command*
2 *and Joint Task Force Southwest Asia.*

3 (c) *PROHIBITION ON USE OF FUNDS FOR PROCURE-*
4 *MENT OF ABAYAS.—Funds appropriated or otherwise made*
5 *available to the Department of Defense may not be used*
6 *to procure abayas for regular or routine issuance to mem-*
7 *bers of the Armed Forces serving in the Kingdom of Saudi*
8 *Arabia or for any personnel of contractors accompanying*
9 *the Armed Forces in the Kingdom of Saudi Arabia in the*
10 *performance of contracts entered into with such contractors*
11 *by the United States.*

12 **TITLE VI—COMPENSATION AND**
13 **OTHER PERSONNEL BENEFITS**
14 **Subtitle A—Pay and Allowances**

15 **SEC. 601. INCREASE IN BASIC PAY FOR FISCAL YEAR 2003.**

16 (a) *WAIVER OF SECTION 1009 ADJUSTMENT.—The ad-*
17 *justment to become effective during fiscal year 2003 re-*
18 *quired by section 1009 of title 37, United States Code, in*
19 *the rates of monthly basic pay authorized members of the*
20 *uniformed services shall not be made.*

21 (b) *INCREASE IN BASIC PAY.—Effective on January*
22 *1, 2003, the rates of monthly basic pay for members of the*
23 *uniformed services within each pay grade are as follows:*

COMMISSIONED OFFICERS¹

Years of service computed under section 205 of title 37, United States Code

Pay Grade	2 or less	Over 2	Over 3	Over 4	Over 6
O-10 ²	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
O-9	0.00	0.00	0.00	0.00	0.00
O-8	7,474.50	7,719.30	7,881.60	7,927.20	8,129.40
O-7	6,210.90	6,499.20	6,633.00	6,739.20	6,930.90
O-6	4,603.20	5,057.10	5,388.90	5,388.90	5,409.60
O-5	3,837.60	4,323.00	4,622.40	4,678.50	4,864.80
O-4	3,311.10	3,832.80	4,088.70	4,145.70	4,383.00
O-3 ³	2,911.20	3,300.30	3,562.20	3,883.50	4,069.50
O-2 ³	2,515.20	2,864.70	3,299.40	3,410.70	3,481.20
O-1 ³	2,183.70	2,272.50	2,746.80	2,746.80	2,746.80
	Over 8	Over 10	Over 12	Over 14	Over 16
O-10 ²	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
O-9	0.00	0.00	0.00	0.00	0.00
O-8	8,468.70	8,547.30	8,868.90	8,961.30	9,238.20
O-7	7,120.80	7,340.40	7,559.40	7,779.00	8,468.70
O-6	5,641.20	5,672.10	5,672.10	5,994.60	6,564.30
O-5	4,977.00	5,222.70	5,403.00	5,635.50	5,991.90
O-4	4,637.70	4,954.50	5,201.40	5,372.70	5,471.10
O-3 ³	4,273.50	4,405.80	4,623.30	4,736.10	4,736.10
O-2 ³	3,481.20	3,481.20	3,481.20	3,481.20	3,481.20
O-1 ³	2,746.80	2,746.80	2,746.80	2,746.80	2,746.80
	Over 18	Over 20	Over 22	Over 24	Over 26
O-10 ²	\$0.00	\$12,077.70	\$12,137.10	\$12,389.40	\$12,829.20
O-9	0.00	10,563.60	10,715.70	10,935.60	11,319.60
O-8	9,639.00	10,008.90	10,255.80	10,255.80	10,255.80
O-7	9,051.30	9,051.30	9,051.30	9,051.30	9,096.90
O-6	6,898.80	7,233.30	7,423.50	7,616.10	7,989.90
O-5	6,161.70	6,329.10	6,519.60	6,519.60	6,519.60
O-4	5,528.40	5,528.40	5,528.40	5,528.40	5,528.40
O-3 ³	4,736.10	4,736.10	4,736.10	4,736.10	4,736.10
O-2 ³	3,481.20	3,481.20	3,481.20	3,481.20	3,481.20
O-1 ³	2,746.80	2,746.80	2,746.80	2,746.80	2,746.80

¹Notwithstanding the basic pay rates specified in this table, the actual rate of basic pay for commissioned officers in pay grades O-7 through O-10 may not exceed the rate of pay for level III of the Executive Schedule and the actual rate of basic pay for all other officers may not exceed the rate of pay for level V of the Executive Schedule.

²Subject to the preceding footnote, while serving as Chairman or Vice Chairman of the Joint Chiefs of Staff, Chief of Staff of the Army, Chief of Naval Operations, Chief of Staff of the Air Force, Commandant of the Marine Corps, or Commandant of the Coast Guard, the rate of basic pay for this grade is \$14,155.50, regardless of cumulative years of service computed under section 205 of title 37, United States Code.

³This table does not apply to commissioned officers in pay grade O-1, O-2, or O-3 who have been credited with over 4 years of active duty service as an enlisted member or warrant officer.

**COMMISSIONED OFFICERS WITH OVER 4 YEARS OF ACTIVE
DUTY SERVICE AS AN ENLISTED MEMBER OR WARRANT OF-
FICER**

Years of service computed under section 205 of title 37, United States Code

<i>Pay Grade</i>	<i>2 or less</i>	<i>Over 2</i>	<i>Over 3</i>	<i>Over 4</i>	<i>Over 6</i>
<i>O-3E</i>	\$0.00	\$0.00	\$0.00	\$3,883.50	\$4,069.50
<i>O-2E</i>	0.00	0.00	0.00	3,410.70	3,481.20
<i>O-1E</i>	0.00	0.00	0.00	2,746.80	2,933.70
	<i>Over 8</i>	<i>Over 10</i>	<i>Over 12</i>	<i>Over 14</i>	<i>Over 16</i>
<i>O-3E</i>	\$4,273.50	\$4,405.80	\$4,623.30	\$4,806.30	\$4,911.00
<i>O-2E</i>	3,591.90	3,778.80	3,923.40	4,031.10	4,031.10
<i>O-1E</i>	3,042.00	3,152.70	3,261.60	3,410.70	3,410.70
	<i>Over 18</i>	<i>Over 20</i>	<i>Over 22</i>	<i>Over 24</i>	<i>Over 26</i>
<i>O-3E</i>	\$5,054.40	\$5,054.40	\$5,054.40	\$5,054.40	\$5,054.40
<i>O-2E</i>	4,031.10	4,031.10	4,031.10	4,031.10	4,031.10
<i>O-1E</i>	3,410.70	3,410.70	3,410.70	3,410.70	3,410.70

WARRANT OFFICERS¹

Years of service computed under section 205 of title 37, United States Code

<i>Pay Grade</i>	<i>2 or less</i>	<i>Over 2</i>	<i>Over 3</i>	<i>Over 4</i>	<i>Over 6</i>
<i>W-5 ...</i>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<i>W-4 ...</i>	3,008.10	3,236.10	3,329.10	3,420.60	3,578.10
<i>W-3 ...</i>	2,747.10	2,862.00	2,979.30	3,017.70	3,141.00
<i>W-2 ...</i>	2,416.50	2,554.50	2,675.10	2,763.00	2,838.30
<i>W-1 ...</i>	2,133.90	2,308.50	2,425.50	2,501.10	2,662.50
	<i>Over 8</i>	<i>Over 10</i>	<i>Over 12</i>	<i>Over 14</i>	<i>Over 16</i>
<i>W-5 ...</i>	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
<i>W-4 ...</i>	3,733.50	3,891.00	4,044.60	4,203.60	4,356.00
<i>W-3 ...</i>	3,281.70	3,467.40	3,580.50	3,771.90	3,915.60
<i>W-2 ...</i>	2,993.10	3,148.50	3,264.00	3,376.50	3,453.90
<i>W-1 ...</i>	2,782.20	2,888.40	3,006.90	3,085.20	3,203.40
	<i>Over 18</i>	<i>Over 20</i>	<i>Over 22</i>	<i>Over 24</i>	<i>Over 26</i>
<i>W-5 ...</i>	\$0.00	\$5,169.30	\$5,346.60	\$5,524.50	\$5,703.30
<i>W-4 ...</i>	4,512.00	4,664.40	4,822.50	4,978.20	5,137.50
<i>W-3 ...</i>	4,058.40	4,201.50	4,266.30	4,407.00	4,548.00
<i>W-2 ...</i>	3,579.90	3,705.90	3,831.00	3,957.30	3,957.30
<i>W-1 ...</i>	3,320.70	3,409.50	3,409.50	3,409.50	3,409.50

¹ Notwithstanding the basic pay rates specified in this table, the actual rate of basic pay for warrant officers may not exceed the rate of pay for level V of the Executive Schedule.

ENLISTED MEMBERS¹

Years of service computed under section 205 of title 37, United States Code

Pay Grade	2 or less	Over 2	Over 3	Over 4	Over 6
E-9 ²	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
E-8	0.00	0.00	0.00	0.00	0.00
E-7	2,068.50	2,257.80	2,343.90	2,428.20	2,516.40
E-6	1,770.60	1,947.60	2,033.70	2,117.10	2,204.10
E-5	1,625.40	1,733.70	1,817.40	1,903.50	2,037.00
E-4	1,502.70	1,579.80	1,665.30	1,749.30	1,824.00
E-3	1,356.90	1,442.10	1,528.80	1,528.80	1,528.80
E-2	1,290.00	1,290.00	1,290.00	1,290.00	1,290.00
E-1 ³	1,150.80	1,150.80	1,150.80	1,150.80	1,150.80
	Over 8	Over 10	Over 12	Over 14	Over 16
E-9 ²	\$0.00	\$3,564.30	\$3,645.00	\$3,747.00	\$3,867.00
E-8	2,975.40	3,061.20	3,141.30	3,237.60	3,342.00
E-7	2,667.90	2,753.40	2,838.30	2,990.40	3,066.30
E-6	2,400.90	2,477.40	2,562.30	2,636.70	2,663.10
E-5	2,151.90	2,236.80	2,283.30	2,283.30	2,283.30
E-4	1,824.00	1,824.00	1,824.00	1,824.00	1,824.00
E-3	1,528.80	1,528.80	1,528.80	1,528.80	1,528.80
E-2	1,290.00	1,290.00	1,290.00	1,290.00	1,290.00
E-1 ³	1,150.80	1,150.80	1,150.80	1,150.80	1,150.80
	Over 18	Over 20	Over 22	Over 24	Over 26
E-9 ²	\$3,987.30	\$4,180.80	\$4,344.30	\$4,506.30	\$4,757.40
E-8	3,530.10	3,625.50	3,787.50	3,877.50	4,099.20
E-7	3,138.60	3,182.70	3,331.50	3,427.80	3,671.40
E-6	2,709.60	2,709.60	2,709.60	2,709.60	2,709.60
E-5	2,283.30	2,283.30	2,283.30	2,283.30	2,283.30
E-4	1,824.00	1,824.00	1,824.00	1,824.00	1,824.00
E-3	1,528.80	1,528.80	1,528.80	1,528.80	1,528.80
E-2	1,290.00	1,290.00	1,290.00	1,290.00	1,290.00
E-1 ³	1,150.80	1,150.80	1,150.80	1,150.80	1,150.80

¹Notwithstanding the basic pay rates specified in this table, the actual rate of basic pay for enlisted members may not exceed the rate of pay for level V of the Executive Schedule.

²Subject to the preceding footnote, while serving as Sergeant Major of the Army, Master Chief Petty Officer of the Navy, Chief Master Sergeant of the Air Force, Sergeant Major of the Marine Corps, or Master Chief Petty Officer of the Coast Guard, the rate of basic pay for this grade is \$5,732.70, regardless of cumulative years of service computed under section 205 of title 37, United States Code.

³In the case of members in pay grade E-1 who have served less than 4 months on active duty, the rate of basic pay is \$1,064.70.

1 **SEC. 602. RATE OF BASIC ALLOWANCE FOR SUBSISTENCE**
2 **FOR ENLISTED PERSONNEL OCCUPYING SIN-**
3 **GLE GOVERNMENT QUARTERS WITHOUT ADE-**
4 **QUATE AVAILABILITY OF MEALS.**

5 (a) *AUTHORITY TO PAY INCREASED RATE.*—Section
6 402(d) of title 37, United States Code, is amended to read
7 as follows:

1 “(d) *SPECIAL RATE FOR ENLISTED MEMBERS OCCU-*
2 *PYING SINGLE QUARTERS WITHOUT ADEQUATE AVAIL-*
3 *ABILITY OF MEALS.*—*The Secretary of Defense, and the Sec-*
4 *retary of Transportation with respect to the Coast Guard*
5 *when it is not operating as a service in the Navy, may*
6 *pay an enlisted member the basic allowance for subsistence*
7 *under this section at a monthly rate that is twice the*
8 *amount in effect under subsection (b)(2) while—*

9 “(1) *the member is assigned to single Govern-*
10 *ment quarters which have no adequate food storage or*
11 *preparation facility in the quarters; and*

12 “(2) *there is no Government messing facility*
13 *serving those quarters that is capable of making meals*
14 *available to the occupants of the quarters.”.*

15 (b) *EFFECTIVE DATE.*—*Subsection (a) and the amend-*
16 *ment made by such subsection shall take effect on October*
17 *1, 2002.*

18 **SEC. 603. BASIC ALLOWANCE FOR HOUSING IN CASES OF**
19 **LOW-COST OR NO-COST MOVES.**

20 *Section 403 of title 37, United States Code, is*
21 *amended—*

22 (1) *by transferring paragraph (7) of subsection*
23 *(b) to the end of the section; and*

24 (2) *in such paragraph—*

1 (A) by striking “(7)” and all that follows
 2 through “circumstances of which make it nec-
 3 essary that the member be” and inserting “(o)
 4 *TREATMENT OF LOW-COST AND NO-COST MOVES*
 5 *AS NOT BEING REASSIGNMENTS.*—In the case of
 6 a member who is assigned to duty at a location
 7 or under circumstances that make it necessary
 8 for the member to be”; and

9 (B) by inserting “for the purposes of this
 10 section” after “may be treated”.

11 **SEC. 604. TEMPORARY AUTHORITY FOR HIGHER RATES OF**
 12 **PARTIAL BASIC ALLOWANCE FOR HOUSING**
 13 **FOR CERTAIN MEMBERS ASSIGNED TO HOUS-**
 14 **ING UNDER ALTERNATIVE AUTHORITY FOR**
 15 **ACQUISITION AND IMPROVEMENT OF MILI-**
 16 **TARY HOUSING.**

17 (a) *AUTHORITY.*—The Secretary of Defense may pre-
 18 scribe and, under section 403(n) of title 37, United States
 19 Code, pay for members of the Armed Forces (without de-
 20 pendants) in privatized housing higher rates of partial basic
 21 allowance for housing than those that are authorized under
 22 paragraph (2) of such section 403(n).

23 (b) *MEMBERS IN PRIVATIZED HOUSING.*—For the pur-
 24 poses of this section, a member of the Armed Forces (without
 25 dependents) is a member of the Armed Forces (without de-

1 pendants) in privatized housing while the member is as-
2 signed to housing that is acquired or constructed under the
3 authority of subchapter IV of chapter 169 of title 10, United
4 States Code.

5 (c) *TREATMENT OF HOUSING AS GOVERNMENT QUAR-*
6 *TERS.*—For purposes of section 403 of title 37, United
7 States Code, a member of the Armed Forces (without de-
8 pendants) in privatized housing shall be treated as residing
9 in quarters of the United States or a housing facility under
10 the jurisdiction of the Secretary of a military department
11 while a higher rate of partial allowance for housing is paid
12 for the member under this section.

13 (d) *PAYMENT TO PRIVATE SOURCE.*—The partial basic
14 allowance for housing paid for a member at a higher rate
15 under this section may be paid directly to the private sector
16 source of the housing to whom the member is obligated to
17 pay rent or other charge for residing in such housing if
18 the private sector source credits the amount so paid against
19 the amount owed by the member for the rent or other charge.

20 (e) *TERMINATION OF AUTHORITY.*—Rates prescribed
21 under subsection (a) may not be paid under the authority
22 of this section in connection with contracts that are entered
23 into after December 31, 2007, for the construction or acqui-
24 sition of housing under the authority of subchapter IV of
25 chapter 169 of title 10, United States Code.

1 ***Subtitle B—Bonuses and Special***
2 ***and Incentive Pays***

3 ***SEC. 611. ONE-YEAR EXTENSION OF CERTAIN BONUS AND***
4 ***SPECIAL PAY AUTHORITIES FOR RESERVE***
5 ***FORCES.***

6 ***(a) SELECTED RESERVE REENLISTMENT BONUS.—***
7 *Section 308b(f) of title 37, United States Code, is amended*
8 *by striking “December 31, 2002” and inserting “December*
9 *31, 2003”.*

10 ***(b) SELECTED RESERVE ENLISTMENT BONUS.—Sec-***
11 *tion 308c(e) of such title is amended by striking “December*
12 *31, 2002” and inserting “December 31, 2003”.*

13 ***(c) SPECIAL PAY FOR ENLISTED MEMBERS ASSIGNED***
14 ***TO CERTAIN HIGH PRIORITY UNITS.—Section 308d(c) of***
15 *such title is amended by striking “December 31, 2002” and*
16 *inserting “December 31, 2003”.*

17 ***(d) SELECTED RESERVE AFFILIATION BONUS.—Sec-***
18 *tion 308e(e) of such title is amended by striking “December*
19 *31, 2002” and inserting “December 31, 2003”.*

20 ***(e) READY RESERVE ENLISTMENT AND REENLIST-***
21 ***MENT BONUS.—Section 308h(g) of such title is amended by***
22 *striking “December 31, 2002” and inserting “December 31,*
23 *2003”.*

1 (f) *PRIOR SERVICE ENLISTMENT BONUS.*—Section
2 308i(f) of such title is amended by striking “December 31,
3 2002” and inserting “December 31, 2003”.

4 **SEC. 612. ONE-YEAR EXTENSION OF CERTAIN BONUS AND**
5 **SPECIAL PAY AUTHORITIES FOR CERTAIN**
6 **HEALTH CARE PROFESSIONALS.**

7 (a) *NURSE OFFICER CANDIDATE ACCESSION PRO-*
8 *GRAM.*—Section 2130a(a)(1) of title 10, United States Code,
9 is amended by striking “December 31, 2002” and inserting
10 “December 31, 2003”.

11 (b) *REPAYMENT OF EDUCATION LOANS FOR CERTAIN*
12 *HEALTH PROFESSIONALS WHO SERVE IN THE SELECTED*
13 *RESERVE.*—Section 16302(d) of such title is amended by
14 striking “January 1, 2003” and inserting “January 1,
15 2004”.

16 (c) *ACCESSION BONUS FOR REGISTERED NURSES.*—
17 Section 302d(a)(1) of title 37, United States Code, is
18 amended by striking “December 31, 2002” and inserting
19 “December 31, 2003”.

20 (d) *INCENTIVE SPECIAL PAY FOR NURSE ANES-*
21 *THETISTS.*—Section 302e(a)(1) of such title is amended by
22 striking “December 31, 2002” and inserting “December 31,
23 2003”.

24 (e) *SPECIAL PAY FOR SELECTED RESERVE HEALTH*
25 *PROFESSIONALS IN CRITICALLY SHORT WARTIME SPECIAL-*

1 *TIES.*—Section 302g(f) of such title is amended by striking
2 “December 31, 2002” and inserting “December 31, 2003”.

3 (f) *ACCESSION BONUS FOR DENTAL OFFICERS.*—Sec-
4 tion 302h(a)(1) of such title is amended by striking “De-
5 cember 31, 2002” and inserting “December 31, 2003”.

6 **SEC. 613. ONE-YEAR EXTENSION OF SPECIAL PAY AND**
7 **BONUS AUTHORITIES FOR NUCLEAR OFFI-**
8 **CERS.**

9 (a) *SPECIAL PAY FOR NUCLEAR-QUALIFIED OFFICERS*
10 *EXTENDING PERIOD OF ACTIVE SERVICE.*—Section 312(e)
11 of title 37, United States Code, is amended by striking “De-
12 cember 31, 2002” and inserting “December 31, 2003”.

13 (b) *NUCLEAR CAREER ACCESSION BONUS.*—Section
14 312b(c) of such title is amended by striking “December 31,
15 2002” and inserting “December 31, 2003”.

16 (c) *NUCLEAR CAREER ANNUAL INCENTIVE BONUS.*—
17 Section 312c(d) of such title is amended by striking “De-
18 cember 31, 2002” and inserting “December 31, 2003”.

19 **SEC. 614. ONE-YEAR EXTENSION OF OTHER BONUS AND**
20 **SPECIAL PAY AUTHORITIES.**

21 (a) *AVIATION OFFICER RETENTION BONUS.*—Section
22 301b(a) of title 37, United States Code, is amended by strik-
23 ing “December 31, 2002” and inserting “December 31,
24 2003”.

1 (b) *REENLISTMENT BONUS FOR ACTIVE MEMBERS.*—
2 Section 308(g) of such title is amended by striking “Decem-
3 ber 31, 2002” and inserting “December 31, 2003”.

4 (c) *ENLISTMENT BONUS FOR ACTIVE MEMBERS.*—Sec-
5 tion 309(e) of such title is amended by striking “December
6 31, 2002” and inserting “December 31, 2003”.

7 (d) *RETENTION BONUS FOR MEMBERS WITH CRITICAL*
8 *MILITARY SKILLS.*—Section 323(i) of such title is amended
9 by striking “December 31, 2002” and inserting “December
10 31, 2003”.

11 (e) *ACCESSION BONUS FOR NEW OFFICERS IN CRIT-*
12 *ICAL SKILLS.*—Section 324(g) of such title is amended by
13 striking “December 31, 2002” and inserting “December 31,
14 2003”.

15 **SEC. 615. INCREASED MAXIMUM AMOUNT PAYABLE AS**
16 **MULTIYEAR RETENTION BONUS FOR MED-**
17 **ICAL OFFICERS OF THE ARMED FORCES.**

18 Section 301d(a)(2) of title 37, United States Code, is
19 amended by striking “\$14,000” and inserting “\$25,000”.

20 **SEC. 616. INCREASED MAXIMUM AMOUNT PAYABLE AS IN-**
21 **CENTIVE SPECIAL PAY FOR MEDICAL OFFI-**
22 **CERS OF THE ARMED FORCES.**

23 Section 302(b)(1) of title 37, United States Code, is
24 amended—

1 (1) *by striking “fiscal year 1992, and” in the*
2 *second sentence and inserting “fiscal year 1992,”; and*
3 (2) *by inserting before the period at the end of*
4 *such sentence the following: “and before fiscal year*
5 *2003, and \$50,000 for any twelve-month period begin-*
6 *ning after fiscal year 2002”.*

7 **SEC. 617. ASSIGNMENT INCENTIVE PAY.**

8 (a) *AUTHORITY.—(1) Chapter 5 of title 37, United*
9 *States Code, is amended by inserting after section 305a the*
10 *following new section:*

11 **“§ 305b. Special pay: assignment incentive pay**

12 “(a) *AUTHORITY.—The Secretary concerned, with the*
13 *concurrence of the Secretary of Defense, may pay monthly*
14 *incentive pay under this section to a member of a uni-*
15 *formed service for a period that the member performs serv-*
16 *ice, while entitled to basic pay, in an assignment that is*
17 *designated by the Secretary concerned.*

18 “(b) *MAXIMUM RATE.—The maximum monthly rate of*
19 *incentive pay payable to a member under this section is*
20 *\$1,500.*

21 “(c) *RELATIONSHIP TO OTHER PAY AND ALLOW-*
22 *ANCES.—Incentive pay paid to a member under this section*
23 *is in addition to any other pay and allowances to which*
24 *the member is entitled.*

1 “(d) *STATUS NOT AFFECTED BY TEMPORARY DUTY OR*
2 *LEAVE.*—*The service of a member in an assignment referred*
3 *to in subsection (a) shall not be considered discontinued*
4 *during any period that the member is not performing serv-*
5 *ice in such assignment by reason of temporary duty per-*
6 *formed by the member pursuant to orders or absence of the*
7 *member for authorized leave.*

8 “(e) *TERMINATION OF AUTHORITY.*—*No assignment*
9 *incentive pay may be paid under this section for months*
10 *beginning more than three years after the date of the enact-*
11 *ment of the National Defense Authorization Act for Fiscal*
12 *Year 2003.”.*

13 (2) *The table of sections at the beginning of such chap-*
14 *ter is amended by inserting after the item relating to section*
15 *305a the following new item:*

 “305b. *Special pay: assignment incentive pay.*”.

16 (b) *ANNUAL REPORT.*—*Not later than February 28 of*
17 *each of 2004 and 2005, the Secretary of Defense shall sub-*
18 *mit to the Committees on Armed Services of the Senate and*
19 *the House of Representatives a report on the administration*
20 *of the authority under section 305b of title 37, United*
21 *States Code, as added by subsection (a). The report shall*
22 *include an assessment of the utility of that authority.*

1 **SEC. 618. INCREASED MAXIMUM AMOUNTS FOR PRIOR**
2 **SERVICE ENLISTMENT BONUS.**

3 *Section 308i(b)(1) of title 37, United States Code, is*
4 *amended—*

5 *(1) in subparagraph (A), by striking “\$5,000”*
6 *and inserting “\$8,000”;*

7 *(2) in subparagraph (B), by striking “\$2,500”*
8 *and inserting “\$4,000”; and*

9 *(3) in subparagraph (C), by striking “\$2,000”*
10 *and inserting “\$3,500”.*

11 ***Subtitle C—Travel and***
12 ***Transportation Allowances***

13 **SEC. 631. DEFERRAL OF TRAVEL IN CONNECTION WITH**
14 **LEAVE BETWEEN CONSECUTIVE OVERSEAS**
15 **TOURS.**

16 *(a) DATE TO WHICH TRAVEL MAY BE DEFERRED.—*
17 *Section 411b(a)(2) of title 37, United States Code, is*
18 *amended by striking “not more than one year” in the first*
19 *sentence and all that follows through “operation ends.” in*
20 *the second sentence and inserting the following: “the date*
21 *on which the member departs the duty station in termi-*
22 *nation of the consecutive tour of duty at that duty station*
23 *or reports to another duty station under the order involved,*
24 *as the case may be.”.*

1 (b) *EFFECTIVE DATE AND SAVINGS PROVISION.*—(1)
2 *The amendment made by subsection (a) shall take effect on*
3 *October 1, 2002.*

4 (2) *Section 411b(a) of title 37, United States Code, as*
5 *in effect on September 30, 2002, shall continue to apply*
6 *with respect to travel described in subsection (a)(2) of such*
7 *title (as in effect on such date) that commences before Octo-*
8 *ber 1, 2002.*

9 **SEC. 632. TRANSPORTATION OF MOTOR VEHICLES FOR**
10 **MEMBERS REPORTED MISSING.**

11 (a) *AUTHORITY TO SHIP TWO MOTOR VEHICLES.*—
12 *Subsection (a) of section 554 of title 37, United States Code,*
13 *is amended by striking “one privately owned motor vehicle”*
14 *both places it appears and inserting “two privately owned*
15 *motor vehicles”.*

16 (b) *PAYMENTS FOR LATE DELIVERY.*—*Subsection (i)*
17 *of such section is amended by adding at the end the fol-*
18 *lowing: “In a case in which two motor vehicles of a member*
19 *(or the dependent or dependents of a member) are trans-*
20 *ported at the expense of the United States, no reimburse-*
21 *ment is payable under this subsection unless both motor ve-*
22 *hicles do not arrive at the authorized destination of the ve-*
23 *hicles by the designated delivery date.”.*

24 (c) *APPLICABILITY.*—*The amendments made by sub-*
25 *section (a) shall apply with respect to members whose eligi-*

1 *bility for benefits under section 554 of title 37, United*
 2 *States Code, commences on or after the date of the enact-*
 3 *ment of this Act.*

4 **SEC. 633. DESTINATIONS AUTHORIZED FOR GOVERNMENT**
 5 **PAID TRANSPORTATION OF ENLISTED PER-**
 6 **SONNEL FOR REST AND RECUPERATION**
 7 **UPON EXTENDING DUTY AT DESIGNATED**
 8 **OVERSEAS LOCATIONS.**

9 *Section 705(b)(2) of title 10, United States Code, is*
 10 *amended by inserting before the period at the end the fol-*
 11 *lowing: “, or to an alternative destination at a cost not*
 12 *to exceed the cost of the round-trip transportation from the*
 13 *location of the extended tour of duty to such nearest port*
 14 *and return”.*

15 **SEC. 634. VEHICLE STORAGE IN LIEU OF TRANSPORTATION**
 16 **TO CERTAIN AREAS OF THE UNITED STATES**
 17 **OUTSIDE CONTINENTAL UNITED STATES.**

18 *Section 2634(b) of title 10, United States Code, is*
 19 *amended:*

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

22 *(2) by inserting after paragraph (1) the fol-*
 23 *lowing new paragraph (2):*

24 *“(2) In lieu of transportation authorized by this sec-*
 25 *tion, if a member is ordered to make a change of permanent*

1 *station to Alaska, Hawaii, Puerto Rico, the Northern Mar-*
 2 *iana Islands, Guam, or any territory or possession of the*
 3 *United States and laws, regulations, or other restrictions*
 4 *preclude transportation of a motor vehicle described in sub-*
 5 *section (a) to the new station, the member may elect to have*
 6 *the vehicle stored at the expense of the United States at a*
 7 *location approved by the Secretary concerned.”.*

8 ***Subtitle D—Retirement and***
 9 ***Survivor Benefit Matters***

10 ***SEC. 641. PAYMENT OF RETIRED PAY AND COMPENSATION***
 11 ***TO DISABLED MILITARY RETIREES.***

12 *(a) IN GENERAL.—Section 1414 of title 10, United*
 13 *States Code, is amended to read as follows:*

14 ***“§1414. Members eligible for retired pay who have***
 15 ***service-connected disabilities: payment of***
 16 ***retired pay and veterans’ disability com-***
 17 ***ensation***

18 *“(a) PAYMENT OF BOTH RETIRED PAY AND COM-*
 19 *PENSATION.—Except as provided in subsection (b), a mem-*
 20 *ber or former member of the uniformed services who is enti-*
 21 *tled to retired pay (other than as specified in subsection*
 22 *(c)) and who is also entitled to veterans’ disability com-*
 23 *ensation is entitled to be paid both without regard to sec-*
 24 *tions 5304 and 5305 of title 38.*

1 “(b) *SPECIAL RULE FOR CHAPTER 61 CAREER RETIR-*
2 *EES.—The retired pay of a member retired under chapter*
3 *61 of this title with 20 years or more of service otherwise*
4 *creditable under section 1405 of this title at the time of the*
5 *member’s retirement is subject to reduction under sections*
6 *5304 and 5305 of title 38, but only to the extent that the*
7 *amount of the member’s retired pay under chapter 61 of*
8 *this title exceeds the amount of retired pay to which the*
9 *member would have been entitled under any other provision*
10 *of law based upon the member’s service in the uniformed*
11 *services if the member had not been retired under chapter*
12 *61 of this title.*

13 “(c) *EXCEPTION.—Subsection (a) does not apply to a*
14 *member retired under chapter 61 of this title with less than*
15 *20 years of service otherwise creditable under section 1405*
16 *of this title at the time of the member’s retirement.*

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

18 “(1) *The term ‘retired pay’ includes retainer*
19 *pay, emergency officers’ retirement pay, and naval*
20 *pension.*

21 “(2) *The term ‘veterans’ disability compensation’*
22 *has the meaning given the term ‘compensation’ in sec-*
23 *tion 101(13) of title 38.”.*

24 “(b) *REPEAL OF SPECIAL COMPENSATION PROGRAM.—*
25 *Section 1413 of such title is repealed.*

1 (c) *CONFORMING AMENDMENT.*—Section 641(d) of the
2 *National Defense Authorization Act for Fiscal Year 2002*
3 *(Public Law 107–107; 115 Stat. 1150; 10 U.S.C. 1414 note)*
4 *is repealed.*

5 (d) *CLERICAL AMENDMENTS.*—The table of sections at
6 the beginning of chapter 71 of title 10, United States Code,
7 is amended by striking the items relating to sections 1413
8 and 1414 and inserting the following new item:

“1414. Members eligible for retired pay who have service-connected disabilities:
payment of retired pay and veterans’ disability compensation.”.

9 (e) *EFFECTIVE DATE.*—The amendments made by this
10 section shall take effect on—

11 (1) the first day of the first month that begins
12 after the date of the enactment of this Act; or

13 (2) the first day of the fiscal year that begins in
14 the calendar year in which this Act is enacted, if later
15 than the date specified in paragraph (1).

16 (f) *PROHIBITION ON RETROACTIVE BENEFITS.*—No
17 benefits may be paid to any person by reason of section
18 1414 of title 10, United States Code, as amended by sub-
19 section (a), for any period before the effective date specified
20 in subsection (e).

1 **SEC. 642. INCREASED RETIRED PAY FOR ENLISTED RE-**
2 **SERVES CREDITED WITH EXTRAORDINARY**
3 **HEROISM.**

4 (a) *AUTHORITY.*—Section 12739 of title 10, United
5 States Code, is amended—

6 (1) by redesignating subsections (b) and (c) as
7 subsections (c) and (d), respectively;

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

10 “(b) If an enlisted member retired under section 12731
11 of this title has been credited by the Secretary concerned
12 with extraordinary heroism in the line of duty, the mem-
13 ber’s retired pay shall be increased by 10 percent of the
14 amount determined under subsection (a). The Secretary’s
15 determination as to extraordinary heroism is conclusive for
16 all purposes.”; and

17 (3) in subsection (c), as redesignated by para-
18 graph (1), by striking “amount computed under sub-
19 section (a),” and inserting “total amount of the
20 monthly retired pay computed under subsections (a)
21 and (b)”.

22 (b) *EFFECTIVE DATE.*—The amendments made by sub-
23 section (a) shall take effect on October 1, 2002, and shall
24 apply with respect to retired pay for months beginning on
25 or after that date.

1 **SEC. 643. EXPANDED SCOPE OF AUTHORITY TO WAIVE TIME**
 2 **LIMITATIONS ON CLAIMS FOR MILITARY PER-**
 3 **SONNEL BENEFITS.**

4 (a) *AUTHORITY.*—Section 3702(e)(1) of title 31,
 5 United States Code, is amended by striking “a claim for
 6 pay, allowances, or payment for unused accrued leave under
 7 title 37 or a claim for retired pay under title 10” and in-
 8 serting “a claim referred to in subsection (a)(1)(A)”.

9 (b) *APPLICABILITY.*—The amendment made by sub-
 10 section (a) shall apply with respect to claims presented to
 11 the Secretary of Defense under section 3702 of title 31,
 12 United States Code, on or after the date of the enactment
 13 of this Act.

14 **Subtitle E—Other Matters**

15 **SEC. 651. ADDITIONAL AUTHORITY TO PROVIDE ASSIST-**
 16 **ANCE FOR FAMILIES OF MEMBERS OF THE**
 17 **ARMED FORCES.**

18 (a) *AUTHORITY.*—(1) Subchapter I of chapter 88 of
 19 title 10, United States Code, is amended by adding at the
 20 end the following new section:

21 **“§ 1788. Additional family assistance**

22 “(a) *AUTHORITY.*—The Secretary of Defense may pro-
 23 vide for the families of members of the armed forces serving
 24 on active duty, in addition to any other assistance available
 25 for such families, any assistance that the Secretary con-
 26 siders appropriate to ensure that the children of such mem-

1 bers obtain needed child care, education, and other youth
2 services.

3 “(b) *PRIMARY PURPOSE OF ASSISTANCE.*—The assist-
4 ance authorized by this section should be directed primarily
5 toward providing needed family support, including child
6 care, education, and other youth services, for children of
7 members of the Armed Forces who are deployed, assigned
8 to duty, or ordered to active duty in connection with a con-
9 tingency operation.”.

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

“1788. *Additional family assistance.*”.

13 (b) *EFFECTIVE DATE.*—Section 1788 of title 10,
14 United States Code, as added by subsection (a), shall take
15 effect on October 1, 2002.

16 **SEC. 652. TIME LIMITATION FOR USE OF MONTGOMERY GI**
17 **BILL ENTITLEMENT BY MEMBERS OF THE SE-**
18 **LECTED RESERVE.**

19 (a) *EXTENSION OF LIMITATION PERIOD.*—Section
20 16133(a)(1) of title 10, United States Code, is amended by
21 striking “10-year” and inserting “14-year”.

22 (b) *EFFECTIVE DATE AND APPLICABILITY.*—The
23 amendment made by subsection (a) shall take effect on Octo-
24 ber 1, 2002, and shall apply with respect to periods of enti-
25 tlement to educational assistance under chapter 1606 of title

1 10, United States Code, that begin on or after October 1,
2 1992.

3 **SEC. 653. STATUS OF OBLIGATION TO REFUND EDU-**
4 **CATIONAL ASSISTANCE UPON FAILURE TO**
5 **PARTICIPATE SATISFACTORILY IN SELECTED**
6 **RESERVE.**

7 Section 16135 of title 10, United States Code, is
8 amended by adding at the end the following new subsection:
9 “(c)(1) An obligation to pay a refund to the United
10 States under subsection (a)(1)(B) in an amount determined
11 under subsection (b) is, for all purposes, a debt owed to the
12 United States.

13 “(2) A discharge in bankruptcy under title 11 that is
14 entered for a person less than five years after the termi-
15 nation of the person’s enlistment or other service described
16 in subsection (a) does not discharge the person from a debt
17 arising under this section with respect to that enlistment
18 or other service.”.

19 **SEC. 654. PROHIBITION ON ACCEPTANCE OF HONORARIA**
20 **BY PERSONNEL AT CERTAIN DEPARTMENT OF**
21 **DEFENSE SCHOOLS.**

22 (a) *REPEAL OF EXEMPTION.*—Section 542 of the Na-
23 tional Defense Authorization Act for Fiscal Year 1993 (Pub-
24 lic Law 102–484; 106 Stat. 2413; 10 U.S.C. prec. 2161
25 note) is repealed.

1 (b) *EFFECTIVE DATE AND APPLICABILITY.*—The
 2 amendment made by subsection (a) shall take effect on Octo-
 3 ber 1, 2002, and shall apply with respect to appearances
 4 made, speeches presented, and articles published on or after
 5 that date.

6 **SEC. 655. RATE OF EDUCATIONAL ASSISTANCE UNDER**
 7 **MONTGOMERY GI BILL OF DEPENDENTS**
 8 **TRANSFERRED ENTITLEMENT BY MEMBERS**
 9 **OF THE ARMED FORCES WITH CRITICAL**
 10 **SKILLS.**

11 (a) *CLARIFICATION.*—Section 3020(h) of title 38,
 12 United States Code, is amended—

13 (1) in paragraph (2)—

14 (A) by striking “paragraphs (4) and (5)”
 15 and inserting “paragraphs (5) and (6)”; and

16 (B) by striking “and at the same rate”;

17 (2) by redesignating paragraphs (3) through (6)
 18 as paragraphs (4) through (7), respectively; and

19 (3) by inserting after paragraph (2) the fol-
 20 lowing new paragraph (3):

21 “(3)(A) Subject to subparagraph (B), the monthly rate
 22 of educational assistance payable to a dependent to whom
 23 entitlement is transferred under this section shall be the
 24 monthly amount payable under sections 3015 and 3022 of
 25 this title to the individual making the transfer.

1 “(B) *The monthly rate of assistance payable to a de-*
2 *pendent under subparagraph (A) shall be subject to the pro-*
3 *visions of section 3032 of this title, except that the provi-*
4 *sions of subsection (a)(1) of that section shall not apply even*
5 *if the individual making the transfer to the dependent*
6 *under this section is on active duty during all or any part*
7 *of enrollment period of the dependent in which such entitle-*
8 *ment is used.”.*

9 (b) *EFFECTIVE DATE.*—*The amendments made by sub-*
10 *section (a) shall take effect as if included in the enactment*
11 *of the National Defense Authorization Act for Fiscal Year*
12 *2002 (Public Law 107–107), to which such amendments re-*
13 *late.*

14 **SEC. 656. PAYMENT OF INTEREST ON STUDENT LOANS.**

15 (a) *AUTHORITY.*—(1) *Chapter 109 of title 10, United*
16 *States Code, is amended by adding at the end the following*
17 *new section:*

18 **“§2174. Interest payment program: members on active**
19 **duty**

20 “(a) *AUTHORITY.*—(1) *The Secretary concerned may*
21 *pay in accordance with this section the interest and any*
22 *special allowances that accrue on one or more student loans*
23 *of an eligible member of the armed forces.*

24 “(2) *The Secretary of a military department may exer-*
25 *cise the authority under paragraph (1) only if approved*

1 *by the Secretary of Defense and subject to such require-*
2 *ments, conditions, and restrictions as the Secretary of De-*
3 *fense may prescribe.*

4 “(b) *ELIGIBLE PERSONNEL.*—*A member of the armed*
5 *forces is eligible for the benefit under subsection (a) while*
6 *the member—*

7 “(1) *is serving on active duty in fulfillment of*
8 *the member’s first enlistment in the armed forces or,*
9 *in the case of an officer, is serving on active duty and*
10 *has not completed more than three years of service on*
11 *active duty;*

12 “(2) *is the debtor on one or more unpaid loans*
13 *described in subsection (c); and*

14 “(3) *is not in default on any such loan.*

15 “(c) *STUDENT LOANS.*—*The authority to make pay-*
16 *ments under subsection (a) may be exercised with respect*
17 *to the following loans:*

18 “(1) *A loan made, insured, or guaranteed under*
19 *part B of title IV of the Higher Education Act of*
20 *1965 (20 U.S.C. 1071 et seq.).*

21 “(2) *A loan made under part D of such title (20*
22 *U.S.C. 1087a et seq.).*

23 “(3) *A loan made under part E of such title (20*
24 *U.S.C. 1087aa et seq.).*

1 “(d) *MAXIMUM BENEFIT.*—*The months for which in-*
2 *terest and any special allowance may be paid on behalf of*
3 *a member of the armed forces under this section are any*
4 *36 consecutive months during which the member is eligible*
5 *under subsection (b).*

6 “(e) *FUNDS FOR PAYMENTS.*—*Appropriations avail-*
7 *able for the pay and allowances of military personnel shall*
8 *be available for payments under this section.*

9 “(f) *COORDINATION.*—(1) *The Secretary of Defense*
10 *and, with respect to the Coast Guard when it is not oper-*
11 *ating as a service in the Navy, the Secretary of Transpor-*
12 *tation shall consult with the Secretary of Education regard-*
13 *ing the administration of the authority under this section.*

14 “(2) *The Secretary concerned shall transfer to the Sec-*
15 *retary of Education the funds necessary—*

16 “(A) *to pay interest and special allowances on*
17 *student loans under this section (in accordance with*
18 *sections 428(o) and 464(j) of the Higher Education*
19 *Act of 1965 (20 U.S.C. 1078(o) and 1087dd(j)); and*

20 “(B) *to reimburse the Secretary of Education for*
21 *any reasonable administrative costs incurred by the*
22 *Secretary in coordinating the program under this sec-*
23 *tion with the administration of the student loan pro-*
24 *grams under parts B, D, and E of title IV of the*
25 *Higher Education Act of 1965.*

1 “(g) *SPECIAL ALLOWANCE DEFINED.*—*In this section,*
 2 *the term ‘special allowance’ means a special allowance that*
 3 *is payable under section 438 of the Higher Education Act*
 4 *of 1965 (20 U.S.C. 1087–1).”.*

5 (2) *The table of sections at the beginning of such chap-*
 6 *ter is amended by adding at the end the following new item:*
 “2174. Interest payment program: members on active duty.”.

7 (b) *FEDERAL FAMILY EDUCATION LOANS AND DIRECT*
 8 *LOANS.*—(1) *Subsection (c)(3) of section 428 of the Higher*
 9 *Education Act of 1965 (20 U.S.C. 1078) is amended—*

10 (A) *in clause (i) of subparagraph (A)—*

11 (i) *by striking “or” at the end of subclause*
 12 (ii);

13 (iii) *by inserting “or” at the end of sub-*
 14 *clause (III); and*

15 (iv) *by adding at the end the following new*
 16 *subclause:*

17 *“(IV) is eligible for interest pay-*
 18 *ments to be made on such loan for*
 19 *service in the Armed Forces under sec-*
 20 *tion 2174 of title 10, United States*
 21 *Code, and, pursuant to that eligibility,*
 22 *the interest is being paid on such loan*
 23 *under subsection (o);”;*

24 (B) *in clause (ii)(II) of subparagraph (A), by*
 25 *inserting “or (i)(IV)” after “clause (i)(II);” and*

1 (C) by striking subparagraph (C) and inserting
2 the following:

3 “(C) shall contain provisions that specify
4 that—

5 “(i) the form of forbearance granted by
6 the lender pursuant to this paragraph, other
7 than subparagraph (A)(i)(IV), shall be tem-
8 porary cessation of payments, unless the
9 borrower selects forbearance in the form of
10 an extension of time for making payments,
11 or smaller payments than were previously
12 scheduled; and

13 “(ii) the form of forbearance granted
14 by the lender pursuant to subparagraph
15 (A)(i)(IV) shall be the temporary cessation
16 of all payments on the loan other than pay-
17 ments of interest on the loan, and payments
18 of any special allowance payable with re-
19 spect to the loan under section 438 of this
20 Act, that are made under subsection (o);
21 and”.

22 (2) Section 428 of such Act is further amended by add-
23 ing at the end the following new subsection:

24 “(o) *ARMED FORCES STUDENT LOAN INTEREST PAY-*
25 *MENT PROGRAM.*—

1 “(1) *AUTHORITY.*—Using funds received by
2 transfer to the Secretary under section 2174 of title
3 10, United States Code, for the payment of interest
4 and any special allowance on a loan to a member of
5 the Armed Forces that is made, insured, or guaran-
6 teed under this part, the Secretary shall pay the in-
7 terest and special allowance on such loan as due for
8 a period not in excess of 36 consecutive months. The
9 Secretary may not pay interest or any special allow-
10 ance on such a loan out of any funds other than
11 funds that have been so transferred.

12 “(2) *FORBEARANCE.*—During the period in
13 which the Secretary is making payments on a loan
14 under paragraph (1), the lender shall grant the bor-
15 rower forbearance in accordance with the guaranty
16 agreement under subsection (c)(3)(A)(i)(IV).

17 “(3) *SPECIAL ALLOWANCE DEFINED.*—For the
18 purposes of this subsection, the term ‘special allow-
19 ance’, means a special allowance that is payable with
20 respect to a loan under section 438 of this Act.”.

21 (c) *FEDERAL PERKINS LOANS.*—Section 464 of the
22 Higher Education Act of 1965 (20 U.S.C. 1087dd) is
23 amended—

24 (1) in subsection (e)—

1 (A) by striking “or” at the end of para-
2 graph (1);

3 (B) by striking the period at the end of
4 paragraph (2) and inserting “; or”; and

5 (C) by adding at the end the following new
6 paragraph:

7 “(3) the borrower is eligible for interest pay-
8 ments to be made on such loan for service in the
9 Armed Forces under section 2174 of title 10, United
10 States Code, and, pursuant to that eligibility, the in-
11 terest on such loan is being paid under subsection (j),
12 except that the form of a forbearance under this para-
13 graph shall be a temporary cessation of all payments
14 on the loan other than payments of interest on the
15 loan that are made under subsection (j).”; and

16 (2) by adding at the end the following new sub-
17 section:

18 “(j) *ARMED FORCES STUDENT LOAN INTEREST PAY-*
19 *MENT PROGRAM.*—

20 “(1) *AUTHORITY.*—Using funds received by
21 transfer to the Secretary under section 2174 of title
22 10, United States Code, for the payment of interest on
23 a loan made under this part to a member of the
24 Armed Forces, the Secretary shall pay the interest on
25 the loan as due for a period not in excess of 36 con-

1 *secutive months. The Secretary may not pay interest*
2 *on such a loan out of any funds other than funds that*
3 *have been so transferred.*

4 “(2) *FORBEARANCE.—During the period in*
5 *which the Secretary is making payments on a loan*
6 *under paragraph (1), the institution of higher edu-*
7 *cation shall grant the borrower forbearance in accord-*
8 *ance with subsection (e)(3).”.*

9 (d) *EFFECTIVE DATE.—The amendments made by this*
10 *section shall apply with respect to interest, and any special*
11 *allowance under section 438 of the Higher Education Act*
12 *of 1965, that accrue for months beginning on or after Octo-*
13 *ber 1, 2003, on student loans described in subsection (c)*
14 *of section 2174 of title 10, United States Code (as added*
15 *by subsection (a)), that were made before, on, or after such*
16 *date to members of the Armed Forces who are on active*
17 *duty (as defined in section 101(d) of title 10, United States*
18 *Code) on or after that date.*

1 **SEC. 657. MODIFICATION OF AMOUNT OF BACK PAY FOR**
2 **MEMBERS OF NAVY AND MARINE CORPS SE-**
3 **LECTED FOR PROMOTION WHILE INTERNED**
4 **AS PRISONERS OF WAR DURING WORLD WAR**
5 **II TO TAKE INTO ACCOUNT CHANGES IN CON-**
6 **SUMER PRICE INDEX.**

7 (a) *MODIFICATION.*—Section 667(c) of the Floyd D.
8 Spence National Defense Authorization Act for Fiscal Year
9 2001 (as enacted into law by Public Law 106–398; 114
10 Stat. 1654A–170) is amended by adding at the end the fol-
11 lowing new paragraph:

12 “(3) The amount determined for a person under para-
13 graph (1) shall be increased to reflect increases in cost of
14 living since the basic pay referred to in paragraph (1)(B)
15 was paid to or for that person, calculated on the basis of
16 the Consumer Price Index (all items—United States city
17 average) published monthly by the Bureau of Labor Statis-
18 tics.”.

19 (b) *RECALCULATION OF PREVIOUS PAYMENTS.*—In the
20 case of any payment of back pay made to or for a person
21 under section 667 of the Floyd D. Spence National Defense
22 Authorization Act for Fiscal Year 2001 before the date of
23 the enactment of this Act, the Secretary of the Navy shall—

24 (1) recalculate the amount of back pay to which
25 the person is entitled by reason of the amendment
26 made by subsection (a); and

1 (2) if the amount of back pay, as so recalculated,
2 exceeds the amount of back pay so paid, pay the per-
3 son, or the surviving spouse of the person, an amount
4 equal to the excess.

5 **TITLE VII—HEALTH CARE**

6 **SEC. 701. ELIGIBILITY OF SURVIVING DEPENDENTS FOR** 7 **TRICARE DENTAL PROGRAM BENEFITS AFTER** 8 **DISCONTINUANCE OF FORMER ENROLLMENT.**

9 Section 1076a(k)(2) of title 10, United States Code, is
10 amended by striking “if the dependent is enrolled on the
11 date of the death of the members in a dental benefits plan
12 established under subsection (a)” and inserting “if, on the
13 date of the death of the member, the dependent is enrolled
14 in a dental benefits plan established under subsection (a)
15 or is not enrolled in such a plan by reason of a discontinu-
16 ance of a former enrollment under subsection (f)”.

17 **SEC. 702. ADVANCE AUTHORIZATION FOR INPATIENT MEN-** 18 **TAL HEALTH SERVICES.**

19 Section 1079(i)(3) of title 10, United States Code, is
20 amended—

21 (1) by inserting “(A)” after “(3)”;

22 (2) by striking “Except in the case of an emer-
23 gency,” and inserting “Except as provided in sub-
24 paragraphs (B) and (C),”; and

1 (3) by adding at the end the following new sub-
2 paragraph:

3 “(B) Preadmission authorization for inpatient mental
4 health services is not required under subparagraph (A) in
5 the case of an emergency.

6 “(C) Preadmission authorization for inpatient mental
7 health services is not required under subparagraph (A) in
8 a case in which any benefits are payable for such services
9 under part A of title XVIII of the Social Security Act (42
10 U.S.C. 1395c et seq.). The Secretary shall require, however,
11 advance authorization for the continued provision of the in-
12 patient mental health services after benefits cease to be pay-
13 able for such services under part A of such title in such
14 case.”.

15 **SEC. 703. CONTINUED TRICARE ELIGIBILITY OF DEPEND-**
16 **ENTS RESIDING AT REMOTE LOCATIONS**
17 **AFTER DEPARTURE OF SPONSORS FOR UNAC-**
18 **COMPANIED ASSIGNMENTS.**

19 Section 1079(p) of title 10, United States Code, is
20 amended—

21 (1) in paragraph (1), by striking “dependents
22 referred to in subsection (a) of a member of the uni-
23 formed services referred to in section 1074(c)(3) of
24 this title who are residing with the member” and in-
25 serting “dependents described in paragraph (3)”;

1 (2) by redesignating paragraph (3) as para-
2 graph (4); and

3 (3) by inserting after paragraph (2), the fol-
4 lowing new paragraph (3):

5 “(3) This subsection applies with respect to a depend-
6 ent referred to in subsection (a) who—

7 “(A) is a dependent of a member of the uni-
8 formed services referred to in section 1074(c)(3) of
9 this title and is residing with the member; or

10 “(B) is a dependent of a member who, after hav-
11 ing served in a duty assignment described in section
12 1074(c)(3) of this title, has relocated without the de-
13 pendent pursuant to orders for a permanent change
14 of duty station from a remote location described in
15 subparagraph (B)(ii) of such section where the mem-
16 ber and the dependent resided together while the mem-
17 ber served in such assignment, if the orders do not au-
18 thorize dependents to accompany the member to the
19 new duty station at the expense of the United States
20 and the dependent continues to reside at the same re-
21 mote location.”.

22 **SEC. 704. APPROVAL OF MEDICARE PROVIDERS AS TRICARE**
23 **PROVIDERS.**

24 Section 1079 of title 10, United States Code, is amend-
25 ed by adding at the end the following new subsection:

1 “(q) *A physician or other health care practitioner who*
2 *is eligible to receive reimbursement for services provided*
3 *under the Medicare Program under title XVIII of the Social*
4 *Security Act (42 U.S.C. 1395 et seq.) shall be considered*
5 *approved to provide medical care under this section and*
6 *section 1086 of this title.”.*

7 **SEC. 705. CLAIMS INFORMATION.**

8 (a) *CORRESPONDENCE TO MEDICARE CLAIMS INFOR-*
9 *MATION REQUIREMENTS.—Section 1095c of title 10, United*
10 *States Code, is amended by adding at the end the following*
11 *new subsection:*

12 “(d) *CORRESPONDENCE TO MEDICARE CLAIMS INFOR-*
13 *MATION REQUIREMENTS.—The Secretary of Defense, in*
14 *consultation with the other administering Secretaries, shall*
15 *limit the requirements for information in support of claims*
16 *for payment for health care items and services provided*
17 *under the TRICARE program so that the information re-*
18 *quired under the program is substantially the same as the*
19 *information that would be required for claims for reim-*
20 *bursement for those items and services under title XVIII*
21 *of the Social Security Act (42 U.S.C. 1395 et seq.).”.*

22 (b) *APPLICABILITY.—The Secretary of Defense, in con-*
23 *sultation with the other administering Secretaries referred*
24 *to in section 1072(3) of title 10, United States Code, shall*
25 *apply the limitations required under subsection (d) of sec-*

1 *tion 1095c of such title (as added by subsection (a)) with*
2 *respect to contracts entered into under the TRICARE pro-*
3 *gram on or after October 1, 2002.*

4 **SEC. 706. DEPARTMENT OF DEFENSE MEDICARE-ELIGIBLE**
5 **RETIREE HEALTH CARE FUND.**

6 (a) *SOURCE OF FUNDS FOR MONTHLY ACCRUAL PAY-*
7 *MENTS INTO THE FUND.*—Section 1116(c) of title 10,
8 *United States Code, is amended by striking “health care*
9 *programs” and inserting “pay of members”.*

10 (b) *MANDATORY PARTICIPATION OF OTHER UNI-*
11 *FORMED SERVICES.*—Section 1111(c) of such title is
12 *amended—*

13 (1) *in the first sentence, by striking “may enter*
14 *into an agreement with any other administering Sec-*
15 *retary” and inserting “shall enter into an agreement*
16 *with each other administering Secretary”; and*

17 (2) *in the second sentence, by striking “Any*
18 *such” and inserting “The”.*

19 **SEC. 707. TECHNICAL CORRECTIONS RELATING TO TRANSI-**
20 **TIONAL HEALTH CARE FOR MEMBERS SEPA-**
21 **RATED FROM ACTIVE DUTY.**

22 (a) *CONTINUED APPLICABILITY TO DEPENDENTS.*—
23 *Subsection (a)(1) of section 736 of the National Defense Au-*
24 *thorization Act for Fiscal Year 2002 (Public Law 107–107;*
25 *115 Stat. 1172) is amended to read as follows:*

1 “(1) in paragraph (1), by striking ‘paragraph
2 (2), a member’ and all that follows through ‘of the
3 member),’ and inserting ‘paragraph (3), a member of
4 the armed forces who is separated from active duty as
5 described in paragraph (2) (and the dependents of the
6 member)’;”.

7 **(b) CLARIFICATION REGARDING THE COAST GUARD.—**
8 *Subsection (b)(2) of such section is amended to read as fol-*
9 *lows:*

10 “(2) in subsection (e)—

11 “(A) by striking the first sentence; and

12 “(B) by striking ‘the Coast Guard’ in the
13 second sentence and inserting ‘the members of the
14 Coast Guard and their dependents’.”.

15 **(c) EFFECTIVE DATE.—***The amendments made by this*
16 *section shall take effect as of December 28, 2001, and as*
17 *if included in the National Defense Authorization Act for*
18 *Fiscal Year 2002 as enacted.*

1 **SEC. 708. EXTENSION OF TEMPORARY AUTHORITY FOR EN-**
2 **TERING INTO PERSONAL SERVICES CON-**
3 **TRACTS FOR THE PERFORMANCE OF HEALTH**
4 **CARE RESPONSIBILITIES FOR THE ARMED**
5 **FORCES AT LOCATIONS OTHER THAN MILI-**
6 **TARY MEDICAL TREATMENT FACILITIES.**

7 *Section 1091(a)(2) of title 10, United States Code, is*
8 *amended by striking “December 31, 2002” and inserting*
9 *“December 31, 2003”.*

10 **SEC. 709. RESTORATION OF PREVIOUS POLICY REGARDING**
11 **RESTRICTIONS ON USE OF DEPARTMENT OF**
12 **DEFENSE MEDICAL FACILITIES.**

13 *Section 1093 of title 10, United States Code, is*
14 *amended—*

15 *(1) by striking subsection (b); and*

16 *(2) in subsection (a), by striking “RESTRICTION*
17 *ON USE OF FUNDS.—”.*

18 **SEC. 710. HEALTH CARE UNDER TRICARE FOR TRICARE**
19 **BENEFICIARIES RECEIVING MEDICAL CARE**
20 **AS VETERANS FROM THE DEPARTMENT OF**
21 **VETERANS AFFAIRS.**

22 *Section 1097 of title 10, United States Code, is amend-*
23 *ed by adding at the end the following new subsection:*

24 *“(f) PERSONS RECEIVING MEDICAL CARE FROM THE*
25 *DEPARTMENT OF VETERANS AFFAIRS.—A covered bene-*
26 *ficiary who is enrolled in and seeks care under the*

1 *TRICARE* program may not be denied such care on the
2 ground that the covered beneficiary is receiving health care
3 from the Department of Veterans Affairs on an ongoing
4 basis if the Department of Veterans Affairs cannot provide
5 the covered beneficiary with the particular care sought by
6 the covered beneficiary within the maximum period pro-
7 vided in the access to care standards that are applicable
8 to that particular care under *TRICARE* program policy.”.

9 **TITLE VIII—ACQUISITION POL-**
10 **ICY, ACQUISITION MANAGE-**
11 **MENT, AND RELATED MAT-**
12 **TERS**

13 **Subtitle A—Major Defense**
14 **Acquisition Programs**

15 **SEC. 801. BUY-TO-BUDGET ACQUISITION OF END ITEMS.**

16 (a) *AUTHORITY*.—(1) Chapter 131 of title 10, United
17 States Code, is amended by adding at the end the following
18 new section:

19 **“§ 2228. Buy-to-budget acquisition: end items**

20 **“(a) AUTHORITY TO ACQUIRE ADDITIONAL END**
21 **ITEMS.**—Using funds available to the Department of De-
22 fense for the acquisition of an end item, the head of agency
23 making the acquisition may acquire a higher quantity of
24 the end item than the quantity specified for the end item

1 *in a law providing for the funding of that acquisition if*
2 *that head of an agency makes each of the following findings:*

3 “(1) *The agency has an established requirement*
4 *for the end item that is expected to remain substan-*
5 *tially unchanged throughout the period of the acqui-*
6 *sition.*

7 “(2) *It is possible to acquire the higher quantity*
8 *of the end item without additional funding because of*
9 *production efficiencies or other cost reductions.*

10 “(3) *The amount of the funds used for the acqui-*
11 *sition of the higher quantity of the end item will not*
12 *exceed the amount provided under that law for the ac-*
13 *quisition of the end item.*

14 “(4) *The amount so provided is sufficient to en-*
15 *sure that each unit of the end item acquired within*
16 *the higher quantity is fully funded as a complete end*
17 *item.*

18 “(b) *REGULATIONS.—The Secretary of Defense shall*
19 *prescribe regulations for the administration of this section.*
20 *The regulations shall include, at a minimum, the following:*

21 “(1) *The level of approval within the Depart-*
22 *ment of Defense that is required for a decision to ac-*
23 *quire a higher quantity of an end item under sub-*
24 *section (a).*

1 “(2) Authority to exceed by up to 10 percent the
2 quantity of an end item approved in a justification
3 and approval of the use of procedures other than com-
4 petitive procedures for the acquisition of the end item
5 under section 2304 of this title, but only to the extent
6 necessary to acquire a quantity of the end item per-
7 mitted in the exercise of authority under subsection
8 (a).

9 “(c) NOTIFICATION OF CONGRESS.—The head of an
10 agency is not required to notify Congress in advance re-
11 garding a decision under the authority of this section to
12 acquire a higher quantity of an end item than is specified
13 in a law described in subsection (a), but shall notify the
14 congressional defense committees of the decision not later
15 than 30 days after the date of the decision.

16 “(d) WAIVER BY OTHER LAW.—A provision of law
17 may not be construed as prohibiting the acquisition of a
18 higher quantity of an end item under this section unless
19 that provision of law—

20 “(1) specifically refers to this section; and

21 “(2) specifically states that the acquisition of the
22 higher quantity of the end item is prohibited notwith-
23 standing the authority provided in this section.

24 “(e) DEFINITIONS.—(1) For the purposes of this sec-
25 tion, a quantity of an end item shall be considered specified

1 *in a law if the quantity is specified either in a provision*
2 *of that law or in any related representation that is set forth*
3 *separately in a table, chart, or explanatory text included*
4 *in a joint explanatory statement or governing committee*
5 *report accompanying the law.*

6 “(2) *In this section:*

7 “(A) *The term ‘congressional defense com-*
8 *mittees’ means—*

9 “(i) *the Committee on Armed Services*
10 *and the Committee on Appropriations of the*
11 *Senate; and*

12 “(ii) *the Committee on Armed Services*
13 *and the Committee on Appropriations of the*
14 *House of Representatives.*

15 “(B) *The term ‘head of an agency’ means*
16 *the Secretary of Defense, the Secretary of the*
17 *Army, the Secretary of the Navy, and the Sec-*
18 *retary of the Air Force.”.*

19 (2) *The table of sections at the beginning of such chap-*
20 *ter is amended by adding at the end the following new item:*

“2228. Buy-to-budget acquisition: end items.”.

21 (b) *TIME FOR ISSUANCE OF FINAL REGULATIONS.—*
22 *The Secretary of Defense shall issue the final regulations*
23 *under section 2228(b) of title 10, United States Code (as*
24 *added by subsection (a)), not later than 120 days after the*
25 *date of the enactment of this Act.*

1 **SEC. 802. REPORT TO CONGRESS ON INCREMENTAL ACQUI-**
2 **SITION OF MAJOR SYSTEMS.**

3 (a) *REPORT REQUIRED.*—Not later than 120 days
4 after the date of the enactment of this Act, the Secretary
5 of Defense shall submit to the congressional defense commit-
6 tees a report on the approach that the Secretary plans to
7 take to applying the requirements of chapter 144 of title
8 10, United States Code, sections 139, 181, 2366, 2399, and
9 2400 of such title, Department of Defense Directive 5000.1,
10 Department of Defense Instruction 5000.2, and Chairman
11 of the Joint Chiefs of Staff Instruction 3170.01B, and other
12 provisions of law and regulations applicable to incremental
13 acquisition programs.

14 (b) *CONTENT OF REPORT.*—The report shall, at a min-
15 imum, address the following matters:

16 (1) *The manner in which the Secretary plans to*
17 *establish and approve, for each increment of an incre-*
18 *mental acquisition program—*

19 (A) *operational requirements; and*

20 (B) *cost and schedule goals.*

21 (2) *The manner in which the Secretary plans,*
22 *for each increment of an incremental acquisition*
23 *program—*

24 (A) *to meet requirements for operational*
25 *testing and live fire testing;*

1 (B) to monitor cost and schedule perform-
2 ance; and

3 (C) to comply with laws requiring reports
4 to Congress on results testing and on cost and
5 schedule performance.

6 (3) The manner in which the Secretary plans to
7 ensure that each increment of an incremental acquisi-
8 tion program is designed—

9 (A) to achieve interoperability within and
10 among United States forces and United States
11 coalition partners; and

12 (B) to optimize total system performance
13 and minimize total ownership costs by giving
14 appropriate consideration to—

15 (i) logistics planning;

16 (ii) manpower, personnel, and train-
17 ing;

18 (iii) human, environmental, safety, oc-
19 cupational health, accessibility, surviv-
20 ability, operational continuity, and security
21 factors;

22 (iv) protection of critical program in-
23 formation; and

24 (v) spectrum management.

25 (c) DEFINITIONS.—In this section:

1 (1) *The term “incremental acquisition program”*
2 *means an acquisition program that is to be conducted*
3 *in discrete phases or blocks, with each phase or block*
4 *consisting of the planned production and acquisition*
5 *of one or more units of a major system.*

6 (2) *The term “increment” refers to one of the dis-*
7 *crete phases or blocks of an incremental acquisition*
8 *program.*

9 (3) *The term “major system” has the meaning*
10 *given such term in section 2302(5) of title 10, United*
11 *States Code.*

12 **SEC. 803. PILOT PROGRAM FOR SPIRAL DEVELOPMENT OF**
13 **MAJOR SYSTEMS.**

14 (a) *AUTHORITY.—The Secretary of Defense is author-*
15 *ized to conduct a pilot program for the spiral development*
16 *of major systems and to designate research and development*
17 *programs of the military departments and Defense Agencies*
18 *to participate in the pilot program.*

19 (b) *DESIGNATION OF PARTICIPATING PROGRAMS.—(1)*
20 *A research and development program for a major system*
21 *of a military department or Defense Agency may be con-*
22 *ducted as a spiral development program only if the Sec-*
23 *retary of Defense approves a spiral development plan sub-*
24 *mitted by the Secretary of that military department or head*
25 *of that Defense Agency, as the case may be, and designates*

1 *the program as a participant in the pilot program under*
2 *this section.*

3 (2) *The Secretary of Defense shall submit a copy of*
4 *each spiral development plan approved under this section*
5 *to the congressional defense committees.*

6 (c) *SPIRAL DEVELOPMENT PLANS.*—*A spiral develop-*
7 *ment plan for a participating program shall, at a min-*
8 *imum, include the following matters:*

9 (1) *A rationale for dividing the program into*
10 *separate spirals, together with a preliminary identi-*
11 *fication of the spirals to be included.*

12 (2) *A program strategy, including overall cost,*
13 *schedule, and performance goals for the total pro-*
14 *gram.*

15 (3) *Specific cost, schedule, and performance pa-*
16 *rameters, including measurable exit criteria, for the*
17 *first spiral to be conducted.*

18 (4) *A testing plan to ensure that performance*
19 *goals, parameters, and exit criteria are met.*

20 (5) *An appropriate limitation on the number of*
21 *prototype units that may be produced under the pro-*
22 *gram.*

23 (6) *Specific performance parameters, including*
24 *measurable exit criteria, that must be met before the*

1 *program proceeds into production of units in excess*
2 *of the limitation on the number of prototype units.*

3 *(d) GUIDANCE.—Not later than 120 days after the date*
4 *of the enactment of this Act, the Secretary of Defense shall*
5 *issue guidance for the implementation of the spiral develop-*
6 *ment pilot program authorized by this section. The guid-*
7 *ance shall, at a minimum, include the following matters:*

8 *(1) A process for the development, review, and*
9 *approval of each spiral development plan submitted*
10 *by the Secretary of a military department or head of*
11 *a Defense Agency.*

12 *(2) A process for establishing and approving spe-*
13 *cific cost, schedule, and performance parameters, in-*
14 *cluding measurable exit criteria, for spirals to be con-*
15 *ducted after the first spiral.*

16 *(3) Appropriate planning, testing, reporting,*
17 *oversight, and other requirements to ensure that the*
18 *spiral development program—*

19 *(A) satisfies realistic and clearly-defined*
20 *performance standards, cost objectives, and*
21 *schedule parameters (including measurable exit*
22 *criteria for each spiral);*

23 *(B) achieve interoperability within and*
24 *among United States forces and United States*
25 *coalition partners; and*

1 (C) optimize total system performance and
2 minimize total ownership costs by giving appro-
3 priate consideration to—

4 (i) logistics planning;

5 (ii) manpower, personnel, and train-
6 ing;

7 (iii) human, environmental, safety, oc-
8 cupational health, accessibility, surviv-
9 ability, operational continuity, and security
10 factors;

11 (iv) protection of critical program in-
12 formation; and

13 (v) spectrum management.

14 (4) A process for independent validation of the
15 satisfaction of exit criteria and other relevant require-
16 ments.

17 (5) A process for operational testing of fieldable
18 prototypes to be conducted before or in conjunction
19 with the fielding of the prototypes.

20 (e) *REPORTING REQUIREMENT.*—The Secretary shall
21 submit to Congress at the end of each quarter of a fiscal
22 year a status report on each research and development pro-
23 gram that is a participant in the pilot program. The report
24 shall contain information on unit costs that is similar to
25 the information on unit costs under major defense acquisi-

1 *tion programs that is required to be provided to Congress*
2 *under chapter 144 of title 10, United States Code, except*
3 *that the information on unit costs shall address projected*
4 *prototype costs instead of production costs.*

5 *(f) APPLICABILITY OF EXISTING LAW.—Nothing in*
6 *this section shall be construed to exempt any program of*
7 *the Department of Defense from the application of any pro-*
8 *vision of chapter 144 of title 10, United States Code, section*
9 *139, 181, 2366, 2399, or 2400 of such title, or any require-*
10 *ment under Department of Defense Directive 5000.1, De-*
11 *partment of Defense Instruction 5000.2, or Chairman of the*
12 *Joint Chiefs of Staff Instruction 3170.01B in accordance*
13 *with the terms of such provision or requirement.*

14 *(g) TERMINATION OF PROGRAM PARTICIPATION.—The*
15 *conduct of a participating program as a spiral development*
16 *program under the pilot program shall terminate when the*
17 *decision is made for the participating program to proceed*
18 *into the production of units in excess of the number of pro-*
19 *totype units permitted under the limitation provided in*
20 *spiral development plan for the program pursuant to sub-*
21 *section (c)(5).*

22 *(h) TERMINATION OF PILOT PROGRAM.—(1) The au-*
23 *thority to conduct a pilot program under this section shall*
24 *terminate three years after the date of the enactment of this*
25 *Act.*

1 (2) *The termination of the pilot program shall not ter-*
2 *minate the authority of the Secretary of a military depart-*
3 *ment or head of a Defense Agency to continue to conduct,*
4 *as a spiral development program, any research and develop-*
5 *ment program that was designated to participate in the*
6 *pilot program before the date on which the pilot program*
7 *terminates. In the continued conduct of such a research and*
8 *development program as a spiral development program on*
9 *and after such date, the spiral development plan approved*
10 *for the program, the guidance issued under subsection (d),*
11 *and subsections (e), (f), and (g) shall continue to apply.*

12 (i) *DEFINITIONS.—In this section:*

13 (1) *The term “spiral development program”*
14 *means a research and development program that—*

15 (A) *is conducted in discrete phases or*
16 *blocks, each of which will result in the develop-*
17 *ment of fieldable prototypes; and*

18 (B) *will not proceed into acquisition until*
19 *specific performance parameters, including*
20 *measurable exit criteria, have been met.*

21 (2) *The term “spiral” means one of the discrete*
22 *phases or blocks of a spiral development program.*

23 (3) *The term “major system” has the meaning*
24 *given such term in section 2302(5) of title 10, United*
25 *States Code.*

1 (4) *The term “participating program” means a*
2 *research and development program that is designated*
3 *to participate in the pilot program under subsection*
4 *(b).*

5 **SEC. 804. IMPROVEMENT OF SOFTWARE ACQUISITION**
6 **PROCESSES.**

7 (a) *ESTABLISHMENT OF PROGRAMS.—(1) The Sec-*
8 *retary of each military department shall establish a pro-*
9 *gram to improve the software acquisition processes of that*
10 *military department.*

11 (2) *The head of each Defense Agency that manages a*
12 *major defense acquisition program with a substantial soft-*
13 *ware component shall establish a program to improve the*
14 *software acquisition processes of that Defense Agency.*

15 (3) *The programs required by this subsection shall be*
16 *established not later than 120 days after the date of the*
17 *enactment of this Act.*

18 (b) *PROGRAM REQUIREMENTS.—A program to im-*
19 *prove software acquisition processes under this section shall,*
20 *at a minimum, include the following:*

21 (1) *A documented process for software acquisi-*
22 *tion planning, requirements development and man-*
23 *agement, project management and oversight, and risk*
24 *management.*

1 (2) *Efforts to develop systems for performance*
2 *measurement and continual process improvement.*

3 (3) *A system for ensuring that each program of-*
4 *office with substantial software responsibilities imple-*
5 *ments and adheres to established processes and re-*
6 *quirements.*

7 (c) *DEPARTMENT OF DEFENSE GUIDANCE.—The As-*
8 *stant Secretary of Defense for Command, Control, Com-*
9 *munications, and Intelligence, in consultation with the*
10 *Under Secretary of Defense for Acquisition, Technology,*
11 *and Logistics, shall—*

12 (1) *prescribe uniformly applicable guidance for*
13 *the administration of all of the programs established*
14 *under subsection (a) and take such actions as are nec-*
15 *essary to ensure that the military departments and*
16 *Defense Agencies comply with the guidance; and*

17 (2) *assist the Secretaries of the military depart-*
18 *ments and the heads of the Defense Agencies to carry*
19 *out such programs effectively by identifying, and*
20 *acting as a clearinghouse for information regarding,*
21 *best practices in software acquisition processes in both*
22 *the public and private sectors.*

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

1 (1) *The term “Defense Agency” has the meaning*
2 *given the term in section 101(a)(11) of title 10,*
3 *United States Code.*

4 (2) *The term “major defense acquisition pro-*
5 *gram” has the meaning given the term in section*
6 *2430 of title 10, United States Code.*

7 **SEC. 805. INDEPENDENT TECHNOLOGY READINESS ASSESS-**
8 **MENTS.**

9 *Section 804(b) of the National Defense Authorization*
10 *Act for Fiscal Year 2002 (Public Law 107–107; 115 Stat.*
11 *1180) is amended—*

12 (1) *by striking “and” at the end of paragraph*
13 *(1);*

14 (2) *by striking the period at the end of para-*
15 *graph (2) and inserting “; and”; and*

16 (3) *by adding at the end the following new para-*
17 *graph:*

18 *“(3) identify each case in which an authoritative*
19 *decision has been made within the Department of De-*
20 *fense not to conduct an independent technology readi-*
21 *ness assessment for a critical technology on a major*
22 *defense acquisition program and explain the reasons*
23 *for the decision.”.*

1 **SEC. 806. TIMING OF CERTIFICATION IN CONNECTION WITH**
2 **WAIVER OF SURVIVABILITY AND LETHALITY**
3 **TESTING REQUIREMENTS.**

4 (a) *CERTIFICATION FOR EXPEDITED PROGRAMS.—*
5 *Paragraph (1) of subsection (c) of section 2366 of title 10,*
6 *United States Code, is amended to read as follows:*

7 “(1) *The Secretary of Defense may waive the applica-*
8 *tion of the survivability and lethality tests of this section*
9 *to a covered system, munitions program, missile program,*
10 *or covered product improvement program if the Secretary*
11 *determines that live-fire testing of such system or program*
12 *would be unreasonably expensive and impractical and sub-*
13 *mits a certification of that determination to Congress—*

14 “(A) *before Milestone B approval for the system*
15 *or program; or*

16 “(B) *in the case of a system or program initi-*
17 *ated at—*

18 “(i) *Milestone B, as soon as is practicable*
19 *after the Milestone B approval; or*

20 “(ii) *Milestone C, as soon as is practicable*
21 *after the Milestone C approval.”.*

22 (b) *DEFINITIONS.—Subsection (e) of such section is*
23 *amended by adding at the end the following new para-*
24 *graphs:*

25 “(8) *The term ‘Milestone B approval’ means a*
26 *decision to enter into system development and dem-*

1 onstration pursuant to guidance prescribed by the
2 Secretary of Defense for the management of Depart-
3 ment of Defense acquisition programs.

4 “(9) The term ‘Milestone C approval’ means a
5 decision to enter into production and deployment
6 pursuant to guidance prescribed by the Secretary of
7 Defense for the management of Department of Defense
8 acquisition programs.”.

9 **Subtitle B—Procurement Policy** 10 **Improvements**

11 **SEC. 811. PERFORMANCE GOALS FOR CONTRACTING FOR** 12 **SERVICES.**

13 (a) *INDIVIDUAL PURCHASES OF SERVICES.*—Sub-
14 section (a) of section 802 of the National Defense Authoriza-
15 tion Act for Fiscal Year 2002 (Public Law 107–107; 10
16 U.S.C. 2330 note) is amended by adding at the end the fol-
17 lowing new paragraphs:

18 “(3) To support the attainment of the goals established
19 in paragraph (2), the Department of Defense shall have the
20 following goals:

21 “(A) To increase, as a percentage of all of the in-
22 dividual purchases of services made by or for the De-
23 partment of Defense under multiple award contracts
24 for a fiscal year (calculated on the basis of dollar
25 value), the volume of the individual purchases of serv-

1 *ices that are made on a competitive basis and involve*
2 *the receipt of two or more offers from qualified con-*
3 *tractors to a percentage as follows:*

4 *“(i) For fiscal year 2003, a percentage not*
5 *less than 50 percent.*

6 *“(ii) For fiscal year 2004, a percentage not*
7 *less than 60 percent.*

8 *“(iii) For fiscal year 2011, a percentage not*
9 *less than 80 percent.*

10 *“(B) To increase, as a percentage of all of the in-*
11 *dividual purchases of services made by or for the De-*
12 *partment of Defense under multiple award contracts*
13 *for a fiscal year (calculated on the basis of dollar*
14 *value), the use of performance-based purchasing speci-*
15 *fying firm fixed prices for the specific tasks to be per-*
16 *formed to a percentage as follows:*

17 *“(i) For fiscal year 2003, a percentage not*
18 *less than 30 percent.*

19 *“(ii) For fiscal year 2004, a percentage not*
20 *less than 40 percent.*

21 *“(iii) For fiscal year 2005, a percentage not*
22 *less than 50 percent.*

23 *“(iv) For fiscal year 2011, a percentage not*
24 *less than 80 percent.”.*

1 (b) *EXTENSION AND REVISION OF REPORTING RE-*
2 *QUIREMENT.*—*Subsection (b) of such section is amended—*

3 (1) *by striking “March 1, 2006”, and inserting*
4 *“March 1, 2011”; and*

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

7 “(6) *Regarding the individual purchases of serv-*
8 *ices that were made by or for the Department of De-*
9 *fense under multiple award contracts in the fiscal*
10 *year preceding the fiscal year in which the report is*
11 *required to be submitted, information (determined*
12 *using the data collection system established under sec-*
13 *tion 2330a of title 10, United States Code) as follows:*

14 “(A) *The percentage (calculated on the basis*
15 *of dollar value) of such purchases that are pur-*
16 *chases that were made on a competitive basis*
17 *and involved receipt of two or more offers from*
18 *qualified contractors.*

19 “(B) *The percentage (calculated on the basis*
20 *of dollar value) of such purchases that are per-*
21 *formance-based purchases specifying firm fixed*
22 *prices for the specific tasks to be performed.”.*

23 (c) *DEFINITIONS.*—*Such section is further amended by*
24 *adding at the end the following new subsection:*

25 “(c) *DEFINITIONS.*—*In this section:*

1 “(1) The term ‘individual purchase’ means a
2 task order, delivery order, or other purchase.

3 “(2) The term ‘multiple award contract’
4 means—

5 “(A) a contract that is entered into by the
6 Administrator of General Services under the
7 multiple award schedule program referred to in
8 section 2302(2)(C) of title 10, United States
9 Code;

10 “(B) a multiple award task order contract
11 that is entered into under the authority of sec-
12 tions 2304a through 2304d of title 10, United
13 States Code, or sections 303H through 303K of
14 the Federal Property and Administrative Serv-
15 ices Act of 1949 (41 U.S.C. 253h through 253k);
16 and

17 “(C) any other indefinite delivery, indefi-
18 nite quantity contract that is entered into by the
19 head of a Federal agency with two or more
20 sources pursuant to the same solicitation.”.

21 **SEC. 812. GRANTS OF EXCEPTIONS TO COST OR PRICING**

22 **DATA CERTIFICATION REQUIREMENTS AND**

23 **WAIVERS OF COST ACCOUNTING STANDARDS.**

24 (a) **GUIDANCE FOR EXCEPTIONS IN EXCEPTIONAL CIR-**
25 **CUMSTANCES.—**(1) Not later than 60 days after the date

1 *of the enactment of this Act, the Secretary of Defense shall*
2 *issue guidance on the circumstances under which it is ap-*
3 *propriate to grant—*

4 (A) *an exception pursuant to section*
5 *2306a(b)(1)(C) of title 10, United States Code, relat-*
6 *ing to submittal of certified contract cost and pricing*
7 *data; or*

8 (B) *a waiver pursuant to section 26(f)(5)(B) of*
9 *the Office of Federal Procurement Policy Act (41*
10 *U.S.C. 422(f)(5)(B)), relating to the applicability of*
11 *cost accounting standards to contracts and sub-*
12 *contracts.*

13 (2) *The guidance shall, at a minimum, include a limi-*
14 *tation that a grant of an exception or waiver referred to*
15 *in paragraph (1) is appropriate with respect to a contract*
16 *or subcontract, or (in the case of submittal of certified cost*
17 *and pricing data) a modification, only upon a determina-*
18 *tion that the property or services cannot be obtained under*
19 *the contract, subcontract, or modification, as the case may*
20 *be, without the grant of the exception or waiver.*

21 (b) *SEMIANNUAL REPORT.—(1) The Secretary of De-*
22 *fense shall transmit to the congressional defense committees*
23 *promptly after the end of each half of a fiscal year a report*
24 *on the exceptions to cost or pricing data certification re-*
25 *quirements and the waivers of applicability of cost account-*

1 *ing standards that, in cases described in paragraph (2),*
2 *were granted during that half of the fiscal year.*

3 (2) *The report for a half of a fiscal year shall include*
4 *an explanation of—*

5 (A) *each decision by the head of a procuring ac-*
6 *tivity within the Department of Defense to exercise*
7 *the authority under subparagraph (B) or (C) of sub-*
8 *section (b)(1) of section 2306a of title 10, United*
9 *States Code, to grant an exception to the requirements*
10 *of such section in the case of a contract, subcontract,*
11 *or contract or subcontract modification that is ex-*
12 *pected to have a price of \$15,000,000 or more; and*

13 (B) *each decision by the Secretary of Defense or*
14 *the head of an agency within the Department of De-*
15 *fense to exercise the authority under subsection*
16 *(f)(5)(B) of section 26 of the Office of Federal Pro-*
17 *urement Policy Act to waive the applicability of the*
18 *cost accounting standards under such section in the*
19 *case of a contract or subcontract that is expected to*
20 *have a value of \$15,000,000 or more.*

21 (c) *ADVANCE NOTIFICATION OF CONGRESS.—(1) The*
22 *Secretary of Defense shall transmit to the congressional de-*
23 *fense committees an advance notification of—*

24 (A) *any decision by the head of a procuring ac-*
25 *tivity within the Department of Defense to exercise*

1 *the authority under subsection (b)(1)(C) of section*
2 *2306a of title 10, United States Code, to grant an ex-*
3 *ception to the requirements of such section in the case*
4 *of a contract, subcontract, or contract or subcontract*
5 *modification that is expected to have a price of*
6 *\$75,000,000 or more; or*

7 *(B) any decision by the Secretary of Defense or*
8 *the head of an agency within the Department of De-*
9 *fense to exercise the authority under subsection*
10 *(f)(5)(B) of section 26 of the Office of Federal Pro-*
11 *curement Policy Act to waive the applicability of the*
12 *cost accounting standards under such section to a*
13 *contract or subcontract that is expected to have a*
14 *value of \$75,000,000 or more.*

15 *(2) The notification under paragraph (1) regarding a*
16 *decision to grant an exception or waiver shall be trans-*
17 *mitted not later than 10 days before the exception or waiver*
18 *is granted.*

19 *(d) CONTENTS OF REPORTS AND NOTIFICATIONS.—A*
20 *report pursuant to subsection (b) and a notification pursu-*
21 *ant to subsection (c) shall include, for each grant of an ex-*
22 *ception or waiver, the following matters:*

23 *(1) A discussion of the justification for the grant*
24 *of the exception or waiver, including at a*
25 *minimum—*

1 (A) *in the case of an exception granted pur-*
2 *suant to section 2306a(b)(1)(B) of title 10,*
3 *United States Code, an explanation of the basis*
4 *for the determination that the products or serv-*
5 *ices to be purchased are commercial items; and*

6 (B) *in the case of an exception granted pur-*
7 *suant to section 2306a(b)(1)(C) of such title, or*
8 *a waiver granted pursuant to section 26(f)(5)(B)*
9 *of the Office of Federal Procurement Policy Act,*
10 *an explanation of the basis for the determination*
11 *that it would not have been possible to obtain the*
12 *products or services from the offeror without the*
13 *grant of the exception or waiver.*

14 (2) *A description of the specific steps taken or to*
15 *be taken within the Department of Defense to ensure*
16 *that the price of each contract, subcontract, or modi-*
17 *fication covered by the report or notification, as the*
18 *case may be, is fair and reasonable.*

19 (e) *EFFECTIVE DATE.*—*The requirements of this sec-*
20 *tion shall apply to each exception or waiver that is granted*
21 *under a provision of law referred to in subsection (a) on*
22 *or after the date on which the guidance required by that*
23 *subsection (a) is issued.*

1 **SEC. 813. EXTENSION OF REQUIREMENT FOR ANNUAL RE-**
2 **PORT ON DEFENSE COMMERCIAL PRICING**
3 **MANAGEMENT IMPROVEMENT.**

4 *Section 803(c)(4) of the Strom Thurmond National*
5 *Defense Authorization Act for Fiscal Year 1999 (Public*
6 *Law 105–261; 112 Stat. 2082; 10 U.S.C. 2306a note) is*
7 *amended by striking “2000, 2001, and 2002,” and inserting*
8 *“2000 through 2006,”.*

9 **SEC. 814. INTERNAL CONTROLS ON THE USE OF PURCHASE**
10 **CARDS.**

11 *(a) REQUIREMENT FOR ENHANCED INTERNAL CON-*
12 *TROLS.—Not later than 120 days after the date of the enact-*
13 *ment of this Act, the Secretary of Defense shall take action*
14 *to ensure that appropriate internal controls for the use of*
15 *purchase cards issued by the Federal Government to De-*
16 *partment of Defense personnel are in place throughout the*
17 *Department of Defense. At a minimum, the internal con-*
18 *trols shall include the following:*

19 *(1) A requirement that the receipt and accept-*
20 *ance, and the documentation of the receipt and ac-*
21 *ceptance, of the property or services purchased on a*
22 *purchase card be verified by a Department of Defense*
23 *official who is independent of the purchaser.*

24 *(2) A requirement that the monthly purchase*
25 *card statements of purchases on a purchase card be*
26 *reviewed and certified for accuracy by an official of*

1 *the Department of Defense who is independent of the*
2 *purchaser.*

3 *(3) Specific policies limiting the number of pur-*
4 *chase cards issued, with the objective of significantly*
5 *reducing the number of cardholders.*

6 *(4) Specific policies on credit limits authorized*
7 *for cardholders, with the objective of minimizing fi-*
8 *nancial risk to the Federal Government.*

9 *(5) Specific criteria for identifying employees el-*
10 *igible to be issued purchase cards, with the objective*
11 *of ensuring the integrity of cardholders.*

12 *(6) Accounting procedures that ensure that pur-*
13 *chase card transactions are properly recorded in De-*
14 *partment of Defense accounting records.*

15 *(7) Requirements for regular internal review of*
16 *purchase card statements to identify—*

17 *(A) potentially fraudulent, improper, and*
18 *abusive purchases;*

19 *(B) any patterns of improper cardholder*
20 *transactions, such as purchases of prohibited*
21 *items; and*

22 *(C) categories of purchases that should be*
23 *made through other mechanisms to better aggre-*
24 *gate purchases and negotiate lower prices.*

1 (b) *TRAINING.*—*The Secretary of Defense shall ensure*
2 *that all Department of Defense purchase cardholders are*
3 *aware of the enhanced internal controls instituted pursuant*
4 *to subsection (a).*

5 (c) *COMPTROLLER GENERAL REVIEW.*—*Not later than*
6 *March 1, 2003, the Comptroller General shall—*

7 (1) *review the actions that have been taken with-*
8 *in the Department of Defense to comply with the re-*
9 *quirements of this section; and*

10 (2) *submit a report on the actions reviewed to*
11 *the congressional defense committees.*

12 **SEC. 815. ASSESSMENT REGARDING FEES PAID FOR ACQUI-**
13 **SITIONS UNDER OTHER AGENCIES' CON-**
14 **TRACTS.**

15 (a) *REQUIREMENT FOR ASSESSMENT AND REPORT.*—
16 *Not later than March 1, 2003, the Secretary of Defense shall*
17 *carry out an assessment to determine the total amount paid*
18 *by the Department of Defense as fees for the acquisition of*
19 *property and services by the Department of Defense under*
20 *contracts between other departments and agencies of the*
21 *Federal Government and the sources of the property and*
22 *services in each of fiscal years 2000, 2001, and 2002, and*
23 *submit a report on the results of the assessment to Congress.*

24 (b) *CONTENT OF REPORT.*—*The report shall include*
25 *the Secretary's views on what, if any, actions should be*

1 *taken within the Department of Defense to reduce the total*
2 *amount of the annual expenditures on fees described in sub-*
3 *section (a) and to use the amounts saved for other author-*
4 *ized purposes.*

5 **SEC. 816. PILOT PROGRAM FOR TRANSITION TO FOLLOW-**
6 **ON CONTRACTS FOR CERTAIN PROTOTYPE**
7 **PROJECTS.**

8 *Section 845 of the National Defense Authorization Act*
9 *for Fiscal Year 1994 (10 U.S.C. 2371 note) is amended*
10 *by—*

11 *(1) redesignating subsections (e), (f), and (g) as*
12 *subsections (f), (g), and (h), respectively; and*

13 *(2) inserting after subsection (d) the following*
14 *new subsection (e):*

15 *“(e) PILOT PROGRAM FOR TRANSITION TO FOLLOW-*
16 *ON CONTRACTS.—(1) The Secretary of Defense is authorized*
17 *to carry out a pilot program for follow-on contracting for*
18 *the production of items or processes that are developed by*
19 *nontraditional defense contractors under prototype projects*
20 *carried out under this section.*

21 *“(2) Under the pilot program—*

22 *“(A) a qualifying contract for the procurement of*
23 *such an item or process, or a qualifying subcontract*
24 *under a contract for the procurement of such an item*
25 *or process, may be treated as a contract or sub-*

1 *contract, respectively, for the procurement of commer-*
2 *cial items, as defined in section 4(12) of the Office of*
3 *Federal Procurement Policy Act (41 U.S.C. 403(12));*
4 *and*

5 *“(B) the item or process may be treated as an*
6 *item or process, respectively, that is developed in part*
7 *with Federal funds and in part at private expense for*
8 *the purposes of section 2320 of title 10, United States*
9 *Code.*

10 *“(3) For the purposes of the pilot program, a quali-*
11 *fying contract or subcontract is a contract or subcontract,*
12 *respectively, with a nontraditional defense contractor*
13 *that—*

14 *“(A) does not exceed \$20,000,000; and*

15 *“(B) is either—*

16 *“(i) a firm, fixed-price contract or sub-*
17 *contract; or*

18 *“(ii) a fixed-price contract or subcontract*
19 *with economic price adjustment.*

20 *“(4) The authority to conduct a pilot program under*
21 *this subsection shall terminate on September 30, 2005. The*
22 *termination of the authority shall not affect the validity*
23 *of contracts or subcontracts that are awarded or modified*
24 *during the period of the pilot program, without regard to*

1 *whether the contracts or subcontracts are performed during*
2 *the period.”.*

3 **SEC. 817. WAIVER AUTHORITY FOR DOMESTIC SOURCE OR**
4 **CONTENT REQUIREMENTS.**

5 *(a) AUTHORITY.—Subchapter V of chapter 148 of title*
6 *10, United States Code, is amended by adding at the end*
7 *the following new section:*

8 **“§2539c. Waiver of domestic source or content re-**
9 **quirements**

10 *“(a) AUTHORITY.—Except as provided in subsection*
11 *(f), the Secretary of Defense may waive the application of*
12 *any domestic source requirement or domestic content re-*
13 *quirement referred to in subsection (b) and thereby author-*
14 *ize the procurement of items that are grown, reprocessed,*
15 *reused, produced, or manufactured—*

16 *“(1) in a foreign country that has a reciprocal*
17 *defense procurement memorandum of understanding*
18 *or agreement with the United States;*

19 *“(2) in a foreign country that has a reciprocal*
20 *defense procurement memorandum of understanding*
21 *or agreement with the United States substantially*
22 *from components and materials grown, reprocessed,*
23 *reused, produced, or manufactured in the United*
24 *States or any foreign country that has a reciprocal*

1 *defense procurement memorandum of understanding*
2 *or agreement with the United States; or*

3 *“(3) in the United States substantially from*
4 *components and materials grown, reprocessed, reused,*
5 *produced, or manufactured in the United States or*
6 *any foreign country that has a reciprocal defense pro-*
7 *curement memorandum of understanding or agree-*
8 *ment with the United States.*

9 *“(b) COVERED REQUIREMENTS.—For purposes of this*
10 *section:*

11 *“(1) A domestic source requirement is any re-*
12 *quirement under law that the Department of Defense*
13 *satisfy its requirements for an item by procuring an*
14 *item that is grown, reprocessed, reused, produced, or*
15 *manufactured in the United States or by a manufac-*
16 *turer that is a part of the national technology and in-*
17 *dustrial base (as defined in section 2500(1) of this*
18 *title).*

19 *“(2) A domestic content requirement is any re-*
20 *quirement under law that the Department of Defense*
21 *satisfy its requirements for an item by procuring an*
22 *item produced or manufactured partly or wholly from*
23 *components and materials grown, reprocessed, reused,*
24 *produced, or manufactured in the United States.*

1 “(c) *APPLICABILITY.*—*The authority of the Secretary*
2 *to waive the application of a domestic source or content*
3 *requirements under subsection (a) applies to the procure-*
4 *ment of items for which the Secretary of Defense determines*
5 *that—*

6 “(1) *application of the requirement would im-*
7 *pede the reciprocal procurement of defense items*
8 *under a memorandum of understanding providing for*
9 *reciprocal procurement of defense items between a for-*
10 *foreign country and the United States in accordance*
11 *with section 2531 of this title; and*

12 “(2) *such country does not discriminate against*
13 *defense items produced in the United States to a*
14 *greater degree than the United States discriminates*
15 *against defense items produced in that country.*

16 “(d) *LIMITATION ON DELEGATION.*—*The authority of*
17 *the Secretary to waive the application of domestic source*
18 *or content requirements under subsection (a) may not be*
19 *delegated to any officer or employee other than the Under*
20 *Secretary of Defense for Acquisition, Technology and Logis-*
21 *tics.*

22 “(e) *CONSULTATIONS.*—*The Secretary may grant a*
23 *waiver of the application of a domestic source or content*
24 *requirement under subsection (a) only after consultation*

1 *with the United States Trade Representative, the Secretary*
2 *of Commerce, and the Secretary of State.*

3 “(f) *LAWS NOT WAIVABLE.—The Secretary of Defense*
4 *may not exercise the authority under subsection (a) to*
5 *wave any domestic source or content requirement con-*
6 *tained in any of the following laws:*

7 “(1) *The Small Business Act (15 U.S.C. 631 et*
8 *seq.).*

9 “(2) *The Javits-Wagner-O’Day Act (41 U.S.C. et*
10 *seq.).*

11 “(3) *Sections 7309 and 7310 of this title.*

12 “(4) *Section 2533a of this title.*

13 “(g) *RELATIONSHIP TO OTHER WAIVER AUTHOR-*
14 *ITY.—The authority under subsection (a) to waive a domes-*
15 *tic source requirement or domestic content requirement is*
16 *in addition to any other authority to waive such require-*
17 *ment.*

18 “(h) *CONSTRUCTION WITH RESPECT TO LATER EN-*
19 *ACTED LAWS.—This section may not be construed as being*
20 *inapplicable to a domestic source requirement or domestic*
21 *content requirement that is set forth in a law enacted after*
22 *the enactment of this section solely on the basis of the later*
23 *enactment.”.*

24 (b) *CLERICAL AMENDMENT.—The table of sections at*
25 *the beginning of such subchapter is amended by inserting*

1 *after the item relating to section 2539b the following new*
 2 *item:*

“2539c. Waiver of domestic source or content requirements.”.

3 ***Subtitle C—Other Matters***

4 ***SEC. 821. EXTENSION OF THE APPLICABILITY OF CERTAIN***
 5 ***PERSONNEL DEMONSTRATION PROJECT EX-***
 6 ***CEPTIONS TO AN ACQUISITION WORKFORCE***
 7 ***DEMONSTRATION PROJECT.***

8 *Section 4308(b)(3)(B) of the National Defense Author-*
 9 *ization Act for Fiscal Year 1996 (Public Law 104–106; 10*
 10 *U.S.C. 1701 note) is amended to read as follows:*

11 *“(B) commences before November 18,*
 12 *2007.”.*

13 ***SEC. 822. MORATORIUM ON REDUCTION OF THE DEFENSE***
 14 ***ACQUISITION AND SUPPORT WORKFORCE.***

15 *(a) PROHIBITION.—Notwithstanding any other provi-*
 16 *sion of law, the defense acquisition and support workforce*
 17 *may not be reduced, during fiscal years 2003, 2004, and*
 18 *2005, below the level of that workforce as of September 30,*
 19 *2002, determined on the basis of full-time equivalent posi-*
 20 *tions.*

21 *(b) WAIVER AUTHORITY.—The Secretary of Defense*
 22 *may waive the prohibition in subsection (a) and reduce the*
 23 *level of the defense acquisition and support workforce upon*
 24 *submitting to Congress the Secretary’s certification that the*
 25 *defense acquisition and support workforce, at the level to*

1 *which reduced, will be able efficiently and effectively to per-*
2 *form the workloads that are required of that workforce con-*
3 *sistent with the cost-effective management of the defense ac-*
4 *quisition system to obtain best value equipment and with*
5 *ensuring military readiness.*

6 (c) *DEFENSE ACQUISITION AND SUPPORT WORKFORCE*
7 *DEFINED.—In this section, the term “defense acquisition*
8 *and support workforce” means Armed Forces and civilian*
9 *personnel who are assigned to, or are employed in, an orga-*
10 *nization of the Department of Defense that is—*

11 (1) *an acquisition organization specified in De-*
12 *partment of Defense Instruction 5000.58, dated Janu-*
13 *ary 14, 1992; or*

14 (2) *an organization not so specified that has ac-*
15 *quisition as its predominant mission, as determined*
16 *by the Secretary of Defense.*

17 **SEC. 823. EXTENSION OF CONTRACT GOAL FOR SMALL DIS-**
18 **ADVANTAGED BUSINESSES AND CERTAIN IN-**
19 **STITUTIONS OF HIGHER EDUCATION.**

20 *Section 2323(k) of title 10, United States Code, is*
21 *amended by striking “2003” both places it appears and in-*
22 *serting “2006”.*

1 **SEC. 824. MENTOR-PROTEGE PROGRAM ELIGIBILITY FOR**
2 **HUBZONE SMALL BUSINESS CONCERNS AND**
3 **SMALL BUSINESS CONCERNS OWNED AND**
4 **CONTROLLED BY SERVICE-DISABLED VET-**
5 **ERANS.**

6 *Section 831(m)(2) of the National Defense Authoriza-*
7 *tion Act for Fiscal Year 1991 (10 U.S.C. 2302 note), is*
8 *amended—*

9 *(1) by striking “or” at the end of subparagraph*
10 *(D);*

11 *(2) by striking the period at the end of subpara-*
12 *graph (E) and inserting a semicolon; and*

13 *(3) by adding at the end the following new sub-*
14 *paragraphs:*

15 *“(F) a qualified HUBZone small business*
16 *concern, within the meaning of section 3(p)(5) of*
17 *the Small Business Act (15 U.S.C. 632(p)(5)); or*

18 *“(G) a small business concern owned and*
19 *controlled by service-disabled veterans, as defined*
20 *in section 3(q)(2) of the Small Business Act (15*
21 *U.S.C. 632(q)(2)).”.*

22 **SEC. 825. REPEAL OF REQUIREMENTS FOR CERTAIN RE-**
23 **VIEWS BY THE COMPTROLLER GENERAL.**

24 *The following provisions of the National Defense Au-*
25 *thorization Act for Fiscal Year 1996 (Public Law 104–106)*
26 *are repealed:*

1 (1) *Section 912(d) (110 Stat. 410; 10 U.S.C.*
2 *2216 note), relating to Comptroller General reviews of*
3 *the administration of the Defense Modernization Ac-*
4 *count.*

5 (2) *Section 5312(e) (110 Stat. 695; 40 U.S.C.*
6 *1492), relating to Comptroller General monitoring of*
7 *a pilot program for solutions-based contracting for*
8 *acquisition of information technology.*

9 (3) *Section 5401(c)(3) (110 Stat. 697; 40 U.S.C.*
10 *1501), relating to a Comptroller General review and*
11 *report regarding a pilot program to test streamlined*
12 *procedures for the procurement of information tech-*
13 *nology products and services available for ordering*
14 *through multiple award schedules.*

15 **SEC. 826. MULTIYEAR PROCUREMENT AUTHORITY FOR PUR-**
16 **CHASE OF DINITROGEN TETROXIDE, HYDRA-**
17 **ZINE, AND HYDRAZINE-RELATED PRODUCTS.**

18 (a) *IN GENERAL.*—Chapter 141 of title 10, United
19 *States Code, is amended by inserting after section 2410n*
20 *the following new section:*

21 **“§ 2410o. Multiyear procurement authority: purchase**
22 **of dinitrogen tetroxide, hydrazine, and hy-**
23 **drazine-related products**

24 “(a) *TEN-YEAR CONTRACT PERIOD.*—The Secretary of
25 *Defense may enter into a contract for a period of up to*

1 10 years for the purchase of dinitrogen tetroxide, hydrazine,
2 and hydrazine-related products for the support of a United
3 States national security program or a United States space
4 program.

5 “(b) *EXTENSIONS*.—A contract entered into for more
6 than one year under the authority of subsection (a) may
7 be extended for a total of not more than 10 years pursuant
8 to any option or options set forth in the contract.”

9 (b) *CLERICAL AMENDMENT*.—The table of sections at
10 the beginning of chapter 141 is amended by adding at the
11 end the following item:

“2410o. *Multiyear procurement authority: purchase of dinitrogen tetroxide, hydra-
zine, and hydrazine-related products.*”

12 **SEC. 827. MULTIYEAR PROCUREMENT AUTHORITY FOR EN-**
13 **VIRONMENTAL SERVICES FOR MILITARY IN-**
14 **STALLATIONS.**

15 (a) *AUTHORITY*.—Subsection (b) of section 2306c of
16 title 10, United States Code, is amended by adding at the
17 end the following new paragraph:

18 “(5) *Environmental remediation services for—*

19 “(A) *an active military installation;*

20 “(B) *a military installation being closed or*
21 *realigned under a base closure law; or*

22 “(C) *a site formerly used by the Department*
23 *of Defense.*”

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

3 “(g) *ADDITIONAL DEFINITIONS.*—*In this section:*

4 “(1) *The term ‘base closure law’ has the meaning*
5 *given such term in section 2667(h)(2) of this title.*

6 “(2) *The term ‘military installation’ has the*
7 *meaning given such term in section 2801(c)(2) of this*
8 *title.”.*

9 **SEC. 828. INCREASED MAXIMUM AMOUNT OF ASSISTANCE**
10 **FOR TRIBAL ORGANIZATIONS OR ECONOMIC**
11 **ENTERPRISES CARRYING OUT PROCUREMENT**
12 **TECHNICAL ASSISTANCE PROGRAMS IN TWO**
13 **OR MORE SERVICE AREAS.**

14 *Section 2414(a)(4) of title 10, United States Code, is*
15 *amended by striking “\$300,000” and inserting “\$600,000”.*

16 **SEC. 829. AUTHORITY FOR NONPROFIT ORGANIZATIONS TO**
17 **SELF-CERTIFY ELIGIBILITY FOR TREATMENT**
18 **AS QUALIFIED ORGANIZATIONS EMPLOYING**
19 **SEVERELY DISABLED UNDER MENTOR-PRO-**
20 **TEGE PROGRAM.**

21 *Section 831 of the National Defense Authorization Act*
22 *for Fiscal Year 1991 (10 U.S.C. 2302 note) is amended by*
23 *adding at the end the following new subsection:*

24 “(n) *SELF-CERTIFICATION OF NONPROFIT ORGANIZA-*
25 *TIONS AS QUALIFIED ORGANIZATIONS EMPLOYING THE SE-*

1 *VERELY DISABLED.—(1) The Secretary of Defense may, in*
2 *accordance with such requirements as the Secretary may*
3 *establish, permit a business entity operating on a non-profit*
4 *basis to self-certify its eligibility for treatment as a quali-*
5 *fied organization employing the severely disabled under*
6 *subsection (m)(2)(D).*

7 *“(2) The Secretary shall treat any entity described in*
8 *paragraph (1) that submits a self-certification under that*
9 *paragraph as a qualified organization employing the se-*
10 *verely disabled until the Secretary receives evidence, if any,*
11 *that such entity is not described by paragraph (1) or does*
12 *not merit treatment as a qualified organization employing*
13 *the severely disabled in accordance with applicable provi-*
14 *sions of subsection (m).*

15 *“(3) Paragraphs (1) and (2) shall cease to be effective*
16 *on the effective date of regulations prescribed by the Small*
17 *Business Administration under this section setting forth a*
18 *process for the certification of business entities as eligible*
19 *for treatment as a qualified organization employing the se-*
20 *verely disabled under subsection (m)(2)(D).”.*

21 **SEC. 830. REPORT ON EFFECTS OF ARMY CONTRACTING**
22 **AGENCY.**

23 *(a) IN GENERAL.—The Secretary of the Army shall*
24 *submit a report on the effects of the establishment of an*
25 *Army Contracting Agency on small business participation*

1 *in Army procurements during the first year of operation*
2 *of such an agency to—*

3 (1) *the Committee on Armed Services of the*
4 *House of Representatives;*

5 (2) *the Committee on Armed Services of the Sen-*
6 *ate;*

7 (3) *the Committee on Small Business of the*
8 *House of Representatives; and*

9 (4) *the Committee on Small Business and Entre-*
10 *preneurship of the Senate.*

11 (b) *CONTENT.—The report required under subsection*
12 *(a) shall include, in detail—*

13 (1) *the justification for the establishment of an*
14 *Army Contracting Agency;*

15 (2) *the impact of the creation of an Army Con-*
16 *tracting Agency on—*

17 (A) *Army compliance with—*

18 (i) *Department of Defense Directive*
19 *4205.1;*

20 (ii) *section 15(g) of the Small Business*
21 *Act (15 U.S.C. 644(g)); and*

22 (iii) *section 15(k) of the Small Busi-*
23 *ness Act (15 U.S.C. 644(k));*

1 (B) *small business participation in Army*
2 *procurement of products and services for affected*
3 *Army installations, including—*

4 (i) *the impact on small businesses lo-*
5 *cated near Army installations, including—*

6 (I) *the increase or decrease in the*
7 *total value of Army prime contracting*
8 *with local small businesses; and*

9 (II) *the opportunities for small*
10 *business owners to meet and interact*
11 *with Army procurement personnel; and*

12 (ii) *any change or projected change in*
13 *the use of consolidated contracts and bun-*
14 *dled contracts; and*

15 (3) *a description of the Army's plan to address*
16 *any negative impact on small business participation*
17 *in Army procurement, to the extent such impact is*
18 *identified in the report.*

19 (c) *TIME FOR SUBMISSION.—The report under this sec-*
20 *tion shall be due 15 months after the date of the establish-*
21 *ment of the Army Contracting Agency.*

1 **TITLE IX—DEPARTMENT OF DE-**
2 **FENSE ORGANIZATION AND**
3 **MANAGEMENT**

4 **SEC. 901. TIME FOR SUBMITTAL OF REPORT ON QUADREN-**
5 **NIAL DEFENSE REVIEW.**

6 *Section 118(d) of title 10, United States Code, is*
7 *amended by striking “not later than September 30 of the*
8 *year in which the review is conducted” in the second sen-*
9 *tence and inserting “in the year following the year in which*
10 *the review is conducted, but not later than the date on which*
11 *the President submits the budget for the next fiscal year*
12 *to Congress under section 1105(a) of title 31”.*

13 **SEC. 902. INCREASED NUMBER OF DEPUTY COMMANDANTS**
14 **AUTHORIZED FOR THE MARINE CORPS.**

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

17 **SEC. 903. BASE OPERATING SUPPORT FOR FISHER HOUSES.**

18 *(a) EXPANSION OF REQUIREMENT TO INCLUDE ARMY*
19 *AND AIR FORCE.—Section 2493(f) of title 10, United States*
20 *Code, is amended to read as follows:*

21 *“(f) BASE OPERATING SUPPORT.—The Secretary of*
22 *the military department concerned shall provide base oper-*
23 *ating support for Fisher Houses associated with health care*
24 *facilities of that military department.”.*

1 (b) *EFFECTIVE DATE.*—*The amendment made by sub-*
2 *section (a) shall take effect on October 1, 2002.*

3 **SEC. 904. PREVENTION AND MITIGATION OF CORROSION.**

4 (a) *ESTABLISHMENT.*—*Not later than 120 days after*
5 *the date of the enactment of this Act, the Secretary of De-*
6 *fense shall designate an officer or employee of the Depart-*
7 *ment of Defense as the senior official responsible (after the*
8 *Secretary of Defense and the Under Secretary of Defense*
9 *for Acquisition, Technology, and Logistics) for the preven-*
10 *tion and mitigation of corrosion of the military equipment*
11 *and infrastructure of the Department. The designated offi-*
12 *cial shall report directly to the Under Secretary of Defense*
13 *for Acquisition, Technology, and Logistics.*

14 (b) *DUTIES.*—*The official designated under subsection*
15 *(a) shall direct and coordinate initiatives throughout the*
16 *Department of Defense to prevent and mitigate corrosion*
17 *of the military equipment and infrastructure of the Depart-*
18 *ment, including efforts to facilitate the prevention and miti-*
19 *gation of corrosion through—*

20 (1) *development and recommendation of policy*
21 *guidance on the prevention and mitigation of corro-*
22 *sion which the Secretary of Defense shall issue;*

23 (2) *review of the annual budget proposed for the*
24 *prevention and mitigation of corrosion by the Sec-*
25 *retary of each military department and submittal of*

1 *recommendations regarding the proposed budget to the*
2 *Secretary of Defense;*

3 *(3) direction and coordination of the efforts*
4 *within the Department of Defense to prevent or miti-*
5 *gate corrosion during—*

6 *(A) the design, acquisition, and mainte-*
7 *nance of military equipment; and*

8 *(B) the design, construction, and mainte-*
9 *nance of infrastructure; and*

10 *(4) monitoring of acquisition practices—*

11 *(A) to ensure that the use of corrosion pre-*
12 *vention technologies and the application of corro-*
13 *sion prevention treatments are fully considered*
14 *during research and development in the acquisi-*
15 *tion process; and*

16 *(B) to ensure that, to the extent determined*
17 *appropriate in each acquisition program, such*
18 *technologies and treatments are incorporated*
19 *into the program, particularly during the engi-*
20 *neering and design phases of the acquisition*
21 *process.*

22 *(c) INTERIM REPORT.—When the President submits*
23 *the budget for fiscal year 2004 to Congress pursuant to sec-*
24 *tion 1105(a) of title 31, United States Code, the Secretary*
25 *of Defense shall submit to Congress a report regarding the*

1 *actions taken under this section. The report shall include*
2 *the following matters:*

3 (1) *The organizational structure for the per-*
4 *sonnel carrying out the responsibilities of the official*
5 *designated under subsection (a) with respect to the*
6 *prevention and mitigation of corrosion.*

7 (2) *An outline and milestones for developing a*
8 *long-term corrosion prevention and mitigation strat-*
9 *egy.*

10 (d) *LONG-TERM STRATEGY.—(1) Not later than one*
11 *year after the date of the enactment of this Act, the Sec-*
12 *retary of Defense shall submit to Congress a long-term strat-*
13 *egy to reduce corrosion and the effects of corrosion on the*
14 *military equipment and infrastructure of the Department*
15 *of Defense.*

16 (2) *The strategy shall provide for the following actions:*

17 (A) *Expanding the emphasis on corrosion pre-*
18 *vention and mitigation to include coverage of infra-*
19 *structure.*

20 (B) *Applying uniformly throughout the Depart-*
21 *ment of Defense requirements and criteria for the test-*
22 *ing and certification of new technologies for the pre-*
23 *vention of corrosion.*

1 (C) *Implementing programs, including programs*
2 *supporting databases, to foster the collection and*
3 *analysis of—*

4 (i) *data useful for determining the extent of*
5 *the effects of corrosion on the maintenance and*
6 *readiness of military equipment and infrastruc-*
7 *ture; and*

8 (ii) *data on the costs associated with the*
9 *prevention and mitigation of corrosion.*

10 (D) *Implementing programs, including sup-*
11 *porting databases, to ensure that a focused and co-*
12 *ordinated approach is taken throughout the Depart-*
13 *ment of Defense to collect, review, validate, and dis-*
14 *tribute information on proven methods and products*
15 *that are relevant to the prevention of corrosion of*
16 *military equipment and infrastructure.*

17 (E) *Implementing a program to identify specific*
18 *funding in future budgets for the total life cycle costs*
19 *of the prevention and mitigation of corrosion.*

20 (F) *Establishing a coordinated research and de-*
21 *velopment program for the prevention and mitigation*
22 *of corrosion for new and existing military equipment*
23 *and infrastructure that includes a plan to transition*
24 *new corrosion prevention technologies into operational*
25 *systems.*

1 (3) *The strategy shall also include, for the actions pro-*
2 *vided for pursuant to paragraph (2), the following:*

3 (A) *Policy guidance.*

4 (B) *Performance measures and milestones.*

5 (C) *An assessment of the necessary program*
6 *management resources and necessary financial re-*
7 *sources.*

8 (e) *GAO REVIEWS.—The Comptroller General shall*
9 *monitor the implementation of the long-term strategy re-*
10 *quired under subsection (d) and, not later than 18 months*
11 *after the date of the enactment of this Act, submit to Con-*
12 *gress an assessment of the extent to which the strategy has*
13 *been implemented.*

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

15 (1) *The term “corrosion” means the deterioration*
16 *of a substance or its properties due to a reaction with*
17 *its environment.*

18 (2) *The term “military equipment” includes all*
19 *air, land, and sea weapon systems, weapon platforms,*
20 *vehicles, and munitions of the Department of Defense,*
21 *and the components of such items.*

22 (3) *The term “infrastructure” includes all build-*
23 *ings, structures, airfields, port facilities, surface and*
24 *subterranean utility systems, heating and cooling sys-*
25 *tems, fuel tanks, pavements, and bridges.*

1 (g) *TERMINATION.*—*This section shall cease to be effec-*
2 *tive on the date that is five years after the date of the enact-*
3 *ment of this Act.*

4 **SEC. 905. WESTERN HEMISPHERE INSTITUTE FOR SECU-**
5 **RITY COOPERATION.**

6 (a) *AUTHORITY TO ACCEPT FOREIGN GIFTS AND DO-*
7 *NATIONS.*—*Section 2166 of title 10, United States Code, is*
8 *amended—*

9 (1) *by redesignating subsections (f), (g), and (h),*
10 *as subsections (g), (h), and (i), respectively; and*

11 (2) *by inserting after subsection (e) the following*
12 *new subsection (f):*

13 “(f) *AUTHORITY TO ACCEPT FOREIGN GIFTS AND DO-*
14 *NATIONS.*—(1) *The Secretary of Defense may, on behalf of*
15 *the Institute, accept foreign gifts or donations in order to*
16 *defray the costs of, or enhance the operation of, the Institute.*

17 “(2) *Funds received by the Secretary under paragraph*
18 *(1) shall be credited to appropriations available for the De-*
19 *partment of Defense for the Institute. Funds so credited*
20 *shall be merged with the appropriations to which credited*
21 *and shall be available for the Institute for the same purposes*
22 *and same period as the appropriations with which merged.*

23 “(3) *The Secretary of Defense shall notify Congress if*
24 *the total amount of money accepted under paragraph (1)*
25 *exceeds \$1,000,000 in any fiscal year. Any such notice shall*

1 *list each of the contributors of such money and the amount*
2 *of each contribution in such fiscal year.*

3 “(4) *For the purposes of this subsection, a foreign gift*
4 *or donation is a gift or donation of funds, materials (in-*
5 *cluding research materials), property, or services (including*
6 *lecture services and faculty services) from a foreign govern-*
7 *ment, a foundation or other charitable organization in a*
8 *foreign country, or an individual in a foreign country.”.*

9 (b) *CONTENT OF ANNUAL REPORT TO CONGRESS.—*
10 *Subsection (i) of such section, as redesignated by subsection*
11 *(a)(1), is amended by inserting after the first sentence the*
12 *following: “The report shall include a copy of the latest re-*
13 *port of the Board of Visitors received by the Secretary under*
14 *subsection (e)(5), together with any comments of the Sec-*
15 *retary on the Board’s report.”.*

16 **SEC. 906. VETERINARY CORPS OF THE ARMY.**

17 (a) *COMPOSITION AND ADMINISTRATION.—(1) Chapter*
18 *307 of title 10, United States Code, is amended by inserting*
19 *after section 3070 the following new section 3071:*

20 **“§ 3071. Veterinary Corps: composition; Chief and as-**
21 **sistant chief; appointment; grade**

22 “(a) *COMPOSITION.—The Veterinary Corps consists of*
23 *the Chief and assistant chief of that corps and other officers*
24 *in grades prescribed by the Secretary of the Army.*

1 “(b) *CHIEF.*—*The Secretary of the Army shall appoint*
2 *the Chief from the officers of the Regular Army in that corps*
3 *whose regular grade is above lieutenant colonel and who*
4 *are recommended by the Surgeon General. An appointee*
5 *who holds a lower regular grade may be appointed in the*
6 *regular grade of brigadier general. The Chief serves during*
7 *the pleasure of the Secretary, but not for more than four*
8 *years, and may not be reappointed to the same position.*

9 “(c) *ASSISTANT CHIEF.*—*The Surgeon General shall*
10 *appoint the assistant chief from the officers of the Regular*
11 *Army in that corps whose regular grade is above lieutenant*
12 *colonel. The assistant chief serves during the pleasure of the*
13 *Surgeon General, but not for more than four years and may*
14 *not be reappointed to the same position.”.*

15 (2) *The table of sections at the beginning of such chap-*
16 *ter is amended by inserting after the item relating to section*
17 *3070 the following new item:*

*“3071. Veterinary Corps: composition; Chief and assistant chief; appointment;
grade.”.*

18 (b) *EFFECTIVE DATE.*—*Section 3071 of title 10,*
19 *United States Code, as added by subsection (a), shall take*
20 *effect on October 1, 2002.*

21 **SEC. 907. UNDER SECRETARY OF DEFENSE FOR INTEL-**
22 **LIGENCE.**

23 (a) *ESTABLISHMENT OF POSITION.*—*Chapter 4 of title*
24 *10, United States Code, is amended—*

1 (1) by transferring section 137 within such chap-
2 ter to appear following section 138;

3 (2) by redesignating sections 137 and 139 as sec-
4 tions 139 and 139a, respectively; and

5 (3) by inserting after section 136a the following
6 new section 137:

7 **“§ 137. Under Secretary of Defense for Intelligence**

8 “(a) There is an Under Secretary of Defense for Intel-
9 ligence, appointed from civilian life by the President, by
10 and with the advice and consent of the Senate.

11 “(b) Subject to the authority, direction, and control of
12 the Secretary of Defense, the Under Secretary of Defense
13 for Intelligence shall perform such duties and exercise such
14 powers as the Secretary of Defense may prescribe in the
15 area of intelligence.

16 “(c) The Under Secretary of Defense for Personnel and
17 Readiness takes precedence in the Department of Defense
18 after the Under Secretary of Defense for Personnel and
19 Readiness.”.

20 (b) CONFORMING AMENDMENTS.—(1) Section 131 of
21 such title is amended—

22 (A) by striking paragraphs (2), (3), (4), and (5),
23 and inserting the following:

24 “(2) The Under Secretaries of Defense, as follows:

1 “(A) *The Under Secretary of Defense for*
2 *Acquisition, Technology, and Logistics.*

3 “(B) *The Under Secretary of Defense for*
4 *Policy.*

5 “(C) *The Under Secretary of Defense*
6 *(Comptroller).*

7 “(D) *The Under Secretary of Defense for*
8 *Personnel and Readiness.*

9 “(E) *The Under Secretary of Defense for In-*
10 *telligence.*”; and

11 (B) *by redesignating paragraphs (6), (7), (8),*
12 *(9), (10), and (11) as paragraphs (3), (4), (5), (6),*
13 *(7), and (8), respectively.*

14 (2) *The table of sections at the beginning of chapter*
15 *4 of such title is amended—*

16 (A) *by striking the item relating to section 137*
17 *and inserting the following:*

 “137. *Under Secretary of Defense for Intelligence.*”;

18 and

19 (B) *by striking the item relating to section 139*
20 *and inserting the following:*

 “139. *Director of Research and Engineering.*

 “139a. *Director of Operational Test and Evaluation.*”.

21 (c) *EXECUTIVE LEVEL III.—Section 5314 of title 5,*
22 *United States Code, is amended by inserting after “Under*

1 *Secretary of Defense for Personnel and Readiness.” the fol-*
2 *lowing:*

3 *“Under Secretary of Defense for Intelligence.”.*

4 ***TITLE X—GENERAL PROVISIONS***

5 ***Subtitle A—Financial Matters***

6 ***SEC. 1001. TRANSFER AUTHORITY.***

7 *(a) AUTHORITY TO TRANSFER AUTHORIZATIONS.—(1)*

8 *Upon determination by the Secretary of Defense that such*
9 *action is necessary in the national interest, the Secretary*
10 *may transfer amounts of authorizations made available to*
11 *the Department of Defense in this division for fiscal year*
12 *2003 between any such authorizations for that fiscal year*
13 *(or any subdivisions thereof). Amounts of authorizations so*
14 *transferred shall be merged with and be available for the*
15 *same purposes as the authorization to which transferred.*

16 *(2) The total amount of authorizations that the Sec-*
17 *retary may transfer under the authority of this section may*
18 *not exceed \$2,500,000,000.*

19 *(b) LIMITATIONS.—The authority provided by this sec-*
20 *tion to transfer authorizations—*

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

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

1 (c) *EFFECT ON AUTHORIZATION AMOUNTS.*—A trans-
2 *fer made from one account to another under the authority*
3 *of this section shall be deemed to increase the amount au-*
4 *thorized for the account to which the amount is transferred*
5 *by an amount equal to the amount transferred.*

6 (d) *NOTICE TO CONGRESS.*—*The Secretary shall*
7 *promptly notify Congress of each transfer made under sub-*
8 *section (a).*

9 **SEC. 1002. REALLOCATION OF AUTHORIZATIONS OF APPRO-**
10 **PRIATIONS FROM BALLISTIC MISSILE DE-**
11 **FENSE TO SHIPBUILDING.**

12 (a) *AMOUNT.*—*Notwithstanding any other provision of*
13 *this Act, the total amount authorized to be appropriated*
14 *under section 201(4) is hereby reduced by \$690,000,000,*
15 *and the amount authorized to be appropriated under sec-*
16 *tion 102(a)(3) is hereby increased by \$690,000,000.*

17 (b) *SOURCE OF REDUCTION.*—*The total amount of the*
18 *reduction in the amount authorized to be appropriated*
19 *under section 201(4) shall be derived from the amount pro-*
20 *vided under that section for ballistic missile defense for re-*
21 *search, development, test, and evaluation.*

22 (c) *ALLOCATION OF INCREASE.*—*Of the additional*
23 *amount authorized to be appropriated under section*
24 *102(a)(3) pursuant to subsection (a)—*

1 (1) \$415,000,000 shall be available for advance
2 procurement of a Virginia class submarine;

3 (2) \$125,000,000 shall be available for advance
4 procurement of a DDG-51 class destroyer; and

5 (3) \$150,000,000 shall be available for advance
6 procurement of an LPD-17 class amphibious trans-
7 port dock.

8 **SEC. 1003. AUTHORIZATION OF APPROPRIATIONS FOR CON-**
9 **TINUED OPERATIONS FOR THE WAR ON TER-**
10 **RORISM.**

11 (a) AMOUNT.—(1) In addition to the amounts author-
12 ized to be appropriated under divisions A and B, funds are
13 hereby authorized to be appropriated for fiscal year 2003
14 (subject to subsection (b)) in the total amount of
15 \$10,000,000,000 for the conduct of operations in continu-
16 ation of the war on terrorism in accordance with the Au-
17 thorization for Use of Military Force (Public Law 107-40;
18 50 U.S.C. 1541 note).

19 (2) The amount authorized to be appropriated under
20 paragraph (1) shall be available for increased operating
21 costs, transportation costs, costs of humanitarian efforts,
22 costs of special pays, costs of enhanced intelligence efforts,
23 increased personnel costs for members of the reserve compo-
24 nents ordered to active duty under a provision of law re-
25 ferred to in section 101(a)(13)(B) of title 10, United States

1 *Code, and other costs related to operations referred to in*
2 *paragraph (1).*

3 (b) *AUTHORIZATION CONTINGENT ON BUDGET RE-*
4 *QUEST.—The authorization of appropriations in subsection*
5 *(a) shall be effective only to the extent of the amount pro-*
6 *vided in a budget request for the appropriation of funds*
7 *for purposes set forth in subsection (a) that is submitted*
8 *by the President to Congress after the date of the enactment*
9 *of this Act and—*

10 (1) *includes a designation of the requested*
11 *amount as being essential to respond to or protect*
12 *against acts or threatened acts of terrorism; and*

13 (2) *specifies a proposed allocation and plan for*
14 *the use of the appropriation for purposes set forth in*
15 *subsection (a).*

16 **SEC. 1004. AUTHORIZATION OF EMERGENCY SUPPLE-**
17 **MENTAL APPROPRIATIONS FOR FISCAL YEAR**
18 **2002.**

19 *Amounts authorized to be appropriated to the Depart-*
20 *ment of Defense for fiscal year 2002 in the National Defense*
21 *Authorization Act for Fiscal Year 2002 (Public Law 107-*
22 *107) are hereby adjusted, with respect to any such author-*
23 *ized amount, by the amount by which appropriations pur-*
24 *suant to such authorization were increased (by a supple-*
25 *mental appropriation) or decreased (by a rescission), or*

1 both, in any law making supplemental appropriations for
2 fiscal year 2002 that is enacted during the 107th Congress,
3 second session.

4 **SEC. 1005. UNITED STATES CONTRIBUTION TO NATO COM-**
5 **MON-FUNDED BUDGETS IN FISCAL YEAR 2003.**

6 (a) *FISCAL YEAR 2003 LIMITATION.*—The total
7 amount contributed by the Secretary of Defense in fiscal
8 year 2003 for the common-funded budgets of NATO may
9 be any amount up to, but not in excess of, the amount speci-
10 fied in subsection (b) (rather than the maximum amount
11 that would otherwise be applicable to those contributions
12 under the fiscal year 1998 baseline limitation).

13 (b) *TOTAL AMOUNT.*—The amount of the limitation
14 applicable under subsection (a) is the sum of the following:

15 (1) *The amounts of unexpended balances, as of*
16 *the end of fiscal year 2002, of funds appropriated for*
17 *fiscal years before fiscal year 2003 for payments for*
18 *those budgets.*

19 (2) *The amount specified in subsection (c)(1).*

20 (3) *The amount specified in subsection (c)(2).*

21 (4) *The total amount of the contributions author-*
22 *ized to be made under section 2501.*

23 (c) *AUTHORIZED AMOUNTS.*—Amounts authorized to
24 be appropriated by titles II and III of this Act are available

1 *for contributions for the common-funded budgets of NATO*
2 *as follows:*

3 (1) *Of the amount provided in section 201(1),*
4 *\$750,000 for the Civil Budget.*

5 (2) *Of the amount provided in section 301(a)(1),*
6 *\$205,623,000 for the Military Budget.*

7 (d) *DEFINITIONS.—For purposes of this section:*

8 (1) *COMMON-FUNDED BUDGETS OF NATO.—The*
9 *term “common-funded budgets of NATO” means the*
10 *Military Budget, the Security Investment Program,*
11 *and the Civil Budget of the North Atlantic Treaty Or-*
12 *ganization (and any successor or additional account*
13 *or program of NATO).*

14 (2) *FISCAL YEAR 1998 BASELINE LIMITATION.—*
15 *The term “fiscal year 1998 baseline limitation”*
16 *means the maximum annual amount of Department*
17 *of Defense contributions for common-funded budgets of*
18 *NATO that is set forth as the annual limitation in*
19 *section 3(2)(C)(ii) of the resolution of the Senate giv-*
20 *ing the advice and consent of the Senate to the ratifi-*
21 *cation of the Protocols to the North Atlantic Treaty*
22 *of 1949 on the Accession of Poland, Hungary, and the*
23 *Czech Republic (as defined in section 4(7) of that res-*
24 *olution), approved by the Senate on April 30, 1998.*

1 **SEC. 1006. DEVELOPMENT AND IMPLEMENTATION OF FI-**
2 **NANCIAL MANAGEMENT ENTERPRISE ARCHI-**
3 **TECTURE.**

4 (a) *REQUIREMENT FOR ENTERPRISE ARCHITECTURE*
5 *AND TRANSITION PLAN.*—Not later than March 15, 2003,
6 the Secretary of Defense shall develop a proposed financial
7 management enterprise architecture for all budgetary, ac-
8 counting, finance, and data feeder systems of the Depart-
9 ment of Defense, together with a transition plan for imple-
10 menting the proposed enterprise architecture.

11 (b) *COMPOSITION OF ARCHITECTURE.*—The proposed
12 financial management enterprise architecture developed
13 under subsection (a) shall describe a system that, at a
14 minimum—

15 (1) includes data standards and system interface
16 requirements that are to apply uniformly throughout
17 the Department of Defense;

18 (2) enables the Department of Defense—

19 (A) to comply with Federal accounting, fi-
20 nancial management, and reporting require-
21 ments;

22 (B) to routinely produce timely, accurate,
23 and useful financial information for manage-
24 ment purposes;

25 (C) to integrate budget, accounting, and
26 program information and systems; and

1 (D) to provide for the systematic measure-
2 ment of performance, including the ability to
3 produce timely, relevant, and reliable cost infor-
4 mation.

5 (c) *COMPOSITION OF TRANSITION PLAN.*—The transi-
6 tion plan developed under subsection (a) shall contain spe-
7 cific time-phased milestones for modifying or eliminating
8 existing systems and for acquiring new systems necessary
9 to implement the proposed enterprise architecture.

10 (d) *EXPENDITURES FOR IMPLEMENTATION.*—The Sec-
11 retary of Defense may not obligate more than \$1,000,000
12 for a defense financial system improvement on or after the
13 enterprise architecture approval date unless the Financial
14 Management Modernization Executive Committee deter-
15 mines that the defense financial system improvement is con-
16 sistent with the proposed enterprise architecture and transi-
17 tion plan.

18 (e) *EXPENDITURES PENDING ARCHITECTURE AP-
19 PROVAL.*—The Secretary of Defense may not obligate more
20 than \$1,000,000 for a defense financial system improvement
21 during the enterprise architecture pre-approval period un-
22 less the Financial Management Modernization Executive
23 Committee determines that the defense financial system im-
24 provement is necessary—

1 (1) *to achieve a critical national security capa-*
2 *bility or address a critical requirement in an area*
3 *such as safety or security; or*

4 (2) *to prevent a significant adverse effect (in*
5 *terms of a technical matter, cost, or schedule) on a*
6 *project that is needed to achieve an essential capa-*
7 *bility, taking into consideration in the determination*
8 *the alternative solutions for preventing the adverse ef-*
9 *fect.*

10 (f) *COMPTROLLER GENERAL REVIEW.—Not later than*
11 *March 1 of each of 2003, 2004, and 2005, the Comptroller*
12 *General shall submit to the congressional defense committees*
13 *a report on defense financial management system improve-*
14 *ments that have been undertaken during the previous year.*
15 *The report shall include the Comptroller General’s assess-*
16 *ment of the extent to which the improvements comply with*
17 *the requirements of this section.*

18 (g) *DEFINITIONS.—In this section:*

19 (1) *The term “defense financial system*
20 *improvement”—*

21 (A) *means the acquisition of a new budg-*
22 *etary, accounting, finance, or data feeder system*
23 *for the Department of Defense, or a modification*
24 *of an existing budgetary, accounting, finance, or*

1 *data feeder system of the Department of Defense;*
2 *and*

3 *(B) does not include routine maintenance*
4 *and operation of any such system.*

5 *(2) The term “enterprise architecture approval*
6 *date” means the date on which the Secretary of De-*
7 *fense approves a proposed financial management en-*
8 *terprise architecture and a transition plan that sat-*
9 *isfy the requirements of this section.*

10 *(3) The term “enterprise architecture pre-ap-*
11 *proval period” means the period beginning on the*
12 *date of the enactment of this Act and ending on the*
13 *day before the enterprise architecture approval date.*

14 *(4) The term “feeder system” means a data feed-*
15 *er system within the meaning of section 2222(c)(2) of*
16 *title 10, United States Code.*

17 *(5) The term “Financial Management Mod-*
18 *ernization Executive Committee” means the Finan-*
19 *cial Management Modernization Executive Committee*
20 *established pursuant to section 185 of title 10, United*
21 *States Code.*

1 **SEC. 1007. DEPARTMENTAL ACCOUNTABLE OFFICIALS IN**
2 **THE DEPARTMENT OF DEFENSE.**

3 (a) *DESIGNATION AND ACCOUNTABILITY.*—Chapter
4 165 of title 10, United States Code, is amended by inserting
5 after section 2773 the following new section:

6 **“§2773a. Departmental accountable officials**

7 “(a) *DESIGNATION.*—The Secretary of Defense may
8 designate, in writing, as a departmental accountable offi-
9 cial any employee of the Department of Defense or any
10 member of the armed forces who—

11 “(1) has a duty to provide a certifying official
12 of the Department of Defense with information, data,
13 or services directly relied upon by the certifying offi-
14 cial in the certification of vouchers for payment; and

15 “(1) is not otherwise accountable under subtitle
16 III of title 31 or any other provision of law for pay-
17 ments made on the basis of the vouchers.

18 “(b) *PECUNIARY LIABILITY.*—(1) The Secretary of De-
19 fense may, in a designation of a departmental accountable
20 official under subsection (a), subject that official to pecu-
21 niary liability, in the same manner and to the same extent
22 as an official accountable under subtitle III of title 31, for
23 an illegal, improper, or incorrect payment made pursuant
24 to a voucher certified by a certifying official of the Depart-
25 ment of Defense on the basis of information, data, or serv-
26 ices that—

1 “(A) the departmental accountable official pro-
2 vides to the certifying official in the performance of
3 a duty described in subsection (a)(1); and

4 “(B) the certifying official directly relies upon in
5 certifying the voucher.

6 “(2) Any pecuniary liability imposed on a depart-
7 mental accountable official under this subsection for a loss
8 to the United States resulting from an illegal, improper,
9 or incorrect payment shall be joint and several with that
10 of any other employee or employees of the United States
11 or member or members of the uniformed services who are
12 pecuniarily liable for the loss.

13 “(c) *RELIEF FROM PECUNIARY LIABILITY.*—The Sec-
14 retary of Defense shall relieve a departmental accountable
15 official from pecuniary liability imposed under subsection
16 (b) in the case of a payment if the Secretary determines
17 that the payment was not a result of fault or negligence
18 on the part of the departmental accountable official.

19 “(d) *CERTIFYING OFFICIAL DEFINED.*—In this section,
20 the term ‘certifying official’ means an employee who has
21 the responsibilities specified in section 3528(a) of title 31.”.

22 (b) *CLERICAL AMENDMENT.*—The table of sections at
23 the beginning of such chapter is amended by inserting after
24 the item relating to section 2773 the following new item:

“2773a. Departmental accountable officials.”.

1 **SEC. 1008. DEPARTMENT-WIDE PROCEDURES FOR ESTAB-**
2 **LISHING AND LIQUIDATING PERSONAL PECU-**
3 **NIARY LIABILITY.**

4 (a) *REPORT OF SURVEY PROCEDURES.*—(1) Chapter
5 165 of title 10, United States Code, is amended by inserting
6 after section 2786 the following new section:

7 **“§2787. Reports of survey**

8 “(a) *REGULATIONS.*—Under regulations prescribed
9 pursuant to subsection (c), any officer of the armed forces
10 or any civilian employee of the Department of Defense des-
11 ignated in accordance with the regulations may act upon
12 reports of survey and vouchers pertaining to the loss, spoil-
13 age, unserviceability, unsuitability, or destruction of, or
14 damage to, property of the United States under the control
15 of the Department of Defense.

16 “(b) *FINALITY OF ACTION.*—(1) Action taken under
17 subsection (a) is final except as provided in paragraph (2).

18 “(2) An action holding a person pecuniarily liable for
19 loss, spoilage, destruction, or damage is not final until ap-
20 proved by a person designated to do so by the Secretary
21 of a military department, commander of a combatant com-
22 mand, or Director of a Defense Agency, as the case may
23 be, who has jurisdiction of the person held pecuniarily lia-
24 ble. The person designated to provide final approval shall
25 be an officer of an armed force, or a civilian employee,

1 *under the jurisdiction of the official making the designa-*
2 *tion.*

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

5 (2) *The table of sections at the beginning of chapter*
6 *165 of such title is amended by inserting after the item re-*
7 *lating to section 2786 the following new item:*

“2787. Reports of survey.”

8 (b) *DAMAGE OR REPAIR OF ARMS AND EQUIPMENT.*—
9 *Section 1007(e) of title 37, United States Code, is amended*
10 *by striking “Army or the Air Force” and inserting “Army,*
11 *Navy, Air Force, or Marine Corps”.*

12 (c) *REPEAL OF SUPERSEDED PROVISIONS.*—(1) *Sec-*
13 *tions 4835 and 9835 of title 10, United States Code, are*
14 *repealed.*

15 (2) *The tables of sections at the beginning of chapters*
16 *453 and 953 of such title are amended by striking the items*
17 *relating to sections 4835 and 9835, respectively.*

18 **SEC. 1009. TRAVEL CARD PROGRAM INTEGRITY.**

19 (a) *AUTHORITY.*—*Section 2784 of title 10, United*
20 *States Code, is amended by adding at the end the following*
21 *new subsections:*

22 “(d) *DISBURSEMENT OF ALLOWANCES DIRECTLY TO*
23 *CREDITORS.*—(1) *The Secretary of Defense may require*
24 *that any part of the travel or transportation allowances of*
25 *an employee of the Department of Defense or a member of*

1 *the armed forces be disbursed directly to the issuer of a De-*
2 *fense travel card if the amount is disbursed to the issuer*
3 *in payment of amounts of expenses of official travel that*
4 *are charged by the employee or member on the Defense trav-*
5 *el card.*

6 “(2) *For the purposes of this subsection, the travel and*
7 *transportation allowances referred to in paragraph (1) are*
8 *amounts to which an employee of the Department of Defense*
9 *is entitled under section 5702 of title 5 and or a member*
10 *of the armed forces is entitled section 404 of title 37.*

11 “(e) *OFFSETS FOR DELINQUENT TRAVEL CARD*
12 *CHARGES.—(1) The Secretary of Defense may require that*
13 *there be deducted and withheld from any pay payable to*
14 *an employee of the Department of Defense or a member of*
15 *the armed forces any amount that is owed by the employee*
16 *or member to a creditor by reason of one or more charges*
17 *of expenses of official travel of the employee or member on*
18 *a Defense travel card issued by the creditor if the employee*
19 *or member—*

20 “(A) *is delinquent in the payment of such*
21 *amount under the terms of the contract under which*
22 *the card is issued; and*

23 “(B) *does not dispute the amount of the delin-*
24 *quency.*

1 “(2) *The amount deducted and withheld from pay*
2 *under paragraph (1) with respect to a debt owed a creditor*
3 *as described in that paragraph shall be disbursed to the*
4 *creditor to reduce the amount of the debt.*

5 “(3) *The amount of pay deducted and withheld from*
6 *the pay owed to an employee or member with respect to*
7 *a pay period under paragraph (1) may not exceed 15 per-*
8 *cent of the disposable pay of the employee or member for*
9 *that pay period, except that a higher amount may be de-*
10 *ducted and withheld with the written consent of the em-*
11 *ployee or member.*

12 “(4) *The Secretary of Defense shall prescribe proce-*
13 *dures for deducting and withholding amounts from pay*
14 *under this subsection. The procedures shall be substantially*
15 *equivalent to the procedures under section 3716 of title 31.*

16 “(f) *UNDER SECRETARY OF DEFENSE (COMP-*
17 *TROLLER).—The Secretary of Defense shall act through the*
18 *Under Secretary of Defense (Comptroller) in carrying out*
19 *this section.*

20 “(g) *DEFINITIONS.—In this section:*

21 “(1) *The term ‘Defense travel card’ means a*
22 *charge or credit card that—*

23 “(A) *is issued to an employee of the Depart-*
24 *ment of Defense or a member of the armed forces*

1 under a contract entered into by the Department
2 of Defense and the issuer of the card; and

3 “(B) is to be used for charging expenses in-
4 curred by the employee or member in connection
5 with official travel.

6 “(2) The term ‘disposable pay’, with respect to a
7 pay period, means the amount equal to the excess of
8 the amount of basic pay payable for the pay period
9 over the total of the amounts deducted and withheld
10 from such pay.”.

11 (b) *CONFORMING AMENDMENT.*—Subsection (a) of
12 such section is amended by striking “, acting through the
13 Under Secretary of Defense (Comptroller),”.

14 **SEC. 1010. CLEARANCE OF CERTAIN TRANSACTIONS RE-**
15 **CORDED IN TREASURY SUSPENSE ACCOUNTS**
16 **AND RESOLUTION OF CERTAIN CHECK**
17 **ISSUANCE DISCREPANCIES.**

18 (a) *CLEARING OF SUSPENSE ACCOUNTS.*—(1) In the
19 case of any transaction that was entered into by or on be-
20 half of the Department of Defense before March 1, 2001,
21 that is recorded in the Department of Treasury Budget
22 Clearing Account (Suspense) designated as account F3875,
23 the Unavailable Check Cancellations and Overpayments
24 (Suspense) designated as account F3880, or an Undistrib-
25 uted Intergovernmental Payments account designated as ac-

1 *count F3885, and for which no appropriation for the De-*
2 *partment of Defense has been identified—*

3 *(A) any undistributed collection credited to such*
4 *account in such case shall be deposited to the mis-*
5 *cellaneous receipts of the Treasury; and*

6 *(B) subject to paragraph (2), any undistributed*
7 *disbursement recorded in such account in such case*
8 *shall be canceled.*

9 *(2) An undistributed disbursement may not be can-*
10 *celed under paragraph (1) until the Secretary of Defense*
11 *has made a written determination that the appropriate offi-*
12 *cial or officials of the Department of Defense have attempted*
13 *without success to locate the documentation necessary to*
14 *demonstrate which appropriation should be charged and*
15 *further efforts are not in the best interests of the United*
16 *States.*

17 *(b) RESOLUTION OF CHECK ISSUANCE DISCREP-*
18 *ANCIES.—(1) In the case of any check drawn on the Treas-*
19 *ury that was issued by or on behalf of the Department of*
20 *Defense before October 31, 1998, for which the Secretary of*
21 *the Treasury has reported to the Department of Defense a*
22 *discrepancy between the amount paid and the amount of*
23 *the check as transmitted to the Department of Treasury,*
24 *and for which no specific appropriation for the Department*
25 *of Defense can be identified as being associated with the*

1 *check, the discrepancy shall be canceled, subject to para-*
2 *graph (2).*

3 (2) *A discrepancy may not be canceled under para-*
4 *graph (1) until the Secretary of Defense has made a written*
5 *determination that the appropriate official or officials of*
6 *the Department of Defense have attempted without success*
7 *to locate the documentation necessary to demonstrate which*
8 *appropriation should be charged and further efforts are not*
9 *in the best interests of the United States.*

10 (c) *CONSULTATION.*—*The Secretary of Defense shall*
11 *consult the Secretary of the Treasury in the exercise of the*
12 *authority granted by subsections (a) and (b).*

13 (d) *DURATION OF AUTHORITY.*—(1) *A particular un-*
14 *distributed disbursement may not be canceled under sub-*
15 *section (a) more than 30 days after the date of the written*
16 *determination made by the Secretary of Defense under such*
17 *subsection regarding that undistributed disbursement.*

18 (2) *A particular discrepancy may not be canceled*
19 *under subsection (b) more than 30 days after the date of*
20 *the written determination made by the Secretary of Defense*
21 *under such subsection regarding that discrepancy.*

22 (3) *No authority may be exercised under this section*
23 *after the date that is two years after the date of the enact-*
24 *ment of this Act.*

1 **SEC. 1011. ADDITIONAL AMOUNT FOR BALLISTIC MISSILE**
2 **DEFENSE OR COMBATING TERRORISM IN AC-**
3 **CORDANCE WITH NATIONAL SECURITY PRI-**
4 **ORITIES OF THE PRESIDENT.**

5 (a) *AUTHORIZATION OF APPROPRIATIONS.*—*In addi-*
6 *tion to other amounts authorized to be appropriated by*
7 *other provisions of this division, there is hereby authorized*
8 *to be appropriated for the Department of Defense for fiscal*
9 *year 2003, \$814,300,000 for whichever of the following pur-*
10 *poses the President determines that the additional amount*
11 *is necessary in the national security interests of the United*
12 *States:*

13 (1) *Research, development, test, and evaluation*
14 *for ballistic missile defense programs of the Depart-*
15 *ment of Defense.*

16 (2) *Activities of the Department of Defense for*
17 *combating terrorism at home and abroad.*

18 (b) *OFFSET.*—*The total amount authorized to be ap-*
19 *propriated under the other provisions of this division is*
20 *hereby reduced by \$814,300,000 to reflect the amounts that*
21 *the Secretary determines unnecessary by reason of a revi-*
22 *sion of assumptions regarding inflation that are applied*
23 *as a result of the midsession review of the budget conducted*
24 *by the Office of Management and Budget during the spring*
25 *and early summer of 2002.*

1 (c) *PRIORITY FOR ALLOCATING FUNDS.*—*In the ex-*
2 *penditure of additional funds made available by a lower*
3 *rate of inflation, the top priority shall be the use of such*
4 *funds for Department of Defense activities for protecting the*
5 *American people at home and abroad by combating ter-*
6 *rorism at home and abroad.*

7 **SEC. 1012. AVAILABILITY OF AMOUNTS FOR OREGON ARMY**
8 **NATIONAL GUARD FOR SEARCH AND RESCUE**
9 **AND MEDICAL EVACUATION MISSIONS IN AD-**
10 **VERSE WEATHER CONDITIONS.**

11 (a) *INCREASE IN AUTHORIZATION OF APPROPRIA-*
12 *TIONS FOR ARMY PROCUREMENT.*—*The amount authorized*
13 *to be appropriated by section 101(1) for procurement for*
14 *the Army for aircraft is hereby increased by \$3,000,000.*

15 (b) *AVAILABILITY.*—*Of the amount authorized to be*
16 *appropriated by section 101(1) for procurement for the*
17 *Army for aircraft, as increased by subsection (a),*
18 *\$3,000,000 shall be available for the upgrade of three UH-*
19 *60L Blackhawk helicopters of the Oregon Army National*
20 *Guard to the capabilities of UH-60Q Search and Rescue*
21 *model helicopters, including Star Safire FLIR, Breeze-*
22 *Eastern External Rescue Hoist, and Air Methods COTS*
23 *Medical Systems upgrades, in order to improve the utility*
24 *of such UH-60L Blackhawk helicopters in search and res-*

1 *cue and medical evacuation missions in adverse weather*
2 *conditions.*

3 (c) *INCREASE IN AUTHORIZATION OF APPROPRIATIONS*
4 *FOR MILITARY PERSONNEL.*—*The amount authorized to be*
5 *appropriated by section 421 for military personnel is here-*
6 *by increased by \$1,800,000.*

7 (d) *AVAILABILITY.*—*Of the amount authorized to be*
8 *appropriated by section 421 for military personnel, as in-*
9 *creased by subsection (d), \$1,800,000 shall be available for*
10 *up to 26 additional personnel for the Oregon Army Na-*
11 *tional Guard.*

12 (e) *OFFSET.*—*The amount authorized to be appro-*
13 *priated by section 301(a)(1) for operation and maintenance*
14 *for the Army is hereby reduced by \$4,800,000, with the*
15 *amount of the reduction to be allocated to Base Operations*
16 *Support (Servicewide Support).*

17 ***Subtitle B—Naval Vessels and***
18 ***Shipyards***

19 ***SEC. 1021. NUMBER OF NAVY SURFACE COMBATANTS IN AC-***
20 ***TIVE AND RESERVE SERVICE.***

21 (a) *CONTINGENT REQUIREMENT FOR REPORT.*—*If, on*
22 *the date of the enactment of this Act, the total number of*
23 *Navy ships comprising the force of surface combatants is*
24 *less than 116, the Secretary of the Navy shall submit a re-*
25 *port on the size of that force to the Committees on Armed*

1 *Services of the Senate and the House of Representatives.*
2 *The report shall be submitted not later than 90 days after*
3 *such date and shall include a risk assessment for such force*
4 *that is based on the same assumptions as those that were*
5 *applied in the QDR 2001 current force risk assessment.*

6 (b) *LIMITATION ON REDUCTION.—The force of surface*
7 *combatants may not be reduced at any time after the date*
8 *of the enactment of this Act from a number of ships (wheth-*
9 *er above, equal to, or below 116) to a number of ships below*
10 *116 before the date that is 90 days after the date on which*
11 *the Secretary of the Navy submits to the committees referred*
12 *to in subsection (a) a written notification of the reduction.*
13 *The notification shall include the following information:*

14 (1) *The schedule for the reduction.*

15 (2) *The number of ships that are to comprise the*
16 *reduced force of surface combatants.*

17 (3) *A risk assessment for the reduced force that*
18 *is based on the same assumptions as those that were*
19 *applied in the QDR 2001 current force risk assess-*
20 *ment.*

21 (c) *PRESERVATION OF SURGE CAPABILITY.—Whenever*
22 *the total number of Navy ships comprising the force of sur-*
23 *face combatants is less than 116, the Secretary of the Navy*
24 *shall maintain on the Naval Vessel Register a sufficient*
25 *number of surface combatant ships to enable the Navy to*

1 *regain a total force of 116 surface combatant ships in active*
2 *and reserve service in the Navy within 120 days after the*
3 *President decides to increase the force of surface combatants.*

4 *(d) DEFINITIONS.—In this section:*

5 *(1) The term “force of surface combatants”*
6 *means the surface combatant ships in active and re-*
7 *serve service in the Navy.*

8 *(2) The term “QDR 2001 current force risk as-*
9 *essment” means the risk assessment associated with*
10 *a force of 116 surface combatant ships in active and*
11 *reserve service in the Navy that is set forth in the re-*
12 *port on the quadrennial defense review submitted to*
13 *Congress on September 30, 2001, under section 118 of*
14 *title 10, United States Code.*

15 **SEC. 1022. PLAN FOR FIELDING THE 155-MILLIMETER GUN**
16 **ON A SURFACE COMBATANT.**

17 *(a) REQUIREMENT FOR PLAN.—The Secretary of the*
18 *Navy shall submit to Congress a plan for fielding the 155-*
19 *millimeter gun on one surface combatant ship in active*
20 *service in the Navy. The Secretary shall submit the plan*
21 *at the same time that the President submits the budget for*
22 *fiscal year 2004 to Congress under section 1105(a) of title*
23 *31, United States Code.*

24 *(b) FIELDING ON EXPEDITED SCHEDULE.—The plan*
25 *shall provide for fielding the 155-millimeter gun on an ex-*

1 *pedited schedule that is consistent with the achievement of*
2 *safety of operation and fire support capabilities meeting the*
3 *fire support requirements of the Marine Corps, but not later*
4 *than October 1, 2006.*

5 **SEC. 1023. REPORT ON INITIATIVES TO INCREASE OPER-**
6 **ATIONAL DAYS OF NAVY SHIPS.**

7 *(a) REQUIREMENT FOR REPORT ON INITIATIVES.—(1)*
8 *The Under Secretary of Defense for Acquisition, Tech-*
9 *nology, and Logistics shall submit to the Committees on*
10 *Armed Services of the Senate and the House of Representa-*
11 *tives a report on Department of Defense initiatives to in-*
12 *crease the number of operational days of Navy ships as de-*
13 *scribed in subsection (b).*

14 *(2) The report shall cover the ongoing Department of*
15 *Defense initiatives as well as potential initiatives that are*
16 *under consideration within the Department of Defense.*

17 *(b) INITIATIVES WITHIN LIMITS OF EXISTING FLEET*
18 *AND DEPLOYMENT POLICY.—The Under Secretary shall, in*
19 *the report, assess the feasibility and identify the projected*
20 *effects of conducting initiatives that have the potential to*
21 *increase the number of operational days of Navy ships*
22 *available to the commanders-in-chief of the regional unified*
23 *combatant commands without increasing the number of*
24 *Navy ships and without increasing the routine lengths of*
25 *deployments of Navy ships above six months.*

1 (c) *REQUIRED FOCUS AREAS.*—*The report shall, at a*
2 *minimum, address the following four focus areas:*

3 (1) *Assignment of additional ships, including*
4 *submarines, to home ports closer to the areas of oper-*
5 *ation for the ships (known as “forward home-*
6 *porting”).*

7 (2) *Assignment of ships to remain in a forward*
8 *area of operations, together with rotation of crews for*
9 *each ship so assigned.*

10 (3) *Retention of ships for use until the end of the*
11 *full service life, together with investment of the funds*
12 *necessary to support retention to that extent.*

13 (4) *Prepositioning of additional ships with,*
14 *under normal circumstances, small crews in a for-*
15 *ward area of operations.*

16 (d) *TIME FOR SUBMITTAL.*—*The report shall be sub-*
17 *mitted at the same time that the President submits the*
18 *budget for fiscal year 2004 to Congress under section*
19 *1105(a) of title 31, United States Code.*

20 **SEC. 1024. ANNUAL LONG-RANGE PLAN FOR THE CON-**
21 **STRUCTION OF SHIPS FOR THE NAVY.**

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

23 (1) *Navy ships provide a forward presence for*
24 *the United States that is a key to the national defense*
25 *of the United States.*

1 (2) *The Navy has demonstrated that its ships*
2 *contribute significantly to homeland defense.*

3 (3) *The Navy's ship recapitalization plan is in-*
4 *adequate to maintain the ship force structure that is*
5 *described as the current force in the 2001 Quadren-*
6 *ennial Defense Review.*

7 (4) *The Navy is decommissioning ships as much*
8 *as 10 years earlier than the projected ship life upon*
9 *which ship replacement rates are based.*

10 (5) *The current force was assessed in the 2001*
11 *Quadrennial Defense Review as having moderate to*
12 *high risk, depending on the scenario considered.*

13 (b) *ANNUAL SHIP CONSTRUCTION PLAN.—(1) Chapter*
14 *9 of title 10, United States Code, is amended by adding*
15 *at the end the following new section:*

16 **“§ 231. Annual ship construction plan**

17 “(a) *ANNUAL SHIP CONSTRUCTION PLAN.—The Sec-*
18 *retary of Defense shall include in the defense budget mate-*
19 *rials for each fiscal year a plan for the construction of com-*
20 *batant and support ships for the Navy that—*

21 “(1) *supports the National Security Strategy; or*

22 “(2) *if there is no National Security Strategy in*
23 *effect, supports the ship force structure called for in*
24 *the report of the latest Quadrennial Defense Review.*

1 “(b) *CONTENT.*—*The ship construction plan included*
2 *in the defense budget materials for a fiscal year shall pro-*
3 *vide in detail for the construction of combatant and support*
4 *ships for the Navy over the 30 consecutive fiscal years begin-*
5 *ning with the fiscal year covered by the defense budget mate-*
6 *rials and shall include the following matters:*

7 “(1) *A description of the necessary ship force*
8 *structure of the Navy.*

9 “(2) *The estimated levels of funding necessary to*
10 *carry out the plan, together with a discussion of the*
11 *procurement strategies on which such estimated fund-*
12 *ing levels are based.*

13 “(3) *A certification by the Secretary of Defense*
14 *that both the budget for the fiscal year covered by the*
15 *defense budget materials and the future-years defense*
16 *program submitted to Congress in relation to such*
17 *budget under section 221 of this title provide for*
18 *funding ship construction for the Navy at a level that*
19 *is sufficient for the procurement of the ships provided*
20 *for in the plan on schedule.*

21 “(4) *If the budget for the fiscal year provides for*
22 *funding ship construction at a level that is not suffi-*
23 *cient for the recapitalization of the force of Navy*
24 *ships at the annual rate necessary to sustain the*
25 *force, an assessment (coordinated with the com-*

1 *manders of the combatant commands in advance)*
 2 *that describes and discusses the risks associated with*
 3 *the reduced force structure that will result from fund-*
 4 *ing ship construction at such insufficient level.*

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

6 *“(1) The term ‘budget’, with respect to a fiscal*
 7 *year, means the budget for such fiscal year that is*
 8 *submitted to Congress by the President under section*
 9 *1105(a) of title 31.*

10 *“(2) The term ‘defense budget materials’, with*
 11 *respect to a fiscal year, means the materials sub-*
 12 *mitted to Congress by the Secretary of Defense in sup-*
 13 *port of the budget for such fiscal year.*

14 *“(3) The term ‘Quadrennial Defense Review’*
 15 *means the Quadrennial Defense Review that is car-*
 16 *ried out under section 118 of this title.”.*

17 *(2) The table of sections at the beginning of such chap-*
 18 *ter is amended by adding at the end the following new item:*
 “231. Annual ship construction plan.”.

19 ***Subtitle C—Reporting***
 20 ***Requirements***

21 ***SEC. 1031. REPEAL AND MODIFICATION OF VARIOUS RE-***
 22 ***PORTING REQUIREMENTS APPLICABLE WITH***
 23 ***RESPECT TO THE DEPARTMENT OF DEFENSE.***

24 *(a) PROVISIONS OF TITLE 10.—Title 10, United States*
 25 *Code, is amended as follows:*

1 (1)(A) *Section 183 is repealed.*

2 (B) *The table of sections at the beginning of*
3 *chapter 7 is amended by striking the item relating to*
4 *section 183.*

5 (2)(A) *Sections 226 and 230 are repealed.*

6 (B) *The table of sections at the beginning of*
7 *chapter 9 is amended by striking the items relating*
8 *to sections 226 and 230.*

9 (3) *Effective two years after the date of the en-*
10 *actment of this Act—*

11 (A) *section 483 is repealed; and*

12 (B) *the table of sections at the beginning of*
13 *chapter 23 is amended by striking the item relat-*
14 *ing to section 483.*

15 (4) *Section 526 is amended by striking sub-*
16 *section (c).*

17 (5) *Section 721(d) is amended—*

18 (A) *by striking paragraph (2); and*

19 (B) *by striking “(1)” before “If an officer”.*

20 (6) *Section 1095(g) is amended—*

21 (A) *by striking paragraph (2); and*

22 (B) *by striking “(1)” after “(g)”.*

23 (7) *Section 1798 is amended by striking sub-*
24 *section (d).*

1 (8) *Section 1799 is amended by striking sub-*
2 *section (d).*

3 (9) *Section 2220 is amended—*

4 *(A) by striking subsections (b) and (c);*

5 *(B) by striking “(1)” after “ESTABLISH-*
6 *MENT OF GOALS.—”; and*

7 *(C) by striking “(2) The” and inserting*
8 *“(b) EVALUATION OF COST GOALS.—The”.*

9 (10) *Section 2350a(g) is amended by striking*
10 *paragraph (4).*

11 (11) *Section 2350f is amended by striking sub-*
12 *section (c).*

13 (12) *Section 2350k is amended by striking sub-*
14 *section (d).*

15 (13) *Section 2367(d) is amended by striking*
16 *“EFFORT.—(1) In the” and all that follows through*
17 *“(2) After the close of” and inserting “EFFORT.—*
18 *After the close of”.*

19 (14) *Section 2391 is amended by striking sub-*
20 *section (c).*

21 (15) *Section 2486(b)(12) is amended by striking*
22 *“, except that” and all that follows and inserting the*
23 *following: “, except that the Secretary shall notify*
24 *Congress of any addition of, or change in, a merchan-*
25 *dise category under this paragraph.”.*

1 (16) *Section 2492 is amended by striking sub-*
2 *section (c) and inserting the following:*

3 “(c) *NOTIFICATION OF CONDITIONS NECESSITATING*
4 *RESTRICTIONS.—The Secretary of Defense shall notify Con-*
5 *gress of any change proposed or made to any of the host*
6 *nation laws or any of the treaty obligations of the United*
7 *States, and any changed conditions within host nations, if*
8 *the change would necessitate the use of quantity or other*
9 *restrictions on purchases in commissary and exchange*
10 *stores located outside the United States.”.*

11 (17)(A) *Section 2504 is repealed.*

12 (B) *The table of sections at the beginning of sub-*
13 *chapter II of chapter 148 is amended by striking the*
14 *item relating to section 2504.*

15 (18) *Section 2506—*

16 (A) *is amended by striking subsection (b);*
17 *and*

18 (B) *by striking “(a) DEPARTMENTAL GUID-*
19 *ANCE.—”.*

20 (19) *Section 2537(a) is amended by striking*
21 *“\$100,000” and inserting “\$10,000,000”.*

22 (20) *Section 2611 is amended by striking sub-*
23 *section (e).*

24 (21) *Section 2667(d) is amended by striking*
25 *paragraph (3).*

1 (22) *Section 2813 is amended by striking sub-*
2 *section (c).*

3 (23) *Section 2827 is amended—*

4 *(A) by striking subsection (b); and*

5 *(B) by striking “(a) Subject to subsection*
6 *(b), the Secretary” and inserting “The Sec-*
7 *retary”.*

8 (24) *Section 2867 is amended by striking sub-*
9 *section (c).*

10 (25) *Section 4416 is amended by striking sub-*
11 *section (f).*

12 (26) *Section 5721(f) is amended—*

13 *(A) by striking paragraph (2); and*

14 *(B) by striking “(1)” after the subsection*
15 *heading.*

16 **(b) NATIONAL DEFENSE AUTHORIZATION ACT FOR**
17 **FISCAL YEAR 1995.**—*Section 553(b) of the National De-*
18 *fense Authorization Act for Fiscal Year 1995 (Public Law*
19 *103–337; 108 Stat. 2772; 10 U.S.C. 4331 note) is amended*
20 *by striking the last sentence.*

21 **(c) BALLISTIC MISSILE DEFENSE ACT OF 1995.**—*Sec-*
22 *tion 234 of the Ballistic Missile Defense Act of 1995 (sub-*
23 *title C of title II of Public Law 104–106; 10 U.S.C. 2431*
24 *note) is amended by striking subsection (f).*

1 **SEC. 1032. ANNUAL REPORT ON WEAPONS TO DEFEAT**
2 **HARDENED AND DEEPLY BURIED TARGETS.**

3 (a) *ANNUAL REPORT.*—Not later than April 1, 2003,
4 and each year thereafter, the Secretary of Defense, Secretary
5 of Energy, and Director of Central Intelligence shall jointly
6 submit to the congressional defense committees a report on
7 the research and development activities undertaken by their
8 respective agencies during the preceding fiscal year to de-
9 velop a weapon to defeat hardened and deeply buried tar-
10 gets.

11 (b) *REPORT ELEMENTS.*—The report for a fiscal year
12 under subsection (a) shall—

13 (1) include a discussion of the integration and
14 interoperability of the various programs to develop a
15 weapon referred to in that subsection that were under-
16 taken during such fiscal year, including a discussion
17 of the relevance of such programs to applicable deci-
18 sions of the Joint Requirements Oversight Council;
19 and

20 (2) set forth separately a description of the re-
21 search and development activities, if any, to develop
22 a weapon referred to in that subsection that were un-
23 dertaken during such fiscal year by each military de-
24 partment, the Department of Energy, and the Central
25 Intelligence Agency.

1 **SEC. 1033. REVISION OF DATE OF ANNUAL REPORT ON**
2 **COUNTERPROLIFERATION ACTIVITIES AND**
3 **PROGRAMS.**

4 *Section 1503(a) of the National Defense Authorization*
5 *Act for Fiscal Year 1995 (22 U.S.C. 2751 note) is amended*
6 *by striking “February 1 of each year” and inserting “May*
7 *1 each year”.*

8 **SEC. 1034. QUADRENNIAL QUALITY OF LIFE REVIEW.**

9 *(a) REQUIREMENT FOR REVIEW.—Chapter 23 of title*
10 *10, United States Code, is amended by adding at the end*
11 *the following new section:*

12 **“§488. Quadrennial quality of life review**

13 *“(a) REVIEW REQUIRED.—(1) The Secretary of De-*
14 *fense shall every four years, two years after the submission*
15 *of the quadrennial defense review to Congress under section*
16 *118 of this title, conduct a comprehensive examination of*
17 *the quality of life of the members of the armed forces (to*
18 *be known as the ‘quadrennial quality of life review’). The*
19 *review shall include examination of the programs, projects,*
20 *and activities of the Department of Defense, including the*
21 *morale, welfare, and recreation activities.*

22 *“(2) The quadrennial review shall be designed to result*
23 *in determinations, and to foster policies and actions, that*
24 *reflect the priority given the quality of life of members of*
25 *the armed forces as a primary concern of the Department*
26 *of Defense leadership.*

1 “(b) *CONDUCT OF REVIEW.*—*Each quadrennial qual-*
2 *ity of life review shall be conducted so as—*

3 “(1) *to assess quality of life priorities and issues*
4 *consistent with the most recent National Security*
5 *Strategy prescribed by the President pursuant to sec-*
6 *tion 108 of the National Security Act of 1947 (50*
7 *U.S.C. 404a);*

8 “(2) *to identify actions that are needed in order*
9 *to provide members of the armed forces with the qual-*
10 *ity of life reasonably necessary to encourage the suc-*
11 *cessful execution of the full range of missions that the*
12 *members are called on to perform under the national*
13 *security strategy;*

14 “(3) *to provide a full accounting of the backlog*
15 *of installations in need of maintenance and repair, to*
16 *determine how the disrepair affects performance and*
17 *quality of life of members and their families, and to*
18 *identify the budget plan that would be required to*
19 *provide the resources necessary to remedy the backlog*
20 *of maintenance and repair; and*

21 “(4) *to identify other actions that have the po-*
22 *tential for improving the quality of life of the mem-*
23 *bers of the armed forces.*

1 “(c) *CONSIDERATIONS.*—Among the matters considered
2 by the Secretary in conducting the quadrennial review, the
3 Secretary shall include the following matters:

4 “(1) *Infrastructure.*

5 “(2) *Military construction.*

6 “(3) *Physical conditions at military installa-*
7 *tions and other Department of Defense facilities.*

8 “(4) *Budget plans.*

9 “(5) *Adequacy of medical care for members of*
10 *the armed forces and their dependents.*

11 “(6) *Adequacy of housing and the basic allow-*
12 *ance for housing and basic allowance for subsistence.*

13 “(7) *Housing-related utility costs.*

14 “(8) *Educational opportunities and costs.*

15 “(9) *Length of deployments.*

16 “(10) *Rates of pay, and pay differentials be-*
17 *tween the pay of members and the pay of civilians.*

18 “(11) *Retention and recruiting efforts.*

19 “(12) *Workplace safety.*

20 “(13) *Support services for spouses and children.*

21 “(14) *Other elements of Department of Defense*
22 *programs and Federal Government policies and pro-*
23 *grams that affect the quality of life of members.*

24 “(d) *SUBMISSION OF QQLR TO CONGRESSIONAL COM-*
25 *MITTEES.*—The Secretary shall submit a report on each

1 quadrennial quality of life review to the Committees on
2 Armed Services of the Senate and the House of Representa-
3 tives. The report shall be submitted not later than Sep-
4 tember 30 of the year in which the review is conducted. The
5 report shall include the following:

6 “(1) The results of the review, including a com-
7 prehensive discussion of how the quality of life of
8 members of the armed forces affects the national secu-
9 rity strategy of the United States.

10 “(2) The long-term quality of life problems of the
11 armed forces, together with proposed solutions.

12 “(3) The short-term quality of life problems of
13 the armed forces, together with proposed solutions.

14 “(4) The assumptions used in the review.

15 “(5) The effects of quality of life problems on the
16 morale of the members of the armed forces.

17 “(6) The quality of life problems that affect the
18 morale of members of the reserve components in par-
19 ticular, together with solutions.

20 “(7) The effects of quality of life problems on
21 military preparedness and readiness.

22 “(8) The appropriate ratio of—

23 “(A) the total amount expended by the De-
24 partment of Defense in a fiscal year for pro-
25 grams, projects, and activities designed to im-

1 *prove the quality of life of members of the armed*
2 *forces, to*

3 “(B) *the total amount expended by the De-*
4 *partment of Defense in the fiscal year.*”.

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

 “488. *Quadrennial quality of life review.*”.

8 **SEC. 1035. REPORTS ON EFFORTS TO RESOLVE WHERE-**
9 **ABOUTS AND STATUS OF CAPTAIN MICHAEL**
10 **SCOTT SPEICHER, UNITED STATES NAVY.**

11 (a) *REPORTS.*—*Not later than 60 days after the date*
12 *of the enactment of this Act, and every 90 days thereafter,*
13 *the Secretary of Defense shall, in consultation with the Sec-*
14 *retary of State and the Director of Central Intelligence, sub-*
15 *mit to Congress a report on the efforts of the United States*
16 *Government to determine the whereabouts and status of*
17 *Captain Michael Scott Speicher, United States Navy.*

18 (b) *PERIOD COVERED BY REPORTS.*—*The first report*
19 *under subsection (a) shall cover efforts described in that sub-*
20 *section preceding the date of the report, and each subsequent*
21 *report shall cover efforts described in that subsection during*
22 *the 90-day period ending on the date of such report.*

23 (c) *REPORT ELEMENTS.*—*Each report under sub-*
24 *section (a) shall describe, for the period covered by such*
25 *report—*

1 (1) *all direct and indirect contacts with the Gov-*
2 *ernment of Iraq, or any successor government, regard-*
3 *ing the whereabouts and status of Michael Scott*
4 *Speicher;*

5 (2) *any request made to the government of an-*
6 *other country, including the intelligence service of*
7 *such country, for assistance in resolving the where-*
8 *abouts and status of Michael Scott Speicher, includ-*
9 *ing the response to such request;*

10 (3) *each current lead on the whereabouts and*
11 *status of Michael Scott Speicher, including an assess-*
12 *ment of the utility of such lead in resolving the where-*
13 *abouts and status of Michael Scott Speicher; and*

14 (4) *any cooperation with nongovernmental orga-*
15 *nizations or international organizations in resolving*
16 *the whereabouts and status of Michael Scott Speicher,*
17 *including the results of such cooperation.*

18 (d) *FORM OF REPORTS.—Each report under sub-*
19 *section (a) shall be submitted in classified form, but may*
20 *include an unclassified summary.*

21 **SEC. 1036. REPORT ON EFFORTS TO ENSURE ADEQUACY OF**
22 **FIRE FIGHTING STAFFS AT MILITARY INSTAL-**
23 **LATIONS.**

24 *Not later than May 31, 2003, the Secretary of Defense*
25 *shall submit to Congress a report on the actions being un-*

1 *dertaken to ensure that the fire fighting staffs at military*
2 *installations are adequate under applicable Department of*
3 *Defense regulations.*

4 **SEC. 1037. REPORT ON DESIGNATION OF CERTAIN LOU-**
5 **ISIANA HIGHWAY AS DEFENSE ACCESS ROAD.**

6 *Not later than March 1, 2003, the Secretary of the*
7 *Army shall submit to the congressional defense committees*
8 *a report containing the results of a study on the advis-*
9 *ability of designating Louisiana Highway 28 between Alex-*
10 *andria, Louisiana, and Leesville, Louisiana, a road pro-*
11 *viding access to the Joint Readiness Training Center, Lou-*
12 *isiana, and to Fort Polk, Louisiana, as a defense access*
13 *road for purposes of section 210 of title 23, United States*
14 *Code.*

15 **SEC. 1038. PLAN FOR FIVE-YEAR PROGRAM FOR ENHANCE-**
16 **MENT OF MEASUREMENT AND SIGNATURES**
17 **INTELLIGENCE CAPABILITIES.**

18 *(a) FINDING.—Congress finds that the national inter-*
19 *est will be served by the rapid exploitation of basic research*
20 *on sensors for purposes of enhancing the measurement and*
21 *signatures intelligence (MASINT) capabilities of the Fed-*
22 *eral Government.*

23 *(b) PLAN FOR PROGRAM.—(1) Not later than March*
24 *30, 2003, the Director of the Central Measurement and Sig-*
25 *natures Intelligence Office shall submit to Congress a plan*

1 *for a five-year program of research intended to provide for*
2 *the incorporation of the results of basic research on sensors*
3 *into the measurement and signatures intelligence systems*
4 *fielded by the Federal Government, including the review*
5 *and assessment of basic research on sensors for that purpose.*

6 (2) *Activities under the plan shall be carried out by*
7 *a consortium consisting of such governmental and non-gov-*
8 *ernmental entities as the Director considers appropriate for*
9 *purposes of incorporating the broadest practicable range of*
10 *sensor capabilities into the systems referred to in paragraph*
11 *(1). The consortium may include national laboratories, uni-*
12 *versities, and private sector entities.*

13 (3) *The plan shall include a proposal for the funding*
14 *of activities under the plan, including cost-sharing by non-*
15 *governmental participants in the consortium under para-*
16 *graph (2).*

17 **SEC. 1039. REPORT ON VOLUNTEER SERVICES OF MEMBERS**
18 **OF THE RESERVE COMPONENTS IN EMER-**
19 **GENCY RESPONSE TO THE TERRORIST AT-**
20 **TACKS OF SEPTEMBER 11, 2001.**

21 (a) *REQUIREMENT FOR REPORT.*—*Not later than 90*
22 *days after the date of the enactment of this Act, the Sec-*
23 *retary of Defense shall submit to the Committees on Armed*
24 *Services of the Senate and the House of Representatives a*
25 *report on volunteer services described in subsection (b) that*

1 *were provided by members of the National Guard and other*
2 *reserve components of the Armed Forces, while not in a duty*
3 *status pursuant to orders, during the period of September*
4 *11 through 14, 2001. The report shall include a discussion*
5 *of any personnel actions that the Secretary considers appro-*
6 *priate for the members regarding the performance of such*
7 *services.*

8 (b) *COVERED SERVICES.*—*The volunteer services re-*
9 *ferred to in subsection (a) are as follows:*

10 (1) *Volunteer services provided in the vicinity of*
11 *the site of the World Trade Center, New York, New*
12 *York, in support of emergency response to the ter-*
13 *rorist attack on the World Trade Center on September*
14 *11, 2001.*

15 (2) *Volunteer services provided in the vicinity of*
16 *the Pentagon in support of emergency response to the*
17 *terrorist attack on the Pentagon on September 11,*
18 *2001.*

19 **SEC. 1040. BIENNIAL REPORTS ON CONTRIBUTIONS TO**
20 **PROLIFERATION OF WEAPONS OF MASS DE-**
21 **STRUCTION AND DELIVERY SYSTEMS BY**
22 **COUNTRIES OF PROLIFERATION CONCERN.**

23 (a) *REPORTS.*—*Not later than six months after the*
24 *date of the enactment of this Act, and every six months*
25 *thereafter, the President shall submit to Congress a report*

1 *identifying each foreign person that, during the six-month*
2 *period ending on the date of such report, made a material*
3 *contribution to the development by a country of prolifera-*
4 *tion concern of—*

5 *(1) nuclear, biological, or chemical weapons; or*

6 *(2) ballistic or cruise missile systems.*

7 *(b) FORM OF SUBMITTAL.—(1) A report under sub-*
8 *section (a) may be submitted in classified form, whether*
9 *in whole or in part, if the President determines that sub-*
10 *mittal in that form is advisable.*

11 *(2) Any portion of a report under subsection (a) that*
12 *is submitted in classified form shall be accompanied by an*
13 *unclassified summary of such portion.*

14 *(c) DEFINITIONS.—In this section:*

15 *(1) The term “foreign person” means—*

16 *(A) a natural person that is an alien;*

17 *(B) a corporation, business association,*
18 *partnership, society, trust, or any other non-*
19 *governmental entity, organization, or group that*
20 *is organized under the laws of a foreign country*
21 *or has its principal place of business in a foreign*
22 *country;*

23 *(C) any foreign governmental entity oper-*
24 *ating as a business enterprise; and*

1 (D) any successor, subunit, or subsidiary of
2 any entity described in subparagraph (B) or (C).

3 (2) The term “country of proliferation concern”
4 means any country identified by the Director of Cen-
5 tral Intelligence as having engaged in the acquisition
6 of dual-use and other technology useful for the devel-
7 opment or production of weapons of mass destruction
8 (including nuclear, chemical, and biological weapons)
9 and advanced conventional munitions in the most
10 current report under section 721 of the Combatting
11 Proliferation of Weapons of Mass Destruction Act of
12 1996 (title VII of Public Law 104–293; 50 U.S.C.
13 2366), or any successor report on the acquisition by
14 foreign countries of dual-use and other technology use-
15 ful for the development or production of weapons of
16 mass destruction.

17 **Subtitle D—Homeland Defense**

18 **SEC. 1041. HOMELAND SECURITY ACTIVITIES OF THE NA-** 19 **TIONAL GUARD.**

20 (a) *AUTHORITY.*—Chapter 1 of title 32, United States
21 Code, is amended by adding at the end the following new
22 section:

23 **“§ 116. Homeland security activities**

24 “(a) *USE OF PERSONNEL PERFORMING FULL-TIME*
25 *NATIONAL GUARD DUTY.*—The Governor of a State may,

1 upon the request by the head of a Federal law enforcement
2 agency and with the concurrence of the Secretary of Defense,
3 order any personnel of the National Guard of the State to
4 perform full-time National Guard duty under section 502(f)
5 of this title for the purpose of carrying out homeland secu-
6 rity activities, as described in subsection (b).

7 “(b) *PURPOSE AND DURATION.*—(1) *The purpose for*
8 *the use of personnel of the National Guard of a State under*
9 *this section is to temporarily provide trained and dis-*
10 *ciplined personnel to a Federal law enforcement agency to*
11 *assist that agency in carrying out homeland security activi-*
12 *ties until that agency is able to recruit and train a suffi-*
13 *cient force of Federal employees to perform the homeland*
14 *security activities.*

15 “(2) *The duration of the use of the National Guard*
16 *of a State under this section shall be limited to a period*
17 *of 179 days. The Governor of the State may, with the con-*
18 *currence of the Secretary of Defense, extend the period one*
19 *time for an additional 90 days to meet extraordinary cir-*
20 *cumstances.*

21 “(c) *RELATIONSHIP TO REQUIRED TRAINING.*—*A*
22 *member of the National Guard serving on full-time Na-*
23 *tional Guard duty under orders authorized under sub-*
24 *section (a) shall participate in the training required under*
25 *section 502(a) of this title in addition to the duty performed*

1 *for the purpose authorized under that subsection. The pay,*
2 *allowances, and other benefits of the member while partici-*
3 *pating in the training shall be the same as those to which*
4 *the member is entitled while performing duty for the pur-*
5 *pose of carrying out homeland security activities. The mem-*
6 *ber is not entitled to additional pay, allowances, or other*
7 *benefits for participation in training required under section*
8 *502(a)(1) of this title.*

9 “(d) *READINESS.*—*To ensure that the use of units and*
10 *personnel of the National Guard of a State for homeland*
11 *security activities does not degrade the training and readi-*
12 *ness of such units and personnel, the following requirements*
13 *shall apply in determining the homeland security activities*
14 *that units and personnel of the National Guard of a State*
15 *may perform:*

16 “(1) *The performance of the activities may not*
17 *adversely affect the quality of that training or other-*
18 *wise interfere with the ability of a member or unit of*
19 *the National Guard to perform the military functions*
20 *of the member or unit.*

21 “(2) *National Guard personnel will not degrade*
22 *their military skills as a result of performing the ac-*
23 *tivities.*

24 “(3) *The performance of the activities will not*
25 *result in a significant increase in the cost of training.*

1 “(4) *In the case of homeland security performed*
2 *by a unit organized to serve as a unit, the activities*
3 *will support valid unit training requirements.*

4 “(e) *PAYMENT OF COSTS.—(1) The Secretary of De-*
5 *fense shall provide funds to the Governor of a State to pay*
6 *costs of the use of personnel of the National Guard of the*
7 *State for the performance of homeland security activities*
8 *under this section. Such funds shall be used for the following*
9 *costs:*

10 “(A) *The pay, allowances, clothing, subsistence,*
11 *gratuities, travel, and related expenses (including all*
12 *associated training expenses, as determined by the*
13 *Secretary), as authorized by State law, of personnel*
14 *of the National Guard of that State used, while not*
15 *in Federal service, for the purpose of homeland secu-*
16 *rity activities.*

17 “(B) *The operation and maintenance of the*
18 *equipment and facilities of the National Guard of*
19 *that State used for the purpose of homeland security*
20 *activities.*

21 “(2) *The Secretary of Defense shall require the head*
22 *of a law enforcement agency receiving support from the Na-*
23 *tional Guard of a State in the performance of homeland*
24 *security activities under this section to reimburse the De-*

1 *partment of Defense for the payments made to the State*
2 *for such support under paragraph (1).*

3 “(f) *MEMORANDUM OF AGREEMENT.*—*The Secretary of*
4 *Defense and the Governor of a State shall enter into a*
5 *memorandum of agreement with the head of each Federal*
6 *law enforcement agency to which the personnel of the Na-*
7 *tional Guard of that State are to provide support in the*
8 *performance of homeland security activities under this sec-*
9 *tion. The memorandum of agreement shall—*

10 “(1) *specify how personnel of the National*
11 *Guard are to be used in homeland security activities;*

12 “(2) *include a certification by the Adjutant Gen-*
13 *eral of the State that those activities are to be per-*
14 *formed at a time when the personnel are not in Fed-*
15 *eral service;*

16 “(3) *include a certification by the Adjutant Gen-*
17 *eral of the State that—*

18 “(A) *participation by National Guard per-*
19 *sonnel in those activities is service in addition to*
20 *training required under section 502 of this title;*
21 *and*

22 “(B) *the requirements of subsection (d) of*
23 *this section will be satisfied;*

24 “(4) *include a certification by the Attorney Gen-*
25 *eral of the State (or, in the case of a State with no*

1 *position of Attorney General, a civilian official of the*
2 *State equivalent to a State attorney general), that the*
3 *use of the National Guard of the State for the activi-*
4 *ties provided for under the memorandum of agree-*
5 *ment is authorized by, and is consistent with, State*
6 *law;*

7 *“(5) include a certification by the Governor of*
8 *the State or a civilian law enforcement official of the*
9 *State designated by the Governor that the activities*
10 *provided for under the memorandum of agreement*
11 *serve a State law enforcement purpose; and*

12 *“(6) include a certification by the head of the*
13 *Federal law enforcement agency that the agency will*
14 *have a plan to ensure that the agency’s requirement*
15 *for National Guard support ends not later than 179*
16 *days after the commencement of the support.*

17 *“(g) EXCLUSION FROM END-STRENGTH COMPUTA-*
18 *TION.—Notwithstanding any other provision of law, mem-*
19 *bers of the National Guard on active duty or full-time Na-*
20 *tional Guard duty for the purposes of administering (or*
21 *during fiscal year 2003 otherwise implementing) this sec-*
22 *tion shall not be counted toward the annual end strength*
23 *authorized for reserves on active duty in support of the re-*
24 *serve components of the armed forces or toward the strengths*
25 *authorized in sections 12011 and 12012 of title 10.*

1 “(h) *ANNUAL REPORT.*—*The Secretary of Defense shall*
2 *submit to Congress an annual report regarding any assist-*
3 *ance provided and activities carried out under this section*
4 *during the preceding fiscal year. The report shall include*
5 *the following:*

6 “(1) *The number of members of the National*
7 *Guard excluded under subsection (g) from the com-*
8 *putation of end strengths.*

9 “(2) *A description of the homeland security ac-*
10 *tivities conducted with funds provided under this sec-*
11 *tion.*

12 “(3) *An accounting of the amount of funds pro-*
13 *vided to each State.*

14 “(4) *A description of the effect on military train-*
15 *ing and readiness of using units and personnel of the*
16 *National Guard to perform homeland security activi-*
17 *ties under this section.*

18 “(i) *STATUTORY CONSTRUCTION.*—*Nothing in this sec-*
19 *tion shall be construed as a limitation on the authority of*
20 *any unit of the National Guard of a State, when such unit*
21 *is not in Federal service, to perform law enforcement func-*
22 *tions authorized to be performed by the National Guard by*
23 *the laws of the State concerned.*

24 “(j) *DEFINITIONS.*—*For purposes of this section:*

1 “(1) *The term ‘Governor of a State’ means, in*
 2 *the case of the District of Columbia, the Commanding*
 3 *General of the National Guard of the District of Co-*
 4 *lumbia.*”

5 “(2) *The term ‘State’ means each of the several*
 6 *States, the District of Columbia, the Commonwealth*
 7 *of Puerto Rico, or a territory or possession of the*
 8 *United States.”.*”

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

 “116. *Homeland security activities.*”

12 **SEC. 1042. CONDITIONS FOR USE OF FULL-TIME RESERVES**
 13 **TO PERFORM DUTIES RELATING TO DEFENSE**
 14 **AGAINST WEAPONS OF MASS DESTRUCTION.**

15 *Section 12310(c)(3) of title 10, United States Code, is*
 16 *amended by striking “only—” and all that follows through*
 17 *“(B) while assigned” and inserting “only while assigned”.*

18 **SEC. 1043. WEAPON OF MASS DESTRUCTION DEFINED FOR**
 19 **PURPOSES OF THE AUTHORITY FOR USE OF**
 20 **RESERVES TO PERFORM DUTIES RELATING**
 21 **TO DEFENSE AGAINST WEAPONS OF MASS DE-**
 22 **STRUCTION.**

23 **(a) WEAPON OF MASS DESTRUCTION REDEFINED.**—
 24 *Section 12304(i)(2) of title 10, United States Code, is*
 25 *amended to read as follows:*

1 “(2) The term ‘weapon of mass destruction’
2 *means—*

3 “(A) any weapon that is designed or,
4 *through its use, is intended to cause death or se-*
5 *rious bodily injury through the release, dissemi-*
6 *nation, or impact of toxic or poisonous chemicals*
7 *or their precursors;*

8 “(B) any weapon that involves a disease or-
9 *ganism;*

10 “(C) any weapon that is designed to release
11 *radiation or radioactivity at a level dangerous to*
12 *human life; and*

13 “(D) any large conventional explosive that
14 *is designed to produce catastrophic loss of life or*
15 *property.”.*

16 (b) *CONFORMING AMENDMENT.—Section 12310(c)(1)*
17 *of such title is amended by striking “section 1403 of the*
18 *Defense Against Weapons of Mass Destruction Act of 1996*
19 *(50 U.S.C. 2302(1))” and inserting “section 12304(i)(2) of*
20 *this title”.*

21 **SEC. 1044. REPORT ON DEPARTMENT OF DEFENSE HOME-**
22 **LAND DEFENSE ACTIVITIES.**

23 (a) *REPORT REQUIRED.—Not later than February 1,*
24 *2003, the Secretary of Defense shall submit to the congres-*
25 *sional defense committees a report on what actions of the*

1 *Department of Defense would be necessary to carry out the*
2 *Secretary's expressed intent—*

3 (1) *to place new emphasis on the unique oper-*
4 *ational demands associated with the defense of the*
5 *United States homeland; and*

6 (2) *to restore the mission of defense of the United*
7 *States to the position of being the primary mission of*
8 *the Department of Defense.*

9 (b) *CONTENT OF THE REPORT.—The report shall con-*
10 *tain, in accordance with the other provisions of this section,*
11 *the following matters:*

12 (1) *HOMELAND DEFENSE CAMPAIGN PLAN.—A*
13 *homeland defense campaign plan.*

14 (2) *INTELLIGENCE.—A discussion of the relation-*
15 *ship between—*

16 (A) *the intelligence capabilities of—*

17 (i) *the Department of Defense; and*

18 (ii) *other departments and agencies of*
19 *the United States; and*

20 (B) *the performance of the homeland defense*
21 *mission.*

22 (3) *THREAT AND VULNERABILITY ASSESS-*
23 *MENT.—A compliance-based national threat and vul-*
24 *nerability assessment.*

1 (4) *TRAINING AND EXERCISING.*—*A discussion of*
2 *the Department of Defense plans for training and ex-*
3 *ercising for the performance of the homeland defense*
4 *mission.*

5 (5) *BIOTERRORISM INITIATIVE.*—*An evaluation*
6 *of the need for a Department of Defense bioterrorism*
7 *initiative to improve the ability of the department to*
8 *counter bioterror threats and to assist other agencies*
9 *to improve the national ability to counter bioterror*
10 *threats.*

11 (6) *CHEMICAL BIOLOGICAL INCIDENT RESPONSE*
12 *TEAMS.*—*An evaluation of the need for and feasibility*
13 *of developing and fielding Department of Defense re-*
14 *gional chemical biological incident response teams.*

15 (7) *OTHER MATTERS.*—*Any other matters that*
16 *the Secretary of Defense considers relevant regarding*
17 *the efforts necessary to carry out the intent referred*
18 *to in subsection (a).*

19 (c) *HOMELAND DEFENSE CAMPAIGN PLAN.*—

20 (1) *ORGANIZATION, PLANNING, AND INTEROPER-*
21 *ABILITY.*—

22 (A) *IN GENERAL.*—*The homeland defense*
23 *campaign plan under subsection (b)(1) shall con-*
24 *tain a discussion of the organization and plan-*
25 *ning of the Department of Defense for homeland*

1 *defense, including the expectations for interoper-*
2 *ability of the Department of Defense with other*
3 *departments and agencies of the Federal Govern-*
4 *ment and with State and local governments.*

5 *(B) CONTENT.—The plan shall include the*
6 *following matters:*

7 *(i) The duties, definitions, missions,*
8 *goals, and objectives of organizations in the*
9 *Department of Defense that apply homeland*
10 *defense, together with an organizational as-*
11 *essment with respect to the performance of*
12 *the homeland defense mission and a discus-*
13 *sion of any plans for making functional re-*
14 *alignments of organizations, authorities,*
15 *and responsibilities for carrying out that*
16 *mission.*

17 *(ii) The relationships among the lead-*
18 *ers of the organizations (including the Sec-*
19 *retary of Defense, the Joint Chiefs of Staff,*
20 *the Commander in Chief of United States*
21 *Northern Command, the Commanders in*
22 *Chief of the other regional unified combat-*
23 *ant commands, and the reserve components)*
24 *in the performance of such duties.*

1 (iii) *The reviews, evaluations, and*
2 *standards that are established or are to be*
3 *established for determining and ensuring*
4 *the readiness of the organizations to per-*
5 *form such duties.*

6 (2) *RESPONSE TO ATTACK ON CRITICAL INFRA-*
7 *STRUCTURE.—*

8 (A) *IN GENERAL.—The homeland defense*
9 *campaign plan shall contain an outline of the*
10 *duties and capabilities of the Department of De-*
11 *fense for responding to an attack on critical in-*
12 *frastructure of the United States, including re-*
13 *sponding to an attack on critical infrastructure*
14 *of the department, by means of a weapon of mass*
15 *destruction or a CBRNE weapon or by a cyber*
16 *means.*

17 (B) *VARIOUS ATTACK SCENARIOS.—The out-*
18 *line shall specify, for each major category of at-*
19 *tack by a means described in subparagraph (A),*
20 *the variations in the duties, responses, and capa-*
21 *bilities of the various Department of Defense or-*
22 *ganizations that result from the variations in the*
23 *means of the attack.*

1 (C) *DEFICIENCIES.*—*The outline shall identify*
2 *any deficiencies in capabilities and set forth*
3 *a plan for rectifying any such deficiencies.*

4 (D) *LEGAL IMPEDIMENTS.*—*The outline*
5 *shall identify and discuss each impediment in*
6 *law to the effective performance of the homeland*
7 *defense mission.*

8 (3) *ROLES AND RESPONSIBILITIES IN INTER-*
9 *AGENCY PROCESS.*—

10 (A) *IN GENERAL.*—*The homeland defense*
11 *campaign plan shall contain a discussion of the*
12 *roles and responsibilities of the Department of*
13 *Defense in the interagency process of policy-*
14 *making and planning for homeland defense.*

15 (B) *INTEGRATION WITH STATE AND LOCAL*
16 *ACTIVITIES.*—*The homeland defense campaign*
17 *plan shall include a discussion of Department of*
18 *Defense plans to integrate Department of Defense*
19 *homeland defense activities with the homeland*
20 *defense activities of other departments and agen-*
21 *cies of the United States and the homeland de-*
22 *fense activities of State and local governments,*
23 *particularly with regard to issues relating to*
24 *CBRNE and cyber attacks.*

1 (d) *INTELLIGENCE CAPABILITIES.*—*The discussion of*
2 *the relationship between the intelligence capabilities and the*
3 *performance of the homeland defense mission under sub-*
4 *section (b)(2) shall include the following matters:*

5 (1) *ROLES AND MISSIONS.*—*The roles and mis-*
6 *sions of the Department of Defense for the employ-*
7 *ment of the intelligence capabilities of the department*
8 *in homeland defense.*

9 (2) *INTERAGENCY RELATIONSHIPS.*—*A discus-*
10 *sion of the relationship between the Department of*
11 *Defense and the other departments and agencies of the*
12 *United States that have duties for collecting or ana-*
13 *lyzing intelligence in relation to homeland defense,*
14 *particularly in light of the conflicting demands of du-*
15 *ties relating to the collection and analysis of domestic*
16 *intelligence and duties relating to the collection and*
17 *analysis of foreign intelligence.*

18 (3) *INTELLIGENCE-RELATED CHANGES.*—*Any*
19 *changes that are necessary in the Department of De-*
20 *fense in order to provide effective intelligence support*
21 *for the performance of homeland defense missions,*
22 *with respect to—*

23 (A) *the preparation of threat assessments*
24 *and other warning products by the Department*
25 *of Defense;*

1 (B) collection of terrorism-related intel-
2 ligence through human intelligence sources, sig-
3 nals intelligence sources, and other intelligence
4 sources; and

5 (C) intelligence policy, capabilities, and
6 practices.

7 (4) *LEGAL IMPEDIMENTS.*—Any impediments in
8 law to the effective performance of intelligence mis-
9 sions in support of homeland defense.

10 (e) *THREAT AND VULNERABILITY ASSESSMENT.*—

11 (1) *CONTENT.*—The compliance-based national
12 threat and vulnerability assessment under subsection
13 (b)(3) shall include a discussion of the following mat-
14 ters:

15 (A) *CRITICAL FACILITIES.*—The threat of
16 terrorist attack on critical facilities, programs,
17 and systems of the United States, together with
18 the capabilities of the Department of Defense to
19 deter and respond to any such attack.

20 (B) *DOD VULNERABILITY.*—The vulner-
21 ability of installations, facilities, and personnel
22 of the Department of Defense to attack by per-
23 sons using weapons of mass destruction, CBRNE
24 weapons, or cyber means.

1 (C) *BALANCED SURVIVABILITY ASSESS-*
2 *MENT.—Plans to conduct a balanced surviv-*
3 *ability assessment for use in determining the*
4 *vulnerabilities of targets referred to in subpara-*
5 *graphs (A) and (B).*

6 (D) *PROCESS.—Plans, including timelines*
7 *and milestones, necessary to develop a process for*
8 *conducting compliance-based vulnerability as-*
9 *sessments for critical infrastructure, together*
10 *with the standards to be used for ensuring that*
11 *the process is executable.*

12 (2) *DEFINITION OF COMPLIANCE-BASED.—In*
13 *subsection (b)(3) and paragraph (1)(D) of this sub-*
14 *section, the term “compliance-based”, with respect to*
15 *an assessment, means that the assessment is conducted*
16 *under policies and procedures that require correction*
17 *of each deficiency identified in the assessment to a*
18 *standard set forth in Department of Defense Instruc-*
19 *tion 2000.16 or another applicable Department of De-*
20 *fense instruction, directive, or policy.*

21 (f) *TRAINING AND EXERCISING.—The discussion of the*
22 *Department of Defense plans for training and exercising*
23 *for the performance of the homeland defense mission under*
24 *subsection (b)(4) shall contain the following matters:*

1 (1) *MILITARY EDUCATION.*—*The plans for the*
2 *training and education of members of the Armed*
3 *Forces specifically for performance of homeland de-*
4 *fense missions, including any anticipated changes in*
5 *the curriculum in—*

6 (A) *the National Defense University, the*
7 *war colleges of the Armed Forces, graduate edu-*
8 *cation programs, and other senior military*
9 *schools and education programs; and*

10 (B) *the Reserve Officers' Training Corps*
11 *program, officer candidate schools, enlisted and*
12 *officer basic and advanced individual training*
13 *programs, and other entry level military edu-*
14 *cation and training programs.*

15 (2) *EXERCISES.*—*The plans for using exercises*
16 *and simulation in the training of all components of*
17 *the Armed Forces, including—*

18 (A) *plans for integrated training with de-*
19 *partments and agencies of the United States out-*
20 *side the Department of Defense and with agen-*
21 *cies of State and local governments; and*

22 (B) *plans for developing an opposing force*
23 *that, for the purpose of developing potential sce-*
24 *narios of terrorist attacks on targets inside the*

1 *United States, simulates a terrorist group hav-*
2 *ing the capability to engage in such attacks.*

3 *(g) BIOTERRORISM INITIATIVE.—The evaluation of the*
4 *need for a Department of Defense bioterrorism initiative*
5 *under subsection (b)(5) shall include a discussion that iden-*
6 *tifies and evaluates options for potential action in such an*
7 *initiative, as follows:*

8 *(1) PLANNING, TRAINING, EXERCISE, EVALUA-*
9 *TION, AND FUNDING.—Options for—*

10 *(A) refining the plans of the Department of*
11 *Defense for biodefense to include participation of*
12 *other departments and agencies of the United*
13 *States and State and local governments;*

14 *(B) increasing biodefense training, exercises,*
15 *and readiness evaluations by the Department of*
16 *Defense, including training, exercises, and eval-*
17 *uations that include participation of other de-*
18 *partments and agencies of the United States and*
19 *State and local governments;*

20 *(C) increasing Department of Defense fund-*
21 *ing for biodefense; and*

22 *(D) integrating other departments and*
23 *agencies of the United States and State and local*
24 *governments into the plans, training, exercises,*
25 *evaluations, and resourcing.*

1 (2) *DISEASE SURVEILLANCE.*—Options for the
2 Department of Defense to develop an integrated dis-
3 ease surveillance detection system and to improve sys-
4 tems for communicating information and warnings of
5 the incidence of disease to recipients within the De-
6 partment of Defense and to other departments and
7 agencies of the United States and State and local gov-
8 ernments.

9 (3) *EMERGENCY MANAGEMENT STANDARD.*—Op-
10 tions for broadening the scope of the Revised Emer-
11 gency Management Standard of the Joint Commis-
12 sion on Accreditation of Healthcare Organizations by
13 including the broad and active participation of Fed-
14 eral, State, and local governmental agencies that are
15 expected to respond in any event of a CBRNE or
16 cyber attack.

17 (4) *LABORATORY RESPONSE NETWORK.*—Options
18 for the Department of Defense—

19 (A) to participate in the laboratory re-
20 sponse network for bioterrorism; and

21 (B) to increase the capacity of Department
22 of Defense laboratories rated by the Secretary of
23 Defense as level D laboratories to facilitate par-
24 ticipation in the network.

1 (h) *CHEMICAL BIOLOGICAL INCIDENT RESPONSE*
2 *TEAMS.*—*The evaluation of the need for and feasibility of*
3 *developing and fielding Department of Defense regional*
4 *chemical biological incident response teams under sub-*
5 *section (b)(6) shall include a discussion and evaluation of*
6 *the following options:*

7 (1) *REGIONAL TEAMS.*—*Options for the Depart-*
8 *ment of Defense, using the chemical biological inci-*
9 *dent response force as a model, to develop, equip,*
10 *train, and provide transportation for five United*
11 *States based, strategically located, regional chemical*
12 *biological incident response teams.*

13 (2) *RESOURCING.*—*Options and preferred meth-*
14 *ods for providing the resources and personnel nec-*
15 *essary for developing and fielding any such teams.*

16 (i) *DEFINITIONS.*—*In this section:*

17 (1) *CBRNE.*—*The term “CBRNE” means chem-*
18 *ical, biological, radiological, nuclear, or explosive.*

19 (2) *WEAPON OF MASS DESTRUCTION.*—*The term*
20 *“weapon of mass destruction” has the meaning given*
21 *such term in section 1403 of the Defense Against*
22 *Weapons of Mass Destruction Act of 1996 (50 U.S.C.*
23 *2302).*

1 **SEC. 1045. STRATEGY FOR IMPROVING PREPAREDNESS OF**
2 **MILITARY INSTALLATIONS FOR INCIDENTS**
3 **INVOLVING WEAPONS OF MASS DESTRUC-**
4 **TION.**

5 (a) *COMPREHENSIVE PLAN.*—*The Secretary of Defense*
6 *shall develop a comprehensive plan for improving the pre-*
7 *paredness of military installations for preventing and re-*
8 *sponding to incidents involving use or threat of use of weap-*
9 *ons of mass destruction.*

10 (b) *CONTENT.*—*The comprehensive plan shall set forth*
11 *the following:*

12 (1) *A strategy that—*

13 (A) *identifies—*

14 (i) *long-term goals and objectives;*

15 (ii) *resource requirements; and*

16 (iii) *factors beyond the control of the*
17 *Secretary that could impede the achieve-*
18 *ment of the goals and objectives; and*

19 (B) *includes a discussion of—*

20 (i) *the extent to which local, regional,*
21 *or national military response capabilities*
22 *are to be developed and used; and*

23 (ii) *how the Secretary will coordinate*
24 *these capabilities with local, regional, or*
25 *national civilian capabilities.*

26 (2) *A performance plan that—*

1 (A) provides a reasonable schedule, with
2 milestones, for achieving the goals and objectives
3 of the strategy;

4 (B) performance criteria for measuring
5 progress in achieving the goals and objectives;

6 (C) a description of the process, together
7 with a discussion of the resources, necessary to
8 achieve the goals and objectives;

9 (D) a description of the process for evalu-
10 ating results.

11 (c) *SUBMITTAL TO CONGRESS.*—The Secretary shall
12 submit the comprehensive plan to the Committees on Armed
13 Services of the Senate and the House of Representatives not
14 later than 180 days after the date of the enactment of this
15 Act.

16 (d) *COMPTROLLER GENERAL REVIEW AND REPORT.*—
17 Not later than 60 days after the Secretary submits the com-
18 prehensive plan to Congress under subsection (c), the Comp-
19 troller General shall review the plan and submit an assess-
20 ment of the plan to the committees referred to in that sub-
21 section.

22 (e) *ANNUAL REPORT.*—(1) In each of 2004, 2005, and
23 2006, the Secretary of Defense shall include a report on the
24 comprehensive plan in the materials that the Secretary sub-
25 mits to Congress in support of the budget submitted by the

1 *President such year pursuant to section 1105(a) of title 31,*
2 *United States Code.*

3 *(2) The report shall include—*

4 *(A) a discussion of any revision that the Sec-*
5 *retary has made in the comprehensive plan since the*
6 *last report; and*

7 *(B) an assessment of the progress made in*
8 *achieving the goals and objectives of the strategy set*
9 *forth in the plan.*

10 *(3) No report is required under this subsection after*
11 *the Secretary submits under this subsection a report con-*
12 *taining a declaration that the goals and objectives set forth*
13 *in the strategy have been achieved.*

14 ***Subtitle E—Other Matters***

15 ***SEC. 1061. CONTINUED APPLICABILITY OF EXPIRING GOV-***
16 ***ERNMENTWIDE INFORMATION SECURITY RE-***
17 ***QUIREMENTS TO THE DEPARTMENT OF DE-***
18 ***FENSE.***

19 *(a) IN GENERAL.—Chapter 131 of title 10, United*
20 *States Code, is amended by inserting after section 2224 the*
21 *following new section:*

1 **“§ 2224a. Information security: continued applica-**
2 **bility of expiring Governmentwide re-**
3 **quirements to the Department of Defense**

4 “(a) *IN GENERAL.*—The provisions of subchapter II of
5 chapter 35 of title 44 shall continue to apply with respect
6 to the Department of Defense, notwithstanding the expira-
7 tion of authority under section 3536 of such title.

8 “(b) *RESPONSIBILITIES.*—In administering the provi-
9 sions of subchapter II of chapter 35 of title 44 with respect
10 to the Department of Defense after the expiration of author-
11 ity under section 3536 of such title, the Secretary of Defense
12 shall perform the duties set forth in that subchapter for the
13 Director of the Office of Management and Budget.”.

14 (b) *CLERICAL AMENDMENT.*—The table of sections at
15 the beginning of such chapter is amended by inserting after
16 the item relating to section 2224 the following new item:

“2224a. Information security: continued applicability of expiring Govern-
mentwide requirements to the Department of Defense.”.

17 **SEC. 1062. ACCEPTANCE OF VOLUNTARY SERVICES OF**
18 **PROCTORS FOR ADMINISTRATION OF ARMED**
19 **SERVICES VOCATIONAL APTITUDE BATTERY.**

20 Section 1588(a) of title 10, United States Code, is
21 amended by adding at the end the following new paragraph:

22 “(6) Voluntary services as a proctor for the ad-
23 ministration of the Armed Services Vocational Apti-
24 tude Battery.”.

1 **SEC. 1063. EXTENSION OF AUTHORITY FOR SECRETARY OF**
2 **DEFENSE TO SELL AIRCRAFT AND AIRCRAFT**
3 **PARTS FOR USE IN RESPONDING TO OIL**
4 **SPILLS.**

5 (a) *FOUR-YEAR EXTENSION.*—Subsection (a)(1) of sec-
6 tion 740 of the Wendell H. Ford Aviation Investment and
7 Reform Act for the 21st Century (Public Law 106–181; 114
8 Stat. 173; 10 U.S.C. 2576 note) is amended by striking
9 “September 30, 2002” and inserting “September 30, 2006”.

10 (b) *ADDITIONAL REPORT.*—Subsection (f) of such sec-
11 tion is amended by striking “March 31, 2002” and insert-
12 ing “March 31, 2006”.

13 **SEC. 1064. AMENDMENTS TO IMPACT AID PROGRAM.**

14 (a) *ELIGIBILITY FOR HEAVILY IMPACTED LOCAL EDU-*
15 *CATIONAL AGENCIES AFFECTED BY PRIVATIZATION OF*
16 *MILITARY HOUSING.*—Section 8003(b)(2) of the *Elemen-*
17 *tary and Secondary Education Act of 1965* (20 U.S.C.
18 7703(b)(2)) is amended by adding at the end the following:

19 “(H) *ELIGIBILITY FOR HEAVILY IMPACTED*
20 *LOCAL EDUCATIONAL AGENCIES AFFECTED BY*
21 *PRIVATIZATION OF MILITARY HOUSING.*—

22 “(i) *IN GENERAL.*—For any fiscal year
23 beginning with fiscal year 2003, a heavily
24 impacted local educational agency that re-
25 ceived a basic support payment under sub-
26 paragraph (A) for the prior fiscal year, but

1 is ineligible for such payment for the cur-
2 rent fiscal year under subparagraph (B) or
3 (C), as the case may be, by reason of the
4 conversion of military housing units to pri-
5 vate housing described in clause (ii), shall
6 be deemed to meet the eligibility require-
7 ments under subparagraph (B) or (C), as
8 the case may be, for the period during
9 which the housing units are undergoing
10 such conversion, and shall be paid under the
11 same provisions of subparagraph (D) or (E)
12 as the agency was paid in the prior fiscal
13 year.

14 “(ii) *CONVERSION OF MILITARY HOUS-*
15 *ING UNITS TO PRIVATE HOUSING DE-*
16 *SCRIBED.*—For purposes of clause (i), ‘con-
17 version of military housing units to private
18 housing’ means the conversion of military
19 housing units to private housing units pur-
20 suant to subchapter IV of chapter 169 of
21 title 10, United States Code, or pursuant to
22 any other related provision of law.”.

23 (b) *COTERMINOUS MILITARY SCHOOL DISTRICTS.*—
24 Section 8003(a) of the *Elementary and Secondary Edu-*

1 *ation Act of 1965 (20 U.S.C. 7703(a)) is amended by add-*
2 *ing at the end the following:*

3 “(6) *COTERMINOUS MILITARY SCHOOL DIS-*
4 *TRICTS.—For purposes of computing the amount of a*
5 *payment for a local educational agency for children*
6 *described in paragraph (1)(D)(i), the Secretary shall*
7 *consider such children to be children described in*
8 *paragraph (1)(B) if the agency is a local educational*
9 *agency whose boundaries are the same as a Federal*
10 *military installation.”.*

11 **SEC. 1065. DISCLOSURE OF INFORMATION ON SHIPBOARD**
12 **HAZARD AND DEFENSE PROJECT TO DEPART-**
13 **MENT OF VETERANS AFFAIRS.**

14 *(a) PLAN FOR DISCLOSURE OF INFORMATION.—Not*
15 *later than 90 days after the date of the enactment of this*
16 *Act, the Secretary of Defense shall submit to Congress and*
17 *the Secretary of Veterans Affairs a comprehensive plan for*
18 *the review, declassification, and submittal to the Depart-*
19 *ment of Veterans Affairs of all medical records and infor-*
20 *mation of the Department of Defense on the Shipboard Haz-*
21 *ard and Defense (SHAD) project of the Navy that are rel-*
22 *evant to the provision of benefits by the Secretary of Vet-*
23 *erans Affairs to members of the Armed Forces who partici-*
24 *pated in that project.*

1 (b) *PLAN REQUIREMENTS.*—(1) *The records and infor-*
2 *mation covered by the plan under subsection (a) shall be*
3 *the records and information necessary to permit the identi-*
4 *fication of members of the Armed Forces who were or may*
5 *have been exposed to chemical or biological agents as a re-*
6 *sult of the Shipboard Hazard and Defense project.*

7 (2) *The plan shall provide for completion of all activi-*
8 *ties contemplated by the plan not later than one year after*
9 *the date of the enactment of this Act.*

10 (c) *REPORTS ON IMPLEMENTATION.*—(1) *Not later*
11 *than 90 days after the date of the enactment of this Act,*
12 *and every 90 days thereafter until completion of all activi-*
13 *ties contemplated by the plan under subsection (a), the Sec-*
14 *retary of Defense shall submit to Congress and the Secretary*
15 *of Veterans Affairs a report on progress in the implementa-*
16 *tion of the plan during the 90-day period ending on the*
17 *date of such report.*

18 (2) *Each report under paragraph (1) shall include, for*
19 *the period covered by such report—*

20 (A) *the number of records reviewed;*

21 (B) *each test, if any, under the Shipboard Haz-*
22 *ard and Defense project identified during such review;*

23 (C) *for each test so identified—*

24 (i) *the test name;*

25 (ii) *the test objective;*

1 (iii) the chemical or biological agent or
2 agents involved; and

3 (iv) the number of members of the Armed
4 Forces, and civilian personnel, potentially ef-
5 fected by such test; and

6 (D) the extent of submittal of records and infor-
7 mation to the Secretary of Veterans Affairs under this
8 section.

9 **SEC. 1066. TRANSFER OF HISTORIC DF-9E PANTHER AIR-**
10 **CRAFT TO WOMEN AIRFORCE SERVICE PI-**
11 **LOTS MUSEUM.**

12 (a) *AUTHORITY TO CONVEY.*—The Secretary of the
13 Navy may convey, without consideration, to the Women
14 Airforce Service Pilots Museum in Quartzsite, Arizona (in
15 this section referred to as the “W.A.S.P. museum”), all
16 right, title, and interest of the United States in and to a
17 DF-9E Panther aircraft (Bureau Number 125316). The
18 conveyance shall be made by means of a conditional deed
19 of gift.

20 (b) *CONDITION OF AIRCRAFT.*—The aircraft shall be
21 conveyed under subsection (a) in “as is” condition. The Sec-
22 retary is not required to repair or alter the condition of
23 the aircraft before conveying ownership of the aircraft.

1 (c) *REVERTER UPON BREACH OF CONDITIONS.*—The
2 Secretary shall include in the instrument of conveyance of
3 the aircraft under subsection (a)—

4 (1) a condition that the W.A.S.P. museum not
5 convey any ownership interest in, or transfer posses-
6 sion of, the aircraft to any other party without the
7 prior approval of the Secretary; and

8 (2) a condition that if the Secretary determines
9 at any time that the W.A.S.P. museum has conveyed
10 an ownership interest in, or transferred possession of,
11 the aircraft to any other party without the prior ap-
12 proval of the Secretary, all right, title, and interest
13 in and to the aircraft, including any repair or alter-
14 ation of the aircraft, shall revert to the United States,
15 and the United States shall have the right of imme-
16 diate possession of the aircraft.

17 (d) *CONVEYANCE AT NO COST TO THE UNITED*
18 *STATES.*—The conveyance of the aircraft under subsection
19 (a) shall be made at no cost to the United States. Any costs
20 associated with the conveyance, costs of determining compli-
21 ance with subsection (b), and costs of operation and mainte-
22 nance of the aircraft conveyed shall be borne by the
23 W.A.S.P. museum.

24 (e) *ADDITIONAL TERMS AND CONDITIONS.*—The Sec-
25 retary may require such additional terms and conditions

1 *in connection with a conveyance under this section as the*
2 *Secretary considers appropriate to protect the interests of*
3 *the United States.*

4 **SEC. 1067. REWARDS FOR ASSISTANCE IN COMBATING TER-**
5 **RORISM.**

6 (a) *AUTHORITY.*—Chapter 3 of title 10, United States
7 Code, is amended by inserting after section 127a the fol-
8 lowing new section:

9 **“§ 127b. Rewards for assistance in combating ter-**
10 **rorism**

11 “(a) *AUTHORITY.*—The Secretary of Defense may pay
12 a monetary reward to a person for providing United States
13 personnel with information or nonlethal assistance that is
14 beneficial to—

15 “(1) *an operation of the armed forces conducted*
16 *outside the United States against international ter-*
17 *rorism; or*

18 “(2) *force protection of the armed forces.*

19 “(b) *MAXIMUM AMOUNT.*—The amount of a reward
20 paid to a recipient under this section may not exceed
21 \$200,000.

22 “(c) *DELEGATION TO COMMANDER OF COMBATANT*
23 *COMMAND.*—(1) *The Secretary of Defense may delegate to*
24 *the commander of a combatant command authority to pay*

1 *a reward under this section in an amount not in excess*
2 *of \$50,000.*

3 “(2) *A commander to whom authority to pay rewards*
4 *is delegated under paragraph (1) may further delegate au-*
5 *thority to pay a reward under this section in an amount*
6 *not in excess of \$2,500.*

7 “(c) *COORDINATION.—(1) The Secretary of Defense, in*
8 *consultation with the Secretary of State and the Attorney*
9 *General, shall prescribe policies and procedures for offering*
10 *and paying rewards under this section, and otherwise for*
11 *administering the authority under this section, that ensure*
12 *that the payment of a reward under this section does not*
13 *duplicate or interfere with the payment of a reward author-*
14 *ized by the Secretary of State or the Attorney General.*

15 “(2) *The Secretary of Defense shall coordinate with the*
16 *Secretary of State regarding any payment of a reward in*
17 *excess of \$100,000 under this section.*

18 “(d) *PERSONS NOT ELIGIBLE.—The following persons*
19 *are not eligible to receive an award under this section:*

20 “(1) *A citizen of the United States.*

21 “(2) *An employee of the United States.*

22 “(3) *An employee of a contractor of the United*
23 *States.*

24 “(e) *ANNUAL REPORT.—(1) Not later than 60 days*
25 *after the end of each fiscal year, the Secretary of Defense*

1 *shall submit to the Committees on Armed Services and the*
2 *Committees on Appropriations of the Senate and the House*
3 *of Representatives a report on the administration of the re-*
4 *wards program during that fiscal year.*

5 “(2) *The report for a fiscal year shall include informa-*
6 *tion on the total amount expended during that fiscal year*
7 *to carry out this section, including—*

8 “(A) *a specification of the amount, if any, ex-*
9 *pended to publicize the availability of rewards; and*

10 “(B) *with respect to each award paid during*
11 *that fiscal year—*

12 “(i) *the amount of the reward;*

13 “(ii) *the recipient of the reward; and*

14 “(iii) *a description of the information or*
15 *assistance for which the reward was paid, to-*
16 *gether with an assessment of the significance of*
17 *the information or assistance.*

18 “(3) *The Secretary may submit the report in classified*
19 *form if the Secretary determines that it is necessary to do*
20 *so.*

21 “(f) *DETERMINATIONS BY THE SECRETARY.—A deter-*
22 *mination by the Secretary under this section shall be final*
23 *and conclusive and shall not be subject to judicial review.”.*

1 (b) *CLERICAL AMENDMENT.*—*The table of sections at*
 2 *the beginning of such chapter is amended by inserting after*
 3 *the item relating to section 127a the following new item:*

“127b. Rewards for assistance in combating terrorism.”.

4 **SEC. 1068. PROVISION OF SPACE AND SERVICES TO MILI-**
 5 **TARY WELFARE SOCIETIES.**

6 (a) *AUTHORITY TO PROVIDE SPACE AND SERVICES.*—
 7 *Chapter 152 of title 10, United States Code, is amended*
 8 *by adding at the end the following new section:*

9 **“§ 2566. Space and services: provision to military wel-**
 10 **fare societies**

11 “(a) *AUTHORITY TO PROVIDE SPACE AND SERV-*
 12 *ICES.*—*The Secretary of a military department may pro-*
 13 *vide, without charge, space and services under the jurisdic-*
 14 *tion of that Secretary to a military welfare society.*

15 “(b) *DEFINITIONS.*—*In this section:*

16 “(1) *The term ‘military welfare society’ means*
 17 *the following:*

18 “(A) *The Army Emergency Relief Society.*

19 “(B) *The Navy-Marine Corps Relief Soci-*
 20 *ety.*

21 “(C) *The Air Force Aid Society, Inc.*

22 “(2) *The term ‘services’ includes lighting, heat-*
 23 *ing, cooling, electricity, office furniture, office ma-*
 24 *chines and equipment, telephone and other informa-*
 25 *tion technology services (including installation of*

1 *lines and equipment, connectivity, and other associ-*
2 *ated services), and security systems (including instal-*
3 *lation and other associated expenses).”.*

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

“2566. Space and services: provision to military welfare societies.”.

7 **SEC. 1069. COMMENDATION OF MILITARY CHAPLAINS.**

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

9 *(1) Military chaplains have served with those*
10 *who fought for the cause of freedom since the founding*
11 *of the Nation.*

12 *(2) Military chaplains and religious support*
13 *personnel of the Armed Forces have served with dis-*
14 *tinction as uniformed members of the Armed Forces*
15 *in support of the Nation’s defense missions during*
16 *every conflict in the history of the United States.*

17 *(3) 400 United States military chaplains have*
18 *died in combat, some as a result of direct fire while*
19 *ministering to fallen Americans, while others made*
20 *the ultimate sacrifice as a prisoner of war.*

21 *(4) Military chaplains currently serve in hu-*
22 *manitarian operations, rotational deployments, and*
23 *in the war on terrorism.*

24 *(5) Religious organizations make up the very*
25 *fabric of religious diversity and represent unparal-*

1 *leled levels of freedom of conscience, speech, and wor-*
2 *ship that set the United States apart from any other*
3 *nation on Earth.*

4 (6) *Religious organizations have richly blessed*
5 *the uniformed services by sending clergy to comfort*
6 *and encourage all persons of faith in the Armed*
7 *Forces.*

8 (7) *During the sinking of the USS Dorchester in*
9 *February 1943 during World War II, four chaplains*
10 *(Reverend Fox, Reverend Poling, Father Washington,*
11 *and Rabbi Goode) gave their lives so that others*
12 *might live.*

13 (8) *All military chaplains aid and assist mem-*
14 *bers of the Armed Forces and their family members*
15 *with the challenging issues of today's world.*

16 (9) *The current war against terrorism has*
17 *brought to the shores of the United States new threats*
18 *and concerns that strike at the beliefs and emotions*
19 *of Americans.*

20 (10) *Military chaplains must, as never before,*
21 *deal with the spiritual well-being of the members of*
22 *the Armed Forces and their families.*

23 (b) *COMMENDATION.*—*Congress, on behalf of the Na-*
24 *tion, expresses its appreciation for the outstanding con-*

1 *tribution that all military chaplains make to the members*
 2 *of the Armed Forces and their families.*

3 *(c) PRESIDENTIAL PROCLAMATION.—The President is*
 4 *authorized and requested to issue a proclamation calling*
 5 *on the people of the United States to recognize the distin-*
 6 *guished service of the Nation’s military chaplains.*

7 **SEC. 1070. GRANT OF FEDERAL CHARTER TO KOREAN WAR**
 8 **VETERANS ASSOCIATION, INCORPORATED.**

9 *(a) GRANT OF CHARTER.—Part B of subtitle II of title*
 10 *36, United States Code, is amended—*

11 *(1) by striking the following:*

12 **“CHAPTER 1201—[RESERVED]”;** *and*

13 *(2) by inserting the following:*

14 **“CHAPTER 1201—KOREAN WAR VETERANS**
 15 **ASSOCIATION, INCORPORATED**

“Sec.

“120101. Organization.

“120102. Purposes.

“120103. Membership.

“120104. Governing body.

“120105. Powers.

“120106. Restrictions.

“120107. Duty to maintain corporate and tax-exempt status.

“120108. Records and inspection.

“120109. Service of process.

“120110. Liability for acts of officers and agents.

“120111. Annual report.

16 **“§ 120101. Organization**

17 *“(a) FEDERAL CHARTER.—Korean War Veterans As-*
 18 *sociation, Incorporated (in this chapter, the ‘corporation’),*

1 *incorporated in the State of New York, is a federally char-*
2 *tered corporation.*

3 “(b) *EXPIRATION OF CHARTER.—If the corporation*
4 *does not comply with the provisions of this chapter, the*
5 *charter granted by subsection (a) expires.*

6 **“§ 120102. Purposes**

7 “*The purposes of the corporation are as provided in*
8 *its articles of incorporation and include—*

9 “(1) *organizing, promoting, and maintaining for*
10 *benevolent and charitable purposes an association of*
11 *persons who have seen honorable service in the Armed*
12 *Forces during the Korean War, and of certain other*
13 *persons;*

14 “(2) *providing a means of contact and commu-*
15 *nication among members of the corporation;*

16 “(3) *promoting the establishment of, and estab-*
17 *lishing, war and other memorials commemorative of*
18 *persons who served in the Armed Forces during the*
19 *Korean War; and*

20 “(4) *aiding needy members of the corporation,*
21 *their wives and children, and the widows and chil-*
22 *dren of persons who were members of the corporation*
23 *at the time of their death.*

1 **“§ 120103. Membership**

2 *“Eligibility for membership in the corporation, and*
3 *the rights and privileges of members of the corporation, are*
4 *as provided in the bylaws of the corporation.*

5 **“§ 120104. Governing body**

6 *“(a) BOARD OF DIRECTORS.—The board of directors*
7 *of the corporation, and the responsibilities of the board of*
8 *directors, are as provided in the articles of incorporation*
9 *of the corporation.*

10 *“(b) OFFICERS.—The officers of the corporation, and*
11 *the election of the officers of the corporation, are as provided*
12 *in the articles of incorporation.*

13 **“§ 120105. Powers**

14 *“The corporation has only the powers provided in its*
15 *bylaws and articles of incorporation filed in each State in*
16 *which it is incorporated.*

17 **“§ 120106. Restrictions**

18 *“(a) STOCK AND DIVIDENDS.—The corporation may*
19 *not issue stock or declare or pay a dividend.*

20 *“(b) POLITICAL ACTIVITIES.—The corporation, or a*
21 *director or officer of the corporation as such, may not con-*
22 *tribute to, support, or participate in any political activity*
23 *or in any manner attempt to influence legislation.*

24 *“(c) LOAN.—The corporation may not make a loan to*
25 *a director, officer, or employee of the corporation.*

1 “(d) *CLAIM OF GOVERNMENTAL APPROVAL OR AU-*
 2 *THORITY.*—*The corporation may not claim congressional*
 3 *approval, or the authority of the United States, for any of*
 4 *its activities.*

5 “§ 120107. ***Duty to maintain corporate and tax-exempt***
 6 ***status***

7 “(a) *CORPORATE STATUS.*—*The corporation shall*
 8 *maintain its status as a corporation incorporated under*
 9 *the laws of the State of New York.*

10 “(b) *TAX-EXEMPT STATUS.*—*The corporation shall*
 11 *maintain its status as an organization exempt from tax-*
 12 *ation under the Internal Revenue Code of 1986 (26 U.S.C.*
 13 *1 et seq.).*

14 “§ 120108. ***Records and inspection***

15 “(a) *RECORDS.*—*The corporation shall keep—*

16 “(1) *correct and complete records of account;*

17 “(2) *minutes of the proceedings of its members,*
 18 *board of directors, and committees having any of the*
 19 *authority of its board of directors; and*

20 “(3) *at its principal office, a record of the names*
 21 *and addresses of its members entitled to vote on mat-*
 22 *ters relating to the corporation.*

23 “(b) *INSPECTION.*—*A member entitled to vote on mat-*
 24 *ters relating to the corporation, or an agent or attorney*

1 *of the member, may inspect the records of the corporation*
 2 *for any proper purpose, at any reasonable time.*

3 **“§ 120109. Service of process**

4 *“The corporation shall have a designated agent in the*
 5 *District of Columbia to receive service of process for the cor-*
 6 *poration. Notice to or service on the agent is notice to or*
 7 *service on the Corporation.*

8 **“§ 120110. Liability for acts of officers and agents**

9 *“The corporation is liable for the acts of its officers*
 10 *and agents acting within the scope of their authority.*

11 **“§ 120111. Annual report**

12 *“The corporation shall submit an annual report to*
 13 *Congress on the activities of the corporation during the pre-*
 14 *ceding fiscal year. The report shall be submitted at the same*
 15 *time as the report of the audit required by section 10101*
 16 *of this title. The report may not be printed as a public docu-*
 17 *ment.”.*

18 *(b) CLERICAL AMENDMENT.—The table of chapters at*
 19 *the beginning of subtitle II of title 36, United States Code,*
 20 *is amended by striking the item relating to chapter 1201*
 21 *and inserting the following new item:*

“1201. Korean War Veterans Association, Incorporated120101”.

1 **TITLE XI—DEPARTMENT OF DE-**
2 **FENSE CIVILIAN PERSONNEL**
3 **POLICY**

4 **SEC. 1101. EXTENSION OF AUTHORITY TO PAY SEVERANCE**
5 **PAY IN A LUMP SUM.**

6 *Section 5595(i)(4) of title 5, United States Code, is*
7 *amended by striking “October 1, 2003” and inserting “Oc-*
8 *tober 1, 2006”.*

9 **SEC. 1102. EXTENSION OF VOLUNTARY SEPARATION INCEN-**
10 **TIVE PAY AUTHORITY.**

11 *Section 5597(e) of title 5, United States Code, is*
12 *amended by striking “September 30, 2003” and inserting*
13 *“September 30, 2006”.*

14 **SEC. 1103. EXTENSION OF COST-SHARING AUTHORITY FOR**
15 **CONTINUED FEHBP COVERAGE OF CERTAIN**
16 **PERSONS AFTER SEPARATION FROM EMPLOY-**
17 **MENT.**

18 *Section 8905a(d)(4)(B) of title 5, United States Code,*
19 *is amended—*

20 *(1) by striking “October 1, 2003” both places it*
21 *appears and inserting “October 1, 2006”; and*

22 *(2) by striking “February 1, 2004” in clause (ii)*
23 *and inserting “February 1, 2007”.*

1 **SEC. 1104. ELIGIBILITY OF NONAPPROPRIATED FUNDS EM-**
2 **PLOYEES TO PARTICIPATE IN THE FEDERAL**
3 **EMPLOYEES LONG-TERM CARE INSURANCE**
4 **PROGRAM.**

5 *Section 9001(1) of title 5, United States Code, is*
6 *amended—*

7 *(1) by striking “and” at the end of subpara-*
8 *graph (B);*

9 *(2) by striking the comma at the end of subpara-*
10 *graph (C) and inserting “; and”; and*

11 *(3) by inserting after subparagraph (C) the fol-*
12 *lowing new subparagraph:*

13 *“(D) an employee paid from non-*
14 *appropriated funds referred to in section 2105(c)*
15 *of this title;”.*

16 **SEC. 1105. INCREASED MAXIMUM PERIOD OF APPOINTMENT**
17 **UNDER THE EXPERIMENTAL PERSONNEL**
18 **PROGRAM FOR SCIENTIFIC AND TECHNICAL**
19 **PERSONNEL.**

20 *Section 1101(c)(1) of the Strom Thurmond National*
21 *Defense Authorization Act for Fiscal Year 1999 (Public*
22 *Law 105–261; 112 Stat. 2140; 5 U.S.C. 3104 note) is*
23 *amended by striking “4 years” and inserting “5 years”.*

1 **SEC. 1106. QUALIFICATION REQUIREMENTS FOR EMPLOY-**
2 **MENT IN DEPARTMENT OF DEFENSE PROFES-**
3 **SIONAL ACCOUNTING POSITIONS.**

4 (a) *PROFESSIONAL CERTIFICATION.*—*The Secretary of*
5 *Defense may prescribe regulations that require a person em-*
6 *ployed in a professional accounting position within the De-*
7 *partment of Defense to be a certified public accountant and*
8 *that apply the requirement to all such positions or to se-*
9 *lected positions, as the Secretary considers appropriate.*

10 (b) *WAIVERS AND EXEMPTIONS.*—(1) *The Secretary*
11 *may include in the regulations imposing a requirement*
12 *under subsection (a), as the Secretary considers*
13 *appropriate—*

14 (A) *any exemption from the requirement; and*

15 (B) *authority to waive the requirement.*

16 (2) *The Secretary shall include in the regulations an*
17 *exemption for persons employed in positions covered by the*
18 *requirement before the date of the enactment of this Act.*

19 (c) *EXCLUSIVE AUTHORITY.*—*No requirement imposed*
20 *under subsection (a), and no waiver or exemption provided*
21 *in the regulations pursuant to subsection (b), shall be sub-*
22 *ject to review or approval by the Office of Personnel Man-*
23 *agement.*

24 (d) *DEFINITION.*—*For the purposes of this section, the*
25 *term “professional accounting position” means a position*

1 *in the GS–510, GS–511, or GS–505 series for which profes-*
2 *sional accounting duties are prescribed.*

3 (e) *EFFECTIVE DATE.*—*This section shall take effect*
4 *120 days after the date of the enactment of this Act.*

5 **SEC. 1107. HOUSING BENEFITS FOR UNACCOMPANIED**
6 **TEACHERS REQUIRED TO LIVE AT GUANTA-**
7 **NAMO BAY NAVAL STATION, CUBA.**

8 *Section 7(b) of the Defense Department Overseas*
9 *Teachers Pay and Personnel Practices Act (20 U.S.C.*
10 *905(b)) is amended—*

11 (1) *by inserting “(1)” after “(b)”;* and

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

14 “(2)(A) *A teacher assigned to teach at Guantanamo*
15 *Bay Naval Station, Cuba, who is not accompanied at such*
16 *station by any dependent—*

17 *“(i) shall be offered for lease any available mili-*
18 *tary family housing at such station that is suitable*
19 *for occupancy by the teacher and is not needed to*
20 *house members of the armed forces and dependents ac-*
21 *companying them or other civilian personnel and any*
22 *dependents accompanying them; and*

23 *“(ii) for any period for which such housing is*
24 *leased to the teacher, shall receive a quarters allow-*
25 *ance in the amount determined under paragraph (1).*

1 “(B) A teacher is entitled to the quarters allowance
2 in accordance with subparagraph (A)(ii) without regard to
3 whether other Government furnished quarters are available
4 for occupancy by the teacher without charge to the teacher.”.

5 **TITLE XII—MATTERS RELATING**
6 **TO OTHER NATIONS**

7 **Subtitle A—Cooperative Threat Re-**
8 **duction With States of the**
9 **Former Soviet Union**

10 **SEC. 1201. SPECIFICATION OF COOPERATIVE THREAT RE-**
11 **DUCTION PROGRAMS AND FUNDS.**

12 (a) *SPECIFICATION OF CTR PROGRAMS.*—For pur-
13 poses of section 301 and other provisions of this Act, Coop-
14 erative Threat Reduction programs are the programs speci-
15 fied in section 1501(b) of the National Defense Authoriza-
16 tion Act for Fiscal Year 1997 (Public Law 104–201; 110
17 Stat. 2731; 50 U.S.C. 2362 note).

18 (b) *FISCAL YEAR 2003 COOPERATIVE THREAT REDUC-*
19 *TION FUNDS DEFINED.*—As used in this title, the term “fis-
20 cal year 2003 Cooperative Threat Reduction funds” means
21 the funds appropriated pursuant to the authorization of ap-
22 propriations in section 301 for Cooperative Threat Reduc-
23 tion programs.

24 (c) *AVAILABILITY OF FUNDS.*—Funds appropriated
25 pursuant to the authorization of appropriations in section

1 301 for Cooperative Threat Reduction programs shall be
2 available for obligation for three fiscal years.

3 **SEC. 1202. FUNDING ALLOCATIONS.**

4 (a) *FUNDING FOR SPECIFIC PURPOSES.*—Of the
5 \$416,700,000 authorized to be appropriated to the Depart-
6 ment of Defense for fiscal year 2003 in section 301(a)(23)
7 for Cooperative Threat Reduction programs, not more than
8 the following amounts may be obligated for the purposes
9 specified:

10 (1) For strategic offensive arms elimination in
11 Russia, \$70,500,000.

12 (2) For strategic nuclear arms elimination in
13 Ukraine, \$6,500,000.

14 (3) For weapons of mass destruction infrastruc-
15 ture elimination in Ukraine, \$8,800,000.

16 (4) For weapons of mass destruction infrastruc-
17 ture elimination in Kazakhstan, \$9,000,000.

18 (5) For weapons transportation security in Rus-
19 sia, \$19,700,000.

20 (6) For weapons storage security in Russia,
21 \$40,000,000.

22 (7) For weapons of mass destruction prolifera-
23 tion prevention in the former Soviet Union,
24 \$40,000,000.

1 (8) *For biological weapons proliferation preven-*
2 *tion activities in the former Soviet Union,*
3 *\$55,000,000.*

4 (9) *For chemical weapons destruction in Russia,*
5 *\$133,600,000.*

6 (10) *For activities designated as Other Assess-*
7 *ments/Administrative Support, \$14,700,000.*

8 (11) *For defense and military contacts,*
9 *\$18,900,000.*

10 **(b) REPORT ON OBLIGATION OR EXPENDITURE OF**
11 *FUNDS FOR OTHER PURPOSES.—No fiscal year 2003 Coop-*
12 *erative Threat Reduction funds may be obligated or ex-*
13 *pended for a purpose other than a purpose listed in para-*
14 *graphs (1) through (11) of subsection (a) until 30 days after*
15 *the date that the Secretary of Defense submits to Congress*
16 *a report on the purpose for which the funds will be obligated*
17 *or expended and the amount of funds to be obligated or ex-*
18 *pended. Nothing in the preceding sentence shall be construed*
19 *as authorizing the obligation or expenditure of fiscal year*
20 *2003 Cooperative Threat Reduction funds for a purpose for*
21 *which the obligation or expenditure of such funds is specifi-*
22 *cally prohibited under this title or any other provision of*
23 *law.*

24 **(c) LIMITED AUTHORITY TO VARY INDIVIDUAL**
25 *AMOUNTS.—(1) Subject to paragraph (2), in any case in*

1 *which the Secretary of Defense determines that it is nec-*
2 *essary to do so in the national interest, the Secretary may*
3 *obligate amounts appropriated for fiscal year 2003 for a*
4 *purpose listed in any of the paragraphs in subsection (a)*
5 *in excess of the amount specifically authorized for such pur-*
6 *pose.*

7 (2) *An obligation of funds for a purpose stated in any*
8 *of the paragraphs in subsection (a) in excess of the specific*
9 *amount authorized for such purpose may be made using*
10 *the authority provided in paragraph (1) only after—*

11 (A) *the Secretary submits to Congress notifica-*
12 *tion of the intent to do so together with a complete*
13 *discussion of the justification for doing so; and*

14 (B) *15 days have elapsed following the date of*
15 *the notification.*

16 **SEC. 1203. AUTHORIZATION OF USE OF COOPERATIVE**
17 **THREAT REDUCTION FUNDS FOR PROJECTS**
18 **AND ACTIVITIES OUTSIDE THE FORMER SO-**
19 **VIET UNION.**

20 (a) *COOPERATIVE THREAT REDUCTION PROGRAMS*
21 *AND FUNDS.—For purposes of this section:*

22 (1) *Cooperative Threat Reduction programs*
23 *are—*

24 (A) *the programs specified in section*
25 *1501(b) of the National Defense Authorization*

1 *Act for Fiscal Year 1997 (Public Law 104–201;*
2 *110 Stat. 2731; 50 U.S.C. 2362 note); and*

3 *(B) any other similar programs, as des-*
4 *ignated by the Secretary of Defense, to address*
5 *critical emerging proliferation threats in the*
6 *states of the former Soviet Union that jeopardize*
7 *United States national security.*

8 *(2) Cooperative Threat Reduction funds, for a*
9 *fiscal year, are the funds authorized to be appro-*
10 *priated for Cooperative Threat Reduction programs*
11 *for that fiscal year.*

12 ***(b) AUTHORIZATION OF USE OF CTR FUNDS FOR***
13 ***THREAT REDUCTION ACTIVITIES OUTSIDE THE FORMER***
14 ***SOVIET UNION.—(1) Notwithstanding any other provision***
15 ***of law and subject to the succeeding provisions of this sec-***
16 ***tion, the Secretary of Defense may obligate and expend Co-***
17 ***operative Threat Reduction funds for fiscal year 2003, or***
18 ***Cooperative Threat Reduction funds for a fiscal year before***
19 ***fiscal year 2003 that remain available for obligation as of***
20 ***the date of the enactment of this Act, for proliferation threat***
21 ***reduction projects and activities outside the states of the***
22 ***former Soviet Union if the Secretary determines that such***
23 ***projects and activities will—***

24 *(A) assist the United States in the resolution of*
25 *critical emerging proliferation threats; or*

1 (B) permit the United States to take advantage
2 of opportunities to achieve long-standing United
3 States nonproliferation goals.

4 (2) The amount that may be obligated under para-
5 graph (1) in any fiscal year for projects and activities de-
6 scribed in that paragraph may not exceed \$50,000,000.

7 (c) *AUTHORIZED USES OF FUNDS.*—The authority
8 under subsection (b) to obligate and expend Cooperative
9 Threat Reduction funds for a project or activity includes
10 authority to provide equipment, goods, and services for the
11 project or activity, but does not include authority to provide
12 cash directly to the project or activity.

13 (d) *SOURCE AND REPLACEMENT OF FUNDS USED.*—
14 (1) The Secretary shall, to the maximum extent practicable,
15 ensure that funds for projects and activities under sub-
16 section (b) are derived from funds that would otherwise be
17 obligated for a range of Cooperative Threat Reduction pro-
18 grams, so that no particular Cooperative Threat Reduction
19 program is the exclusive or predominant source of funds
20 for such projects and activities.

21 (2) If the Secretary obligates Cooperative Threat Re-
22 duction funds under subsection (b) in a fiscal year, the first
23 budget of the President that is submitted under section
24 1105(a) of title 31, United States Code, after such fiscal
25 year shall set forth, in addition to any other amounts re-

1 requested for Cooperative Threat Reduction programs in the
2 fiscal year covered by such budget, a request for Cooperative
3 Threat Reduction funds in the fiscal year covered by such
4 budget in an amount equal to the amount so obligated. The
5 request shall also set forth the Cooperative Threat Reduction
6 program or programs for which such funds would otherwise
7 have been obligated, but for obligation under subsection (b).

8 (3) Amounts authorized to be appropriated pursuant
9 to a request under paragraph (2) shall be available for the
10 Cooperative Threat Reduction program or programs set
11 forth in the request under the second sentence of that para-
12 graph.

13 (e) *LIMITATION ON OBLIGATION OF FUNDS.*—*Except*
14 *as provided in subsection (f), the Secretary may not obligate*
15 *and expend Cooperative Threat Reduction funds for a*
16 *project or activity under subsection (b) until 30 days after*
17 *the date on which the Secretary submits to the congressional*
18 *defense committees a report on the purpose for which the*
19 *funds will be obligated and expended, and the amount of*
20 *the funds to be obligated and expended.*

21 (f) *EXCEPTION.*—(1) *The Secretary may obligate and*
22 *expend Cooperative Threat Reduction funds for a project*
23 *or activity under subsection (b) without regard to sub-*
24 *section (e) if the Secretary determines that a critical emerg-*

1 *ing proliferation threat warrants immediate obligation and*
2 *expenditure of such funds.*

3 *(2) Not later than 72 hours after first obligating funds*
4 *for a project or activity under paragraph (1), the Secretary*
5 *shall submit to the congressional defense committees a re-*
6 *port containing a detailed justification for the obligation*
7 *of funds. The report on a project or activity shall include*
8 *the following:*

9 *(A) A description of the critical emerging pro-*
10 *liferation threat to be addressed, or the long-standing*
11 *United States nonproliferation goal to be achieved, by*
12 *the project or activity.*

13 *(B) A description of the agreement, if any, under*
14 *which the funds will be used, including whether or not*
15 *the agreement provides that the funds will not be used*
16 *for purposes contrary to the national security inter-*
17 *ests of the United States.*

18 *(C) A description of the contracting process, if*
19 *any, that will be used in the implementation of the*
20 *project or activity.*

21 *(D) An analysis of the effect of the obligation of*
22 *funds for the project or activity on ongoing Coopera-*
23 *tive Threat Reduction programs.*

24 *(E) An analysis of the need for additional or fol-*
25 *low-up threat reduction assistance, including whether*

1 *or not the need for such assistance justifies the estab-*
2 *lishment of a new cooperative threat reduction pro-*
3 *gram or programs to account for such assistance.*

4 *(F) A description of the mechanisms to be used*
5 *by the Secretary to assure that proper audits and ex-*
6 *aminations of the project or activity are carried out.*

7 *(g) REPORT ON ESTABLISHMENT OF NEW COOPERA-*
8 *TIVE THREAT REDUCTION PROGRAMS.—(1) If the Sec-*
9 *retary employs the authority in subsection (b) in any two*
10 *fiscal years, the Secretary shall submit to Congress a report*
11 *on the advisability of establishing one or more new coopera-*
12 *tive threat reduction programs to account for projects and*
13 *activities funded using such authority.*

14 *(2) The report required by paragraph (1) shall be sub-*
15 *mitted along with the budget justification materials in sup-*
16 *port of the Department of Defense budget (as submitted with*
17 *the budget of the President under section 1105(a) of title*
18 *31, United States Code) in the first budget submitted after*
19 *the end of the two consecutive fiscal years referred to in*
20 *that paragraph.*

1 **SEC. 1204. WAIVER OF LIMITATIONS ON ASSISTANCE**
2 **UNDER PROGRAMS TO FACILITATE COOPERA-**
3 **TIVE THREAT REDUCTION AND NON-**
4 **PROLIFERATION.**

5 (a) ASSISTANCE UNDER COOPERATIVE THREAT RE-
6 Duction Act of 1993.—Section 1203 of the Cooperative
7 Threat Reduction Act of 1993 (title XII of Public Law 103–
8 160; 107 Stat. 1778; 22 U.S.C. 5952) is amended by adding
9 at the end the following new subsection:

10 “(e) WAIVER OF RESTRICTIONS.—(1) The restrictions
11 in subsection (d) shall cease to apply to a state for a year
12 if the President submits to the Speaker of the House of Rep-
13 resentative and the President pro tempore of the Senate a
14 written certification that the waiver of such restrictions in
15 such year is important to the national security interests
16 of the United States, together with a report containing the
17 following:

18 “(A) A description of the activity or activities
19 that prevent the President from certifying that the
20 state is committed to the matters set forth in sub-
21 section (d) in such year as otherwise provided for in
22 that subsection.

23 “(B) A description of the strategy, plan, or pol-
24 icy of the President for promoting the commitment of
25 the state to such matters, notwithstanding the waiver.

1 “(2) *The matter included in the report under para-*
2 *graph (1) shall be submitted in unclassified form, but may*
3 *include a classified annex.*”.

4 **(b) ADMINISTRATION OF RESTRICTIONS ON ASSIST-**
5 **ANCE.**—*Subsection (d) of that section is amended—*

6 (1) *by striking “any year” and inserting “any*
7 *fiscal year”; and*

8 (2) *by striking “that year” and inserting “such*
9 *fiscal year”.*

10 **(c) ELIGIBILITY REQUIREMENTS UNDER FREEDOM**
11 **SUPPORT ACT.**—*Section 502 of the FREEDOM Support*
12 *Act (Public Law 102–511; 106 Stat. 3338; 22 U.S.C. 5852)*
13 *is amended—*

14 (1) *by striking “Funds” and inserting “(a) ELI-*
15 *GIBILITY.—Except as provided in subsection (b),*
16 *funds”; and*

17 (2) *by adding at the end the following new sub-*
18 *section:*

19 **“(b) WAIVER OF ELIGIBILITY REQUIREMENTS.—(1)**
20 *Funds may be obligated for a fiscal year under subsection*
21 *(a) for assistance or other programs and activities for an*
22 *independent state of the former Soviet Union that does not*
23 *meet one or more of the requirements for eligibility under*
24 *paragraphs (1) through (4) of that subsection if the Presi-*
25 *dent certifies in writing to the Congress that the waiver*

1 of such requirements in such fiscal year is important to
2 the national security interests of the United States.

3 “(2) At the time of the exercise of the authority in
4 paragraph (1) with respect to an independent state of the
5 former Soviet Union for a fiscal year, the President shall
6 submit to the congressional defense committees a report on
7 the following:

8 “(A) A description of the activity or activities
9 that prevent the President from certifying that the
10 state is committed to each matter in subsection (a) in
11 such fiscal year to which the waiver under paragraph
12 (1) applies.

13 “(B) A description of the strategy, plan, or pol-
14 icy of the President for promoting the commitment of
15 the state to each such matter, notwithstanding the
16 waiver.

17 “(3) In this subsection, the term ‘congressional defense
18 committees’ means—

19 “(A) the Committee on Armed Services and the
20 Committee on Appropriations of the Senate; and

21 “(B) the Committee on Armed Services and the
22 Committee on Appropriations of the House of Rep-
23 resentatives.”.

24 (d) *EFFECTIVE DATE.*—The amendments made by this
25 section shall take effect on October 1, 2002.

1 **SEC. 1205. RUSSIAN TACTICAL NUCLEAR WEAPONS.**

2 (a) *FINDINGS.*—*The Congress makes the following*
3 *findings:*

4 (1) *Al Qaeda and other terrorist organizations,*
5 *in addition to rogue states, are known to be working*
6 *to acquire weapons of mass destruction, and particu-*
7 *larly nuclear warheads.*

8 (2) *The largest and least secure potential source*
9 *of nuclear warheads for terrorists or rogue states is*
10 *Russia’s arsenal of nonstrategic or “tactical” nuclear*
11 *warheads, which according to unclassified estimates*
12 *numbers from 7,000 to 12,000 warheads. Security at*
13 *Russian nuclear weapon storage sites is insufficient,*
14 *and tactical nuclear warheads are more vulnerable to*
15 *terrorist or rogue state acquisition due to their small-*
16 *er size, greater portability, and greater numbers com-*
17 *pared to Russian strategic nuclear weapons.*

18 (3) *Russia’s tactical nuclear warheads were not*
19 *covered by the START treaties or the recent Moscow*
20 *Treaty. Russia is not legally bound to reduce its tac-*
21 *tical nuclear stockpile and the United States has no*
22 *inspection rights regarding Russia’s tactical nuclear*
23 *arsenal.*

24 (b) *SENSE OF THE SENATE.*—(1) *One of the most like-*
25 *ly nuclear weapon attack scenarios against the United*

1 *States would involve detonation of a stolen Russian tactical*
2 *nuclear warhead smuggled into the country.*

3 (2) *It is a top national security priority of the United*
4 *States to accelerate efforts to account for, secure, and reduce*
5 *Russia's stockpile of tactical nuclear warheads and associ-*
6 *ated fissile material.*

7 (3) *This imminent threat warrants a special non-*
8 *proliferation initiative.*

9 (c) *REPORT.—Not later than 30 days after enactment*
10 *of this Act, the President shall report to Congress on efforts*
11 *to reduce the particular threats associated with Russia's*
12 *tactical nuclear arsenal and the outlines of a special initia-*
13 *tive related to reducing the threat from Russia's tactical*
14 *nuclear stockpile.*

15 **Subtitle B—Other Matters**

16 **SEC. 1211. ADMINISTRATIVE SUPPORT AND SERVICES FOR** 17 **COALITION LIAISON OFFICERS.**

18 (a) *AUTHORITY.—Chapter 6 of title 10, United States*
19 *Code, is amended by adding at the end the following new*
20 *section:*

21 **“§ 169. Administrative support and services for coali-** 22 **tion liaison officers**

23 *“(a) AUTHORITY.—The Secretary of Defense may pro-*
24 *vide administrative services and support for the perform-*
25 *ance of duties by any liaison officer of another nation in-*

1 *involved in a coalition while the liaison officer is assigned*
2 *temporarily to the headquarters of a combatant command,*
3 *component command, or subordinate operational command*
4 *of the United States in connection with the planning for*
5 *or conduct of a coalition operation.*

6 “(b) *TRAVEL, SUBSISTENCE, AND OTHER EX-*
7 *PENSES.—The Secretary may pay the travel, subsistence,*
8 *and similar personal expenses of a liaison officer of a devel-*
9 *oping country in connection with the assignment of that*
10 *liaison officer to the headquarters of a combatant command*
11 *as described in subsection (a) if the assignment is requested*
12 *by the commander of the combatant command.*

13 “(c) *REIMBURSEMENT.—To the extent that the Sec-*
14 *retary determines appropriate, the Secretary may provide*
15 *the services and support authorized under subsections (a)*
16 *and (b) with or without reimbursement from (or on behalf*
17 *of) the recipients.*

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

19 “(1) *The term ‘administrative services and sup-*
20 *port’ includes base or installation support services, of-*
21 *fice space, utilities, copying services, fire and police*
22 *protection, and computer support.*

23 “(2) *The term ‘coalition’ means an ad hoc ar-*
24 *rangement between or among the United States and*
25 *one or more other nations for common action.’.*”

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

“169. Administrative support and services for coalition liaison officers.”.

4 **SEC. 1212. USE OF WARSAW INITIATIVE FUNDS FOR TRAVEL**
5 **OF OFFICIALS FROM PARTNER COUNTRIES.**

6 Section 1051(b) of title 10, United States Code, is
7 amended—

8 (1) in paragraph (1), by striking “paragraph
9 (2)” and inserting “paragraphs (2) and (3)”;

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

12 (3) by inserting after paragraph (2) the fol-
13 lowing new paragraph (3):

14 “(3) *In the case of defense personnel of a country that*
15 *is participating in the Partnership for Peace program of*
16 *the North Atlantic Treaty Organization (NATO), expenses*
17 *authorized to be paid under subsection (a) may be paid in*
18 *connection with travel of personnel to the territory of any*
19 *of the countries participating in the Partnership for Peace*
20 *program or of any of the NATO member countries.”.*

21 **SEC. 1213. SUPPORT OF UNITED NATIONS-SPONSORED EF-**
22 **FORTS TO INSPECT AND MONITOR IRAQI**
23 **WEAPONS ACTIVITIES.**

24 (a) *LIMITATION ON AMOUNT OF ASSISTANCE IN FIS-*
25 *CAL YEAR 2003.*—*The total amount of the assistance for*

1 *fiscal year 2003 that is provided by the Secretary of Defense*
2 *under section 1505 of the Weapons of Mass Destruction*
3 *Control Act of 1992 (22 U.S.C. 5859a) as activities of the*
4 *Department of Defense in support of activities under that*
5 *Act may not exceed \$15,000,000.*

6 (b) *EXTENSION OF AUTHORITY TO PROVIDE ASSIST-*
7 *ANCE.—Subsection (f) of section 1505 of the Weapons of*
8 *Mass Destruction Control Act of 1992 (22 U.S.C. 5859a)*
9 *is amended by striking “2002” and inserting “2003”.*

10 **SEC. 1214. ARCTIC AND WESTERN PACIFIC ENVIRON-**
11 **MENTAL COOPERATION PROGRAM.**

12 (a) *IN GENERAL.—(1) Subchapter II of chapter 138*
13 *of title 10, United States Code, is amended by adding at*
14 *the end the following new section:*

15 **“§2350m. Arctic and Western Pacific Environmental**
16 **Cooperation Program**

17 *“(a) AUTHORITY TO CONDUCT PROGRAM.—The Sec-*
18 *retary of Defense may, with the concurrence of the Secretary*
19 *of State, conduct on a cooperative basis with countries lo-*
20 *cated in the Arctic and Western Pacific regions a program*
21 *of environmental activities provided for in subsection (b)*
22 *in such regions. The program shall be known as the ‘Arctic*
23 *and Western Pacific Environmental Cooperation Program’.*

24 *“(b) PROGRAM ACTIVITIES.—(1) Except as provided*
25 *in paragraph (2), activities under the program under sub-*

1 *section (a) may include cooperation and assistance on envi-*
2 *ronmental matters in the Arctic and Western Pacific re-*
3 *gions among elements of the Department of Defense and the*
4 *military departments or agencies of countries located in*
5 *such regions.*

6 “(2) *Activities under the program may not include ac-*
7 *tivities relating to the following:*

8 “(A) *The conduct of any peacekeeping exercise or*
9 *other peacekeeping-related activity with the Russian*
10 *Federation.*

11 “(B) *The provision of housing.*

12 “(C) *The provision of assistance to promote envi-*
13 *ronmental restoration.*

14 “(D) *The provision of assistance to promote job*
15 *retraining.*

16 “(c) *LIMITATION ON FUNDING FOR PROJECTS OTHER*
17 *THAN RADIOLOGICAL PROJECTS.—Not more than 20 per-*
18 *cent of the amount made available for the program under*
19 *subsection (a) in any fiscal year may be available for*
20 *projects under the program other than projects on radio-*
21 *logical matters.*

22 “(d) *ANNUAL REPORT.—(1) Not later than March 1,*
23 *2003, and each year thereafter, the Secretary of Defense*
24 *shall submit to Congress a report on activities under the*

1 *program under subsection (a) during the preceding fiscal*
2 *year.*

3 “(2) *The report on the program for a fiscal year under*
4 *paragraph (1) shall include the following:*

5 “(A) *A description of the activities carried out*
6 *under the program during that fiscal year, including*
7 *a separate description of each project under the pro-*
8 *gram.*

9 “(B) *A statement of the amounts obligated and*
10 *expended for the program during that fiscal year, set*
11 *forth in aggregate and by project.*

12 “(C) *A statement of the life cycle costs of each*
13 *project, including the life cycle costs of such project as*
14 *of the end of that fiscal year and an estimate of the*
15 *total life cycle costs of such project upon completion*
16 *of such project.*

17 “(D) *A statement of the participants in the ac-*
18 *tivities carried out under the program during that*
19 *fiscal year, including the elements of the Department*
20 *of Defense and the military departments or agencies*
21 *of other countries.*

22 “(E) *A description of the contributions of the*
23 *military departments and agencies of other countries*
24 *to the activities carried out under the program during*

1 *that fiscal year, including any financial or other con-*
2 *tributions to such activities.”.*

3 (2) *The table of sections at the beginning of that sub-*
4 *chapter is amended by adding at the end the following new*
5 *item:*

 “2350m. *Arctic and Western Pacific Environmental Cooperation Program.*”.

6 (b) *REPEAL OF SUPERSEDED AUTHORITY ON ARCTIC*
7 *MILITARY COOPERATION PROGRAM.*—*Section 327 of the*
8 *Strom Thurmond National Defense Authorization Act for*
9 *Fiscal Year 1999 (Public Law 105–261; 112 Stat. 1965)*
10 *is repealed.*

11 **SEC. 1215. DEPARTMENT OF DEFENSE HIV/AIDS PREVEN-**
12 **TION ASSISTANCE PROGRAM.**

13 (a) *EXPANSION OF PROGRAM.*—*The Secretary of De-*
14 *fense is authorized to expand, in accordance with this sec-*
15 *tion, the Department of Defense program of HIV/AIDS pre-*
16 *vention educational activities undertaken in connection*
17 *with the conduct of United States military training, exer-*
18 *cises, and humanitarian assistance in sub-Saharan African*
19 *countries.*

20 (b) *ELIGIBLE COUNTRIES.*—*The Secretary may carry*
21 *out the program in all eligible countries. A country shall*
22 *be eligible for activities under the program if the country—*

23 (1) *is a country suffering a public health crisis*
24 *(as defined in subsection (e)); and*

1 (2) *participates in the military-to-military con-*
2 *tacts program of the Department of Defense.*

3 (c) *PROGRAM ACTIVITIES.—The Secretary shall pro-*
4 *vide for the activities under the program—*

5 (1) *to focus, to the extent possible, on military*
6 *units that participate in peace keeping operations;*
7 *and*

8 (2) *to include HIV/AIDS-related voluntary coun-*
9 *seling and testing and HIV/AIDS-related surveil-*
10 *lance.*

11 (d) *AUTHORIZATION OF APPROPRIATIONS.—*

12 (1) *IN GENERAL.—Of the amount authorized to*
13 *be appropriated by section 301(a)(22) to the Depart-*
14 *ment of Defense for operation and maintenance of the*
15 *Defense Health Program, \$30,000,000 may be avail-*
16 *able for carrying out the program described in sub-*
17 *section (a) as expanded pursuant to this section.*

18 (2) *AVAILABILITY OF FUNDS.—Amounts appro-*
19 *priated pursuant to paragraph (1) are authorized to*
20 *remain available until expended.*

21 (e) *COUNTRY SUFFERING A PUBLIC HEALTH CRISIS*
22 *DEFINED.—In this section, the term “country suffering a*
23 *public health crisis” means a country that has rapidly ris-*
24 *ing rates of incidence of HIV/AIDS or in which HIV/AIDS*

1 *is causing significant family, community, or societal dis-*
2 *ruption.*

3 **SEC. 1216. MONITORING IMPLEMENTATION OF THE 1979**
4 **UNITED STATES-CHINA AGREEMENT ON CO-**
5 **OPERATION IN SCIENCE AND TECHNOLOGY.**

6 (a) *RESPONSIBILITIES OF THE OFFICE OF SCIENCE*
7 *AND TECHNOLOGY COOPERATION.*—*The Office of Science*
8 *and Technology Cooperation of the Department of State*
9 *shall monitor the implementation of the 1979 United*
10 *States-China Agreement on Cooperation in Science and*
11 *Technology and its protocols (in this section referred to as*
12 *the “Agreement”), and keep a systematic account of the pro-*
13 *ocols thereto. The Office shall coordinate the activities of*
14 *all agencies of the United States Government that carry out*
15 *cooperative activities under the Agreement.*

16 (b) *GUIDELINES.*—*The Secretary of State shall ensure*
17 *that all activities conducted under the Agreement and its*
18 *protocols comply with applicable laws and regulations con-*
19 *cerning the transfer of militarily sensitive and dual-use*
20 *technologies.*

21 (c) *REPORTING REQUIREMENT.*—

22 (1) *IN GENERAL.*—*Not later than April 1, 2004,*
23 *and every two years thereafter, the Secretary of State,*
24 *shall submit a report to Congress, in both classified*

1 *and unclassified form, on the implementation of the*
2 *Agreement and activities thereunder.*

3 (2) *REPORT ELEMENTS.—Each report under this*
4 *subsection shall provide an evaluation of the benefits*
5 *of the Agreement to the Chinese economy, military,*
6 *and defense industrial base and shall include the fol-*
7 *lowing:*

8 (A) *An accounting of all activities con-*
9 *ducted under the Agreement since the previous*
10 *report, and a projection of activities to be under-*
11 *taken in the next two years.*

12 (B) *An estimate of the costs to the United*
13 *States to administer the Agreement within the*
14 *period covered by the report.*

15 (C) *An assessment of how the Agreement has*
16 *influenced the policies of the People's Republic of*
17 *China toward scientific and technological co-*
18 *operation with the United States.*

19 (D) *An analysis of the involvement of Chi-*
20 *nese nuclear weapons and military missile spe-*
21 *cialists in the activities of the Joint Commission.*

22 (E) *A determination of the extent to which*
23 *the activities conducted under the Agreement*
24 *have enhanced the military and industrial base*
25 *of the People's Republic of China, and an assess-*

1 *ment of the impact of projected activities for the*
 2 *next two years, including transfers of technology,*
 3 *on China’s economic and military capabilities.*

4 *(F) Any recommendations on improving the*
 5 *monitoring of the activities of the Commission*
 6 *by the Secretaries of Defense and State.*

7 (3) *CONSULTATION PRIOR TO SUBMISSION OF*
 8 *REPORTS.—The Secretary of State shall prepare the*
 9 *report in consultation with the Secretaries of Com-*
 10 *merce, Defense, and Energy, the Directors of the Na-*
 11 *tional Science Foundation and the Federal Bureau of*
 12 *Investigation, and the intelligence community.*

13 ***DIVISION B—MILITARY CON-***
 14 ***STRUCTION AUTHORIZA-***
 15 ***TIONS***

16 ***SEC. 2001. SHORT TITLE.***

17 *This division may be cited as the “Military Construc-*
 18 *tion Authorization Act for Fiscal Year 2003”.*

19 ***TITLE XXI—ARMY***

20 ***SEC. 2101. AUTHORIZED ARMY CONSTRUCTION AND LAND***
 21 ***ACQUISITION PROJECTS.***

22 *(a) INSIDE THE UNITED STATES.—Using amounts ap-*
 23 *propriated pursuant to the authorization of appropriations*
 24 *in section 2104(a)(1), the Secretary of the Army may ac-*
 25 *quire real property and carry out military construction*

1 projects for the installations and locations inside the United
 2 States, and in the amounts, set forth in the following table:

Army: Inside the United States

<i>State</i>	<i>Installation or location</i>	<i>Amount</i>
<i>Alabama</i>	<i>Anniston Army Depot</i>	\$1,900,000
	<i>Fort Rucker</i>	\$6,550,000
<i>Alaska</i>	<i>Fort Richardson</i>	\$15,000,000
	<i>Fort Wainwright</i>	\$111,010,000
<i>Arkansas</i>	<i>Pine Bluff Arsenal</i>	\$18,937,000
<i>Colorado</i>	<i>Fort Carson</i>	\$1,100,000
<i>District of Columbia</i>	<i>Walter Reed Army Medical Center</i>	\$17,500,000
<i>Georgia</i>	<i>Fort Benning</i>	\$74,250,000
	<i>Fort Stewart/Hunter Army Air Field</i>	\$26,000,000
<i>Hawaii</i>	<i>Schafeld Barracks</i>	\$191,000,000
<i>Kansas</i>	<i>Fort Leavenworth</i>	\$3,150,000
	<i>Fort Riley</i>	\$74,000,000
<i>Kentucky</i>	<i>Blue Grass Army Depot</i>	\$5,500,000
	<i>Fort Campbell</i>	\$99,000,000
	<i>Fort Knox</i>	\$6,800,000
<i>Louisiana</i>	<i>Fort Polk</i>	\$31,000,000
<i>Maryland</i>	<i>Fort Detrick</i>	\$19,700,000
<i>Missouri</i>	<i>Fort Leonard Wood</i>	\$15,500,000
<i>New York</i>	<i>Fort Drum</i>	\$1,500,000
<i>North Carolina</i>	<i>Fort Bragg</i>	\$85,500,000
<i>Oklahoma</i>	<i>Fort Sill</i>	\$35,000,000
<i>Pennsylvania</i>	<i>Letterkenny Army Depot</i>	\$1,550,000
<i>Texas</i>	<i>Fort Hood</i>	\$69,000,000
<i>Washington</i>	<i>Fort Lewis</i>	\$53,000,000
	<i>Total</i>	\$964,697,000

3 (b) *OUTSIDE THE UNITED STATES.*—Using amounts
 4 appropriated pursuant to the authorization of appropri-
 5 ations in section 2104(a)(2), the Secretary of the Army may
 6 acquire real property and carry out military construction
 7 projects for the installations and locations outside the
 8 United States, and in the amounts, set forth in the following
 9 table:

Army: Outside the United States

<i>Country</i>	<i>Installation or location</i>	<i>Amount</i>
<i>Belgium</i>	<i>Chievres Air Base</i>	\$13,600,000
<i>Germany</i>	<i>Area Support Group, Bamberg</i>	\$17,200,000
	<i>Darmstadt</i>	\$3,500,000
	<i>Grafenwoehr</i>	\$69,866,000
	<i>Heidelberg</i>	\$8,300,000
	<i>Landstuhl</i>	\$2,400,000
	<i>Mannheim</i>	\$43,350,000
	<i>Schweinfurt</i>	\$2,000,000

Army: Outside the United States—Continued

Country	Installation or location	Amount
<i>Italy</i>	<i>Vicenza</i>	\$34,700,000
<i>Korea</i>	<i>Camp Carroll</i>	\$20,000,000
	<i>Camp Castle</i>	\$6,800,000
	<i>Camp Hovey</i>	\$25,000,000
	<i>Camp Humphreys</i>	\$36,000,000
	<i>Camp Tango</i>	\$12,600,000
	<i>Camp Henry</i>	\$10,200,000
	<i>K16 Airfield</i>	\$40,000,000
<i>Qatar</i>	<i>Qatar</i>	\$8,600,000
	<i>Total</i>	\$354,116,000

1 (c) *UNSPECIFIED WORLDWIDE.*—Using the amounts
 2 appropriated pursuant to the authorization of appropri-
 3 ations in section 2104(a)(3), the Secretary of the Army may
 4 acquire real property and carry out military construction
 5 projects for the installation and location, and in the
 6 amount, set forth in the following table:

Army: Unspecified Worldwide

Location	Installation	Amount
<i>Unspecified Worldwide</i>	<i>Unspecified Worldwide</i>	\$4,000,000

7 **SEC. 2102. FAMILY HOUSING.**

8 (a) *CONSTRUCTION AND ACQUISITION.*—Using
 9 amounts appropriated pursuant to the authorization of ap-
 10 propriations in section 2104(a)(6)(A), the Secretary of the
 11 Army may construct or acquire family housing units (in-
 12 cluding land acquisition and supporting facilities) at the
 13 installations, for the purposes, and in the amounts set forth
 14 in the following table:

Army: Family Housing

State or Country	Installation or loca- tion	Purpose	Amount
<i>Alaska</i>	<i>Fort Wainwright</i>	<i>38 Units</i>	\$17,752,000
<i>Arizona</i>	<i>Yuma Proving Ground</i> ..	<i>33 Units</i>	\$6,100,000
<i>Germany</i>	<i>Stuttgart</i>	<i>1 Units</i>	\$990,000

Army: Family Housing—Continued

State or Country	Installation or location	Purpose	Amount
<i>Korea</i>	<i>Yongsan</i>	<i>10 Units</i>	\$3,100,000
	<i>Total:</i>		\$27,942,000

1 (b) *PLANNING AND DESIGN.*—Using amounts appro-
2 priated pursuant to the authorization of appropriations in
3 section 2104(a)(6)(A), the Secretary of the Army may carry
4 out architectural and engineering services and construction
5 design activities with respect to the construction or im-
6 provement of family housing units in an amount not to
7 exceed \$15,653,000.

8 **SEC. 2103. IMPROVEMENTS TO MILITARY FAMILY HOUSING**
9 **UNITS.**

10 Subject to section 2825 of title 10, United States Code,
11 and using amounts appropriated pursuant to the author-
12 ization of appropriations in section 2104(a)(6)(A), the Sec-
13 retary of the Army may improve existing military family
14 housing units in an amount not to exceed \$239,751,000.

15 **SEC. 2104. AUTHORIZATION OF APPROPRIATIONS, ARMY.**

16 (a) *IN GENERAL.*—Funds are hereby authorized to be
17 appropriated for fiscal years beginning after September 30,
18 2002, for military construction, land acquisition, and mili-
19 tary family housing functions of the Department of the
20 Army in the total amount of \$3,007,345,000 as follows:

1 (1) *For military construction projects inside the*
2 *United States authorized by section 2101(a),*
3 *\$758,497,000.*

4 (2) *For military construction projects outside the*
5 *United States authorized by section 2101(b),*
6 *\$354,116,000.*

7 (3) *For military construction projects at unspec-*
8 *ified worldwide locations authorized by section*
9 *2101(c), \$4,000,000.*

10 (4) *For unspecified minor construction projects*
11 *authorized by section 2805 of title 10, United States*
12 *Code, \$20,500,000.*

13 (5) *For architectural and engineering services*
14 *and construction design under section 2807 of title*
15 *10, United States Code, \$148,864,000.*

16 (6) *For military family housing functions:*

17 (A) *For construction and acquisition, plan-*
18 *ning and design and improvement of military*
19 *family housing and facilities, \$283,346,000.*

20 (B) *For support of military family housing*
21 *(including the functions described in section*
22 *2833 of title 10, United States Code),*
23 *\$1,122,274,000.*

24 (7) *For the construction of phase 4 of an ammu-*
25 *nition demilitarization facility at Pueblo Chemical*

1 *Activity, Colorado, authorized by section 2401(a) of*
2 *the Military Construction Authorization Act for Fis-*
3 *cal Year 1997 (division B of Public Law 104–201;*
4 *110 Stat. 2775), as amended by section 2406 of the*
5 *Military Construction Authorization Act for Fiscal*
6 *Year 2000 (division B of Public Law 106–65; 113*
7 *Stat. 839) and section 2108 of this Act, \$38,000,000.*

8 *(8) For the construction of phase 5 of an ammu-*
9 *nition demilitarization facility at Newport Army*
10 *Depot, Indiana, authorized by section 2401(a) of the*
11 *Military Construction Authorization Act for Fiscal*
12 *Year 1999 (division B of Public Law 105–261; 112*
13 *Stat. 2193), \$61,494,000.*

14 *(9) For the construction of phase 5 of an ammu-*
15 *nition demilitarization facility at Aberdeen Proving*
16 *Ground, Maryland, authorized by section 2401(a) of*
17 *the Military Construction Authorization Act for Fis-*
18 *cal Year 1999, as amended by section 2406 of the*
19 *Military Construction Authorization Act for Fiscal*
20 *Year 2002 (division B of Public Law 107–107; 115*
21 *Stat. 1299), \$30,600,000.*

22 *(10) For the construction of phase 3 of an am-*
23 *nition demilitarization facility at Blue Grass*
24 *Army Depot, Kentucky, authorized by section 2401(a)*
25 *of the Military Construction Authorization Act for*

1 *Fiscal Year 2000 (113 Stat. 835), as amended by sec-*
2 *tion 2405 of the Military Construction Authorization*
3 *Act for Fiscal Year 2002 (115 Stat. 1298) and section*
4 *2106 of this Act, \$10,300,000.*

5 (11) *For the construction of phase 3 of an am-*
6 *munition demilitarization support facility at Blue*
7 *Grass Army Depot, Kentucky, authorized by section*
8 *2401(a) of the Military Construction Authorization*
9 *Act for Fiscal Year 2000, \$8,300,000.*

10 (12) *For the construction of phase 2 of Saddle*
11 *Access Road, Pohakoula Training Facility, Hawaii,*
12 *authorized by section 2101(a) of the Military Con-*
13 *struction Authorization Act for Fiscal Year 2001 (di-*
14 *vision B of the Floyd D. Spence National Defense Au-*
15 *thorization Act for Fiscal Year 2001, as enacted into*
16 *law by Public Law 106–398; 114 Stat. 1654A–389),*
17 *\$13,000,000.*

18 (13) *For the construction of phase 3 of a bar-*
19 *racks complex, Butner Road, at Fort Bragg, North*
20 *Carolina, authorized by section 2101(a) of the Mili-*
21 *tary Construction Authorization Act for Fiscal Year*
22 *2001, \$50,000,000.*

23 (14) *For the construction of phase 2 of a bar-*
24 *racks complex, D Street, at Fort Richardson, Alaska,*
25 *authorized by section 2101(a) of the Military Con-*

1 *struction Authorization Act for Fiscal Year 2002 (115*
2 *Stat. 1280), \$21,000,000.*

3 *(15) For the construction of phase 2 of a bar-*
4 *racks complex, Nelson Boulevard, at Fort Carson, Col-*
5 *orado, authorized by section 2101(a) of the Military*
6 *Construction Authorization Act for Fiscal Year 2002,*
7 *as amended by section 2105 of this Act, \$42,000,000.*

8 *(16) For the construction of phase 2 of a basic*
9 *combat trainee complex at Fort Jackson, South Caro-*
10 *lina, authorized by section 2101(a) of the Military*
11 *Construction Authorization Act for Fiscal Year 2002,*
12 *as amended by section 2105 of this Act, \$39,000,000.*

13 *(17) For the construction of phase 2 of a bar-*
14 *racks complex, 17th and B Streets at Fort Lewis,*
15 *Washington, authorized by section 2101(a) of the*
16 *Military Construction Authorization Act for Fiscal*
17 *Year 2002, \$50,000,000.*

18 *(b) LIMITATION ON TOTAL COST OF CONSTRUCTION*
19 *PROJECTS.—Notwithstanding the cost variations author-*
20 *ized by section 2853 of title 10, United States Code, and*
21 *any other cost variation authorized by law, the total cost*
22 *of all projects carried out under section 2101 of this Act*
23 *may not exceed—*

1 (1) *the total amount authorized to be appro-*
2 *propriated under paragraphs (1), (2), and (3) of sub-*
3 *section (a);*

4 (2) *\$18,000,000 (the balance of the amount au-*
5 *thorized under section 2101(a) for construction of a*
6 *barracks complex, Main Post, at Fort Benning, Geor-*
7 *gia);*

8 (3) *\$100,000,000 (the balance of the amount au-*
9 *thorized under section 2101(a) for construction of a*
10 *barracks complex, Capron Avenue, at Schofield Bar-*
11 *racks, Hawaii);*

12 (4) *\$13,200,000 (the balance of the amount au-*
13 *thorized under section 2101(a) for construction of a*
14 *combined arms collective training facility at Fort*
15 *Riley, Kansas);*

16 (5) *\$50,000,000 (the balance of the amount au-*
17 *thorized under section 2101(a) for construction of a*
18 *barracks complex, Range Road, at Fort Campbell,*
19 *Kentucky); and*

20 (6) *\$25,000,000 (the balance of the amount au-*
21 *thorized under section 2101(a) for construction of a*
22 *consolidated maintenance complex at Fort Sill, Okla-*
23 *homa).*

24 (c) *ADJUSTMENT.—The total amount authorized to be*
25 *appropriated pursuant to paragraphs (1) through (17) of*

1 subsection (a) is the sum of the amounts authorized to be
2 appropriated in such paragraphs, reduced by—

3 (1) \$18,596,000, which represents savings result-
4 ing from adjustments to foreign currency exchange
5 rates for military construction, military family hous-
6 ing construction, and military family housing sup-
7 port outside the United States; and

8 (2) \$29,350,000, which represents adjustments
9 for the accounting of civilian personnel benefits.

10 **SEC. 2105. MODIFICATION OF AUTHORITY TO CARRY OUT**
11 **CERTAIN FISCAL YEAR 2002 PROJECTS.**

12 (a) *MODIFICATION.*—The table in section 2101(a) of
13 the Military Construction Authorization Act for Fiscal Year
14 2002 (division B of Public Law 107-107; 115 Stat. 1281)
15 is amended—

16 (1) in the item relating to Fort Carson, Colo-
17 rado, by striking “\$66,000,000” in the amount col-
18 umn and inserting “\$67,000,000”; and

19 (2) in the item relating to Fort Jackson, South
20 Carolina, by striking “\$65,650,000” in the amount
21 column and inserting “\$68,650,000”.

22 (b) *CONFORMING AMENDMENTS.*—Section 2104(b) of
23 that Act (115 Stat. 1284) is amended—

24 (1) in paragraph (3), by striking “\$41,000,000”
25 and inserting “\$42,000,000”; and

1 (2) *in paragraph (4), by striking “\$36,000,000”*
2 *and inserting “\$39,000,000”.*

3 **SEC. 2106. MODIFICATION OF AUTHORITY TO CARRY OUT**
4 **CERTAIN FISCAL YEAR 2000 PROJECT.**

5 (a) *MODIFICATION.*—*The table in section 2401(a) of*
6 *the Military Construction Authorization Act for Fiscal Year*
7 *2000 (division B of Public Law 106–65; 113 Stat. 835),*
8 *as amended by section 2405 of the Military Construction*
9 *Authorization Act for Fiscal Year 2002 (division B of Pub-*
10 *lic Law 107–107; 115 Stat. 1298), is further amended—*

11 (1) *under the agency heading relating to Chem-*
12 *ical Demilitarization, in the item relating to Blue*
13 *Grass Army Depot, Kentucky, by striking*
14 *“\$254,030,000” in the amount column and inserting*
15 *“\$290,325,000”; and*

16 (2) *by striking the amount identified as the total*
17 *in the amount column and inserting “\$748,245,000”.*

18 (b) *CONFORMING AMENDMENT.*—*Section 2405(b)(3) of*
19 *that Act (113 Stat. 839), as so amended, is further amended*
20 *by striking “\$231,230,000” and inserting “\$267,525,000”.*

21 **SEC. 2107. MODIFICATION OF AUTHORITY TO CARRY OUT**
22 **CERTAIN FISCAL YEAR 1999 PROJECT.**

23 (a) *MODIFICATION.*—*The table in section 2401(a) of*
24 *the Military Construction Authorization Act for Fiscal Year*

1 1999 (division B of Public Law 105–261; 112 Stat. 2193)
2 is amended—

3 (1) under the agency heading relating to Chem-
4 ical Demilitarization, in the item relating to Newport
5 Army Depot, Indiana, by striking “\$191,550,000” in
6 the amount column and inserting “\$293,853,000”;
7 and

8 (2) by striking the amount identified as the total
9 in the amount column and inserting “\$829,919,000”.

10 (b) CONFORMING AMENDMENT.—Section 2404(b)(2) of
11 that Act (112 Stat. 2196) is amended by striking
12 “\$162,050,000” and inserting “\$264,353,000”.

13 **SEC. 2108. MODIFICATION OF AUTHORITY TO CARRY OUT**
14 **CERTAIN FISCAL YEAR 1997 PROJECT.**

15 (a) MODIFICATION.—The table in section 2401(a) of
16 the Military Construction Authorization Act for Fiscal Year
17 1997 (division B of Public Law 104–201; 110 Stat. 2775),
18 as amended by section 2406 of the Military Construction
19 Authorization Act for Fiscal Year 2000 (division B of Pub-
20 lic Law 106–65; 113 Stat. 839), is further amended—

21 (1) under the agency heading relating to Chem-
22 ical Demilitarization Program, in the item relating
23 to Pueblo Chemical Activity, Colorado, by striking
24 “\$203,500,000” in the amount column and inserting
25 “\$261,000,000”; and

1 (2) *by striking the amount identified as the total*
2 *in the amount column and inserting “\$607,454,000”.*

3 (b) *CONFORMING AMENDMENT.*—Section 2406(b)(2) of
4 *that Act (110 Stat. 2779), as so amended, is further amend-*
5 *ed by striking “\$203,500,000” and inserting*
6 *“\$261,000,000”.*

7 **SEC. 2109. MODIFICATION OF AUTHORITY TO CARRY OUT**
8 **CERTAIN FISCAL YEAR 2001 PROJECT.**

9 *The table in section 2101(b) of the Military Construc-*
10 *tion Authorization Act for Fiscal Year 2001 (division B*
11 *of the Floyd D. Spence National Defense Authorization Act*
12 *for Fiscal Year 2001, as enacted into law by Public Law*
13 *106–398; 114 Stat. 1654A–390) is amended by striking*
14 *“Camp Page” in the installation or location column and*
15 *inserting “Camp Stanley”.*

16 **SEC. 2110. PLANNING AND DESIGN FOR ANECHOIC CHAM-**
17 **BER AT WHITE SANDS MISSILE RANGE, NEW**
18 **MEXICO.**

19 (a) *PLANNING AND DESIGN.*—*The amount authorized*
20 *to be appropriated by section 2104(a)(5), for planning and*
21 *design for military construction for the Army is hereby in-*
22 *creased by \$3,000,000, with the amount of the increase to*
23 *be available for planning and design for an anechoic cham-*
24 *ber at White Sands Missile Range, New Mexico.*

1 (b) *OFFSET.*—The amount authorized to be appro-
 2 priated by section 301(a)(1) for the Army for operation and
 3 maintenance is hereby reduced by \$3,000,000, with the
 4 amount of the reduction to be allocated to Base Operations
 5 Support (Servicewide Support).

6 **TITLE XXII—NAVY**

7 **SEC. 2201. AUTHORIZED NAVY CONSTRUCTION AND LAND** 8 **ACQUISITION PROJECTS.**

9 (a) *INSIDE THE UNITED STATES.*—Using amounts ap-
 10 propriated pursuant to the authorization of appropriations
 11 in section 2204(a)(1), the Secretary of the Navy may ac-
 12 quire real property and carry out military construction
 13 projects for the installations and locations inside the United
 14 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	\$3,000,000
California	Marine Corps Air Station, Miramar	\$8,700,000
	Marine Corps Air Ground Combat Center, Twentynine Palms.	\$25,770,000
	Marine Corps Base, Camp Pendleton	\$104,200,000
	Naval Air Station, Lemoore	\$35,855,000
	Naval Air Station, San Diego	\$6,150,000
	Naval Air Warfare Center, Point Mugu	\$6,760,000
	Naval Construction Battalion Center, Port Hueneme.	\$6,957,000
	Naval PostGraduate School, Monterey	\$2,020,000
	Naval Station, San Diego	\$12,210,000
Connecticut	Naval Submarine Base, New London	\$7,880,000
District of Columbia	Marine Corps Base, Washington	\$3,700,000
	Naval District, Washington	\$2,690,000
Florida	Eglin Air Force Base	\$6,350,000
	Naval Air Station, Jacksonville	\$6,770,000
	Naval Air Station, Mayport	\$1,900,000
	Naval Air Station, Pensacola	\$990,000
	Panama City	\$10,700,000
Georgia	Naval Submarine Base, Kings Bay	\$1,580,000
Hawaii	Ford Island	\$19,400,000
	Marine Corps Base, Hawaii	\$9,500,000
	Naval Station, Pearl Harbor	\$14,690,000
Illinois	Naval Training Center, Great Lakes	\$93,190,000
Maine	Naval Air Station, Brunswick	\$9,830,000

Navy: Inside the United States—Continued

State	Installation or location	Amount
Maryland	Naval Shipyard, Portsmouth	\$15,200,000
	Andrews Air Force Base	\$9,680,000
	Naval Surface Warfare Center, Carderock Division.	\$12,900,000
Mississippi	Naval Air Station, Meridian	\$2,850,000
	Naval Construction Battalion Center, Gulfport.	\$5,460,000
New Jersey	Naval Station, Pascagoula	\$25,305,000
	Naval Air Warfare Center, Lakehurst	\$5,200,000
	Naval Weapons Station, Earle	\$5,600,000
North Carolina	Camp LeJeune	\$5,370,000
	Marine Corps Air Station, Cherry Point ...	\$6,040,000
	Marine Corps Air Station, New River	\$6,920,000
Rhode Island	Naval Station, Newport	\$9,030,000
South Carolina	Marine Corps Air Station, Beaufort	\$13,700,000
	Marine Corps Recruit Depot, Parris Island	\$10,490,000
Texas	Naval Weapons Station, Charleston	\$5,740,000
	Naval Air Station, Kingsville	\$6,210,000
	Naval Station, Ingleside	\$5,480,000
Virginia	Marine Corps Combat Development Command, Quantico.	\$19,554,000
	Naval Amphibious Base, Little Creek	\$9,770,000
	Naval Air Station, Norfolk	\$2,260,000
	Naval Air Station, Oceana	\$16,490,000
	Naval Ship Yard, Norfolk	\$36,470,000
	Naval Station, Norfolk	\$168,965,000
	Naval Surface Warfare Center, Dahlgren ...	\$15,830,000
	Naval Weapons Station, Yorktown	\$15,020,000
	Naval Air Station, Whidbey Island	\$17,580,000
	Naval Magazine, Port Hadlock	\$4,030,000
	Naval Shipyard, Puget Sound	\$54,132,000
	Naval Station, Bremerton	\$45,870,000
	Naval Submarine Base, Bangor	\$22,310,000
Various Locations	Strategic Weapons Facility, Bangor	\$7,340,000
	Host Nation Infrastructure	\$1,000,000
	Total	\$988,588,000

1 (b) *OUTSIDE THE UNITED STATES.*—Using amounts
2 appropriated pursuant to the authorization of appropri-
3 ations in section 2204(a)(2), the Secretary of the Navy may
4 acquire real property and carry out military construction
5 projects for the locations outside the United States, and in
6 the amounts, set forth in the following table:

Navy: Outside the United States

Country	Installation or location	Amount
Bahrain	Naval Support Activity, Bahrain	\$25,970,000
Cuba	Naval Station, Guantanamo	\$4,280,000
Diego Garcia	Diego Garcia, Naval Support Facility	\$11,090,000
Greece	Naval Support Activity, Joint Headquarters Command, Larissa.	\$14,800,000

Navy: Outside the United States—Continued

Country	Installation or location	Amount
Guam	Commander, United States Naval Forces, Guam.	\$13,400,000
Iceland	Naval Air Station, Keflavik	\$14,920,000
Italy	Naval Air Station, Sigonella	\$66,960,000
Spain	Joint Headquarters Command, Madrid	\$2,890,000
	Naval Station, Rota	\$18,700,000
	<i>Total</i>	\$173,010,000

1 SEC. 2202. FAMILY HOUSING.

2 (a) CONSTRUCTION AND ACQUISITION.—Using
3 amounts appropriated pursuant to the authorization of ap-
4 propriations in section 2204(a)(5)(A), the Secretary of the
5 Navy may construct or acquire family housing units (in-
6 cluding land acquisition and supporting facilities) at the
7 installations, for the purposes, and in the amounts set forth
8 in the following table:

Navy: Family Housing

State or Country	Installation or location	Purpose	Amount
California	Naval Air Station, Lemoore.	178 Units	\$40,981,000
	Twentynine Palms	76 Units	\$19,425,000
Connecticut	Naval Submarine Base, New London.	100 Units	\$24,415,000
Florida	Naval Station, Mayport	1 Unit	\$329,000
Hawaii	Marine Corps Base, Kaneohe Bay.	65 Units	\$24,797,000
Mississippi	Naval Air Station, Meridian.	56 Units	\$9,755,000
North Carolina	Marine Corps Base, Camp LeJeune.	317 Units	\$43,650,000
Virginia	Marine Corps Base, Quantico.	290 Units	\$41,843,000
Greece	Naval Support Activity Joint Headquarters Command, Larissa.	2 Units	\$1,232,000
United Kingdom	Joint Maritime Facility, St. Mawgan.	62 Units	\$18,524,000
	<i>Total</i>		\$224,951,000

9 (b) PLANNING AND DESIGN.—Using amounts appro-
10 priated pursuant to the authorization of appropriation in

1 *section 2204(a)(5)(A), the Secretary of the Navy may carry*
2 *out architectural and engineering services and construction*
3 *design activities with respect to the construction or im-*
4 *provement of military family housing units in an amount*
5 *not to exceed \$11,281,000.*

6 **SEC. 2203. IMPROVEMENTS TO MILITARY FAMILY HOUSING**
7 **UNITS.**

8 *Subject to section 2825 of title 10, United States Code,*
9 *and using amounts appropriated pursuant to the author-*
10 *ization of appropriations in section 2204(a)(5)(A), the Sec-*
11 *retary of the Navy may improve existing military family*
12 *housing units in an amount not to exceed \$139,468,000.*

13 **SEC. 2204. AUTHORIZATION OF APPROPRIATIONS, NAVY.**

14 *(a) IN GENERAL.—Funds are hereby authorized to be*
15 *appropriated for fiscal years beginning after September 30,*
16 *2002, for military construction, land acquisition, and mili-*
17 *tary family housing functions of the Department of the*
18 *Navy in the total amount of \$2,478,174,000, as follows:*

19 *(1) For military construction projects inside the*
20 *United States authorized by section 2201(a),*
21 *\$932,123,000.*

22 *(2) For military construction projects outside the*
23 *United States authorized by section 2201(b),*
24 *\$170,440,000.*

1 (3) *For unspecified minor construction projects*
2 *authorized by section 2805 of title 10, United States*
3 *Code, \$23,262,000.*

4 (4) *For architectural and engineering services*
5 *and construction design under section 2807 of title*
6 *10, United States Code, \$87,803,000.*

7 (5) *For military family housing functions:*

8 (A) *For construction and acquisition, plan-*
9 *ning and design, and improvement of military*
10 *family housing and facilities, \$375,700,000.*

11 (B) *For support of military family housing*
12 *(including functions described in section 2833 of*
13 *title 10, United States Code), \$867,788,000.*

14 (6) *For replacement of a pier at Naval Station,*
15 *Norfolk, Virginia, authorized in section 2201(a) of the*
16 *Military Construction Authorization Act for Fiscal*
17 *Year 2002 (division B of Public Law 107–107; 115*
18 *Stat. 1287), as amended by section 2205 of this Act,*
19 *\$33,520,000.*

20 (b) *LIMITATION ON TOTAL COST OF CONSTRUCTION*
21 *PROJECTS.—Notwithstanding the cost variations author-*
22 *ized by section 2853 of title 10, United States Code, and*
23 *any other cost variation authorized by law, the total cost*
24 *of all projects carried out under section 2201 of this Act*
25 *may not exceed—*

1 (1) *the total amount authorized to be appro-*
2 *priated under paragraphs (1) and (2) of subsection*
3 *(a):*

4 (2) *\$8,345,000 (the balance of the amount au-*
5 *thorized under section 2201(a) for a bachelors enlisted*
6 *quarters shipboard ashore, Naval Station, Pascagoula,*
7 *Mississippi);*

8 (3) *\$48,120,000 (the balance of the amount au-*
9 *thorized under section 2201(a) for a bachelors enlisted*
10 *quarters shipboard ashore, Naval Station, Norfolk,*
11 *Virginia); and*

12 (4) *\$2,570,000 (the balance of the amount au-*
13 *thorized under section 2201(b) for a quality of life*
14 *support facility, Naval Air Station Sigonella, Italy).*

15 (c) *ADJUSTMENT.—The total amount authorized to be*
16 *appropriated pursuant to paragraphs (1) through (6) of*
17 *subsection (a) is the sum of the amounts authorized to be*
18 *appropriated in such paragraphs, reduced by—*

19 (1) *\$3,992,000, which represents savings result-*
20 *ing from adjustments to foreign currency exchange*
21 *rates for military construction, military family hous-*
22 *ing construction, and military family housing sup-*
23 *port outside the United States; and*

24 (2) *\$10,470,000, which represents adjustments*
25 *for the accounting of civilian personnel benefits.*

1 **SEC. 2205. MODIFICATION TO CARRY OUT CERTAIN FISCAL**
2 **YEAR 2002 PROJECTS.**

3 (a) *MILITARY CONSTRUCTION PROJECT AT NAVAL*
4 *STATION, NORFOLK, VIRGINIA.*—*The table in section*
5 *2201(a) of the Military Construction Authorization Act for*
6 *Fiscal Year 2002 (division B of Public Law 107–107; 115*
7 *Stat. 1286) is amended—*

8 (1) *in the item relating to Naval Station, Nor-*
9 *folk, Virginia, by striking “\$139,270,000” in the*
10 *amount column and inserting “\$139,550,000”; and*

11 (2) *by striking the amount identified as the total*
12 *in the amount column and inserting*
13 *“\$1,059,030,000”.*

14 (b) *CONFORMING AMENDMENT.*—*Section 2204(b)(2) of*
15 *that Act (115 Stat. 1289) is amended by striking*
16 *“\$33,240,000” and inserting “\$33,520,000”.*

17 (c) *MILITARY FAMILY HOUSING AT QUANTICO, VIR-*
18 *GINIA.*—*The table in section 2202(a) of that Act (115 Stat.*
19 *1287) is amended in the item relating to Marine Corps*
20 *Combat Development Command, Quantico, Virginia, by*
21 *striking “60 Units” in the purpose column and inserting*
22 *“39 Units”.*

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

<i>State</i>	<i>Installation or location</i>	<i>Amount</i>
<i>Alaska</i>	<i>Clear Air Force Station</i>	\$14,400,000
	<i>Eielson Air Force Base</i>	\$41,100,000
<i>Arizona</i>	<i>Davis-Monthan Air Force Base</i>	\$19,270,000
	<i>Little Rock Air Force Base</i>	\$25,600,000
<i>Arkansas</i>	<i>Beale Air Force Base</i>	\$11,740,000
	<i>Travis Air Force Base</i>	\$23,900,000
<i>California</i>	<i>Vandenberg Air Force Base</i>	\$10,500,000
	<i>Buckley Air Force Base</i>	\$17,700,000
	<i>Peterson Air Force Base</i>	\$5,500,000
	<i>Schriever Air Force Base</i>	\$5,700,000
<i>Colorado</i>	<i>United States Air Force Academy</i>	\$4,200,000
	<i>Bolling Air Force Base</i>	\$5,000,000
<i>District of Columbia</i>	<i>Eglin Air Force Base</i>	\$4,250,000
	<i>Hurlburt Field</i>	\$15,000,000
<i>Florida</i>	<i>MacDill Air Force Base</i>	\$7,000,000
	<i>Robins Air Force Base</i>	\$5,400,000
<i>Georgia</i>	<i>Warner-Robins Air Force Base</i>	\$24,000,000
	<i>Hickam Air Force Base</i>	\$1,350,000
<i>Hawaii</i>	<i>Barksdale Air Force Base</i>	\$22,900,000
<i>Louisiana</i>	<i>Andrews Air Force Base</i>	\$9,600,000
<i>Maryland</i>	<i>Fourth Cliff, Scituate</i>	\$9,500,000
	<i>Hanscom Air Force Base</i>	\$7,700,000
<i>Massachusetts</i>	<i>Keesler Air Force Base</i>	\$22,000,000
<i>Mississippi</i>	<i>Offutt Air Force Base</i>	\$11,000,000
<i>Nebraska</i>	<i>Nellis Air Force Base</i>	\$56,850,000
<i>Nevada</i>	<i>McGuire Air Force Base</i>	\$24,631,000
<i>New Jersey</i>	<i>Cannon Air Force Base</i>	\$4,650,000
	<i>Holloman Air Force Base</i>	\$4,650,000
<i>New Mexico</i>	<i>Kirtland Air Force Base</i>	\$21,900,000
	<i>Pope Air Force Base</i>	\$9,700,000
	<i>Seymour Johnson Air Force Base</i>	\$10,600,000
<i>North Carolina</i>	<i>Minot Air Force Base</i>	\$18,000,000
<i>North Dakota</i>	<i>Wright-Patterson Air Force Base</i>	\$35,400,000
<i>Ohio</i>	<i>Altus Air Force Base</i>	\$14,800,000
	<i>Vance Air Force Base</i>	\$4,800,000
<i>Oklahoma</i>	<i>Shaw Air Force Base</i>	\$6,500,000
<i>South Carolina</i>	<i>Ellsworth Air Force Base</i>	\$13,200,000
<i>South Dakota</i>	<i>Goodfellow Air Force Base</i>	\$10,600,000
	<i>Lackland Air Force Base</i>	\$41,500,000
<i>Texas</i>		

Air Force: Inside the United States—Continued

<i>State</i>	<i>Installation or location</i>	<i>Amount</i>
<i>Utah</i>	<i>Sheppard Air Force Base</i>	\$16,000,000
	<i>Hill Air Force Base</i>	\$16,500,000
<i>Virginia</i>	<i>Langley Air Force Base</i>	\$71,940,000
<i>Wyoming</i>	<i>F.E. Warren Air Force Base</i>	\$15,000,000
	<i>Total</i>	\$721,531,000

1 ***(b) OUTSIDE THE UNITED STATES.***—Using amounts
2 *appropriated pursuant to the authorization of appropria-*
3 *tions in section 2304(a)(2), the Secretary of the Air Force*
4 *may acquire real property and carry out military construc-*
5 *tion projects for the installations and locations outside the*
6 *United States, and in the amounts, set forth in the following*
7 *table:*

Air Force: Outside the United States

<i>Country</i>	<i>Installation or location</i>	<i>Amount</i>
<i>Germany</i>	<i>Ramstein Air Base</i>	\$71,783,000
<i>Guam</i>	<i>Andersen Air Force Base</i>	\$31,000,000
<i>Italy</i>	<i>Aviano Air Base</i>	\$6,600,000
<i>Japan</i>	<i>Kadena Air Base</i>	\$6,000,000
<i>Korea</i>	<i>Osan Air Base</i>	\$15,100,000
<i>Spain</i>	<i>Naval Station, Rota</i>	\$31,818,000
<i>Turkey</i>	<i>Incirlik Air Base</i>	\$1,550,000
<i>United Kingdom</i>	<i>Diego Garcia</i>	\$17,100,000
	<i>Royal Air Force, Fairford</i>	\$19,000,000
	<i>Royal Air Force, Lakenheath</i>	\$13,400,000
<i>Wake Island</i>	<i>Wake Island</i>	\$24,900,000
	<i>Total</i>	\$238,251,000

8 ***(c) UNSPECIFIED WORLDWIDE.***—Using the amounts
9 *appropriated pursuant to the authorization of appropria-*
10 *tions in section 2304(a)(3), the Secretary of the Air Force*
11 *may acquire real property and carry out military construc-*
12 *tion projects for the installation and location, and in the*
13 *amount, set forth in the following table:*

Air Force: Unspecified Worldwide

Location	Installation	Amount
<i>Unspecified Worldwide</i>	<i>Classified Locations</i>	\$24,993,000

1 SEC. 2302. FAMILY HOUSING.

2 (a) CONSTRUCTION AND ACQUISITION.—Using
3 amounts appropriated pursuant to the authorization of ap-
4 propriations in section 2304(a)(6)(A), the Secretary of the
5 Air Force may construct or acquire family housing units
6 (including land acquisition and supporting facilities) at
7 the installations, for the purposes, and in the amounts set
8 forth in the following table:

Air Force: Family Housing

State or Country	Installation or loca- tion	Purpose	Amount
<i>Arizona</i>	<i>Luke Air Force Base</i>	<i>140 Units</i>	<i>\$18,954,000</i>
<i>California</i>	<i>Travis Air Force Base</i> ..	<i>110 Units</i>	<i>\$24,320,000</i>
<i>Colorado</i>	<i>Peterson Air Force Base</i>	<i>2 Units</i>	<i>\$959,000</i>
	<i>United States Air Force</i>	<i>71 Units</i>	<i>\$12,424,000</i>
	<i>Academy.</i>		
<i>Delaware</i>	<i>Dover Air Force Base</i> ...	<i>112 Units</i>	<i>\$19,615,000</i>
<i>Florida</i>	<i>Eglin Air Force Base</i> ...	<i>Housing Office</i>	<i>\$597,000</i>
	<i>Eglin Air Force Base</i> ...	<i>134 Units</i>	<i>\$15,906,000</i>
	<i>MacDill Air Force Base</i>	<i>96 Units</i>	<i>\$18,086,000</i>
<i>Hawaii</i>	<i>Hickam Air Force Base</i>	<i>96 Units</i>	<i>\$29,050,000</i>
<i>Idaho</i>	<i>Mountain Home Air</i>	<i>95 Units</i>	<i>\$24,392,000</i>
	<i>Force Base.</i>		
<i>Kansas</i>	<i>McConnell Air Force</i>	<i>Housing Main-</i>	<i>\$1,514,000</i>
	<i>Base.</i>	<i>tenance Fa-</i>	
		<i>cility.</i>	
<i>Maryland</i>	<i>Andrews Air Force Base</i>	<i>53 Units</i>	<i>\$9,838,000</i>
	<i>Andrews Air Force Base</i>	<i>52 Units</i>	<i>\$8,807,000</i>
<i>Mississippi</i>	<i>Columbus Air Force</i>	<i>Housing Office</i>	<i>\$412,000</i>
	<i>Base.</i>		
	<i>Keesler Air Force Base</i> ..	<i>117 Units</i>	<i>\$16,605,000</i>
<i>Missouri</i>	<i>Whiteman Air Force</i>	<i>22 Units</i>	<i>\$3,977,000</i>
	<i>Base.</i>		
<i>Montana</i>	<i>Malmstrom Air Force</i>	<i>18 Units</i>	<i>\$4,717,000</i>
	<i>Base.</i>		
<i>New Mexico</i>	<i>Holloman Air Force</i>	<i>101 Units</i>	<i>\$20,161,000</i>
	<i>Base.</i>		
<i>North Carolina</i>	<i>Pope Air Force Base</i>	<i>Housing Main-</i>	<i>\$991,000</i>
		<i>tenance Fa-</i>	
		<i>cility.</i>	
	<i>Seymour Johnson Air</i>	<i>126 Units</i>	<i>\$18,615,000</i>
	<i>Force Base.</i>		
<i>North Dakota</i>	<i>Grand Forks Air Force</i>	<i>150 Units</i>	<i>\$30,140,000</i>
	<i>Base.</i>		
	<i>Minot Air Force Base</i> ...	<i>112 Units</i>	<i>\$21,428,000</i>
	<i>Minot Air Force Base</i> ...	<i>102 Units</i>	<i>\$20,315,000</i>

Air Force: Family Housing—Continued

<i>State or Country</i>	<i>Installation or location</i>	<i>Purpose</i>	<i>Amount</i>
<i>Oklahoma</i>	<i>Vance Air Force Base</i>	<i>59 Units</i>	<i>\$11,423,000</i>
<i>South Dakota</i>	<i>Ellsworth Air Force Base.</i>	<i>Housing Maintenance Facility.</i>	<i>\$447,000</i>
	<i>Ellsworth Air Force Base.</i>	<i>22 Units</i>	<i>\$4,794,000</i>
<i>Texas</i>	<i>Dyess Air Force Base</i>	<i>85 Units</i>	<i>\$14,824,000</i>
	<i>Randolph Air Force Base.</i>	<i>Housing Maintenance Facility.</i>	<i>\$447,000</i>
	<i>Randolph Air Force Base.</i>	<i>112 Units</i>	<i>\$14,311,000</i>
<i>Virginia</i>	<i>Langley Air Force Base</i>	<i>Housing Office</i>	<i>\$1,193,000</i>
<i>Germany</i>	<i>Ramstein Air Force Base.</i>	<i>19 Units</i>	<i>\$8,534,000</i>
<i>Korea</i>	<i>Osan Air Base</i>	<i>113 Units</i>	<i>\$35,705,000</i>
	<i>Osan Air Base</i>	<i>Housing Supply Warehouse.</i>	<i>\$834,000</i>
<i>United Kingdom</i>	<i>Royal Air Force Lakenheath.</i>	<i>Housing Office and Maintenance Facility.</i>	<i>\$2,203,000</i>
	<i>Total</i>		<i>\$416,438,000</i>

1 (b) *PLANNING AND DESIGN.*—Using amounts appropriate pursuant to the authorization of appropriations in
2 section 2304(a)(6)(A), the Secretary of the Air Force may
3 carry out architectural and engineering services and construction design activities with respect to the construction
4 or improvement of military family housing units in an
5 amount not to exceed \$34,188,000.

8 **SEC. 2303. IMPROVEMENTS TO MILITARY FAMILY HOUSING**
9 **UNITS.**

10 Subject to section 2825 of title 10, United States Code,
11 and using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(6)(A), the Secretary of the Air Force may improve existing military family housing units in an amount not to exceed \$226,068,000.

1 **SEC. 2304. AUTHORIZATION OF APPROPRIATIONS, AIR**
2 **FORCE.**

3 (a) *IN GENERAL.*—Funds are hereby authorized to be
4 appropriated for fiscal years beginning after September 30,
5 2002, for military construction, land acquisition, and mili-
6 tary family housing functions of the Department of the Air
7 Force in the total amount of \$2,597,272,000, as follows:

8 (1) *For military construction projects inside the*
9 *United States authorized by section 2301(a),*
10 *\$709,431,000.*

11 (2) *For military construction projects outside the*
12 *United States authorized by section 2301(b),*
13 *\$238,251,000.*

14 (3) *For the military construction projects at un-*
15 *specified worldwide locations authorized by section*
16 *2301(c), \$24,993,000.*

17 (4) *For unspecified minor construction projects*
18 *authorized by section 2805 of title 10, United States*
19 *Code, \$11,500,000.*

20 (5) *For architectural and engineering services*
21 *and construction design under section 2807 of title*
22 *10, United States Code, \$81,416,000.*

23 (6) *For military housing functions:*

24 (A) *For construction and acquisition, plan-*
25 *ning and design, and improvement of military*
26 *family housing and facilities, \$676,694,000.*

1 (B) *For support of military family housing*
2 *(including functions described in section 2833 of*
3 *title 10, United States Code), \$874,050,000.*

4 (b) *LIMITATION ON TOTAL COST OF CONSTRUCTION*
5 *PROJECTS.—Notwithstanding the cost variations author-*
6 *ized by section 2853 of title 10, United States Code, and*
7 *any other cost variation authorized by law, the total cost*
8 *of all projects carried out under section 2301 of this Act*
9 *may not exceed—*

10 (1) *the total amount authorized to be appro-*
11 *priated under paragraphs (1), (2) and (3) of sub-*
12 *section (a);*

13 (2) *\$7,100,000 (the balance of the amount au-*
14 *thorized under section 2301(a) for construction of a*
15 *consolidated base engineer complex at Altus Air Force*
16 *Base, Oklahoma); and*

17 (3) *\$5,000,000 (the balance of the amount au-*
18 *thorized under section 2301(a) for construction of a*
19 *storm drainage system at F.E. Warren Air Force*
20 *Base, Wyoming).*

21 (c) *ADJUSTMENT.—The total amount authorized to be*
22 *appropriated pursuant to paragraphs (1) through (6) of*
23 *subsection (a) is the sum of the amounts authorized to be*
24 *appropriated in such paragraphs, reduced by \$19,063,000,*
25 *which represents savings resulting from adjustments to for-*

1 *eign currency exchange rates for military construction,*
2 *military family housing construction, and military family*
3 *housing support outside the United States.*

4 **SEC. 2305. AUTHORITY FOR USE OF MILITARY CONSTRUC-**
5 **TION FUNDS FOR CONSTRUCTION OF PUBLIC**
6 **ROAD NEAR AVIANO AIR BASE, ITALY,**
7 **CLOSED FOR FORCE PROTECTION PURPOSES.**

8 *(a) AUTHORITY TO USE FUNDS.—The Secretary of the*
9 *Air Force may, using amounts authorized to be appro-*
10 *priated by section 2301(b), carry out a project to provide*
11 *a public road, and associated improvements, to replace a*
12 *public road adjacent to Aviano Air Base, Italy, that has*
13 *been closed for force protection purposes.*

14 *(b) SCOPE OF AUTHORITY.—(1) The authority of the*
15 *Secretary to carry out the project referred to in subsection*
16 *(a) shall include authority as follows:*

17 *(A) To acquire property for the project for trans-*
18 *fer to a host nation authority.*

19 *(B) To provide funds to a host nation authority*
20 *to acquire property for the project.*

21 *(C) To make a contribution to a host nation au-*
22 *thority for purposes of carrying out the project.*

23 *(D) To provide vehicle and pedestrian access to*
24 *landowners effected by the project.*

1 (2) *The acquisition of property using authority in sub-*
2 *paragraph (A) or (B) of paragraph (1) may be made re-*
3 *gardless of whether or not ownership of such property will*
4 *vest in the United States.*

5 (c) *INAPPLICABILITY OF CERTAIN REAL PROPERTY*
6 *MANAGEMENT REQUIREMENT.*—Section 2672(a)(1)(B) of
7 title 10, United States Code, shall not apply with respect
8 to any acquisition of interests in land for purposes of the
9 project authorized by subsection (a).

10 **SEC. 2306. ADDITIONAL PROJECT AUTHORIZATION FOR AIR**
11 **TRAFFIC CONTROL FACILITY AT DOVER AIR**
12 **FORCE BASE, DELAWARE.**

13 (a) *PROJECT AUTHORIZED.*—In addition to the
14 projects authorized by section 2301(a), the Secretary of the
15 Air Force may carry out carry out a military construction
16 project, including land acquisition relating thereto, for con-
17 struction of a new air traffic control facility at Dover Air
18 Force Base, Delaware, in the amount of \$7,500,000.

19 (b) *AUTHORIZATION OF APPROPRIATIONS.*—The
20 amount authorized to be appropriated by section 2304(a),
21 and by paragraph (1) of that section, is hereby increased
22 by \$7,500,000.

23 (c) *OFFSET.*—The amount authorized to be appro-
24 priated by section 301(a)(10) for operation and mainte-
25 nance for the Army National Guard is hereby reduced by

1 \$7,500,000, with the amount of the reduction to be allocated
2 to the Classified Network Program.

3 **SEC. 2307. AVAILABILITY OF FUNDS FOR CONSOLIDATION**
4 **OF MATERIALS COMPUTATIONAL RESEARCH**
5 **FACILITY AT WRIGHT-PATTERSON AIR FORCE**
6 **BASE, OHIO.**

7 (a) *AVAILABILITY.*—Of the amount authorized to be
8 appropriated by section 2304(a), and paragraph (1) of that
9 section, for the Air Force and available for military con-
10 struction projects at Wright–Patterson Air Force Base,
11 Ohio, \$15,200,000 may be available for a military construc-
12 tion project for consolidation of the materials computa-
13 tional research facility at Wright–Patterson Air Force Base
14 (PNZHTV033301A).

15 (b) *OFFSET.*—(1) The amount authorized to be appro-
16 priated by section 301(a)(4) for the Air Force for operation
17 and maintenance is hereby reduced by \$2,800,000, with the
18 amount of the reduction to be allocated to Recruiting and
19 Advertising.

20 (2) Of the amount authorized to be appropriated by
21 section 2304(a), and paragraph (1) of that section, for the
22 Air Force and available for military construction projects
23 at Wright–Patterson Air Force Base—

24 (A) the amount available for a dormitory is
25 hereby reduced by \$10,400,000; and

(B) the amount available for construction of a Fully Contained Small Arms Range Complex is hereby reduced by \$2,000,000.

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 2404(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
Missile Defense Agency	Kauai, Hawaii	\$23,400,000
Defense Intelligence Agency	Bolling Air Force Base, District of Columbia.	\$121,958,000
Defense Logistics Agency	Defense Supply Center, Columbus, Ohio.	\$5,021,000
	Defense Supply Center, Richmond, Virginia	\$5,500,000
	Naval Air Station, New Orleans, Louisiana	\$9,500,000
	Travis Air Force Base, California	\$16,000,000
Defense Threat Reduction Agency.	Fort Belvoir, Virginia	\$76,388,000
Department of Defense Dependents Schools.	Fort Bragg, North Carolina	\$2,036,000
	Fort Jackson, South Carolina	\$2,506,000
	Marine Corps Base, Camp LeJeune, North Carolina	\$12,138,000
	Marine Corps Base, Quantico, Virginia	\$1,418,000
	United States Military Academy, West Point, New York	\$4,347,000
Joint Chiefs of Staff	Conus Various	\$25,000,000
National Security Agency	Fort Meade, Maryland	\$4,484,000
Special Operations Command	Fort Bragg, North Carolina	\$30,800,000
	Hurlburt Field, Florida	\$11,100,000
	Naval Amphibious Base, Little Creek, Virginia	\$14,300,000
	Stennis Space Center, Mississippi	\$5,000,000

Defense Agencies: Inside the United States—Continued

Agency	Installation or location	Amount
<i>TRICARE Management Activity.</i>	<i>Elmendorf Air Force Base, Alaska</i>	<i>\$10,400,000</i>
	<i>Hickam Air Force Base, Hawaii</i>	<i>\$2,700,000</i>
<i>Washington Headquarters Services.</i>	<i>Arlington, Virginia</i>	<i>\$18,000,000</i>
	<i>Washington Headquarters Services, District of Columbia.</i>	<i>\$2,500,000</i>
	<i>Total</i>	<i>\$404,496,000</i>

1 **(b) OUTSIDE THE UNITED STATES.**—Using amounts
2 appropriated pursuant to the authorization of appropri-
3 ations in section 2404(a)(2), the Secretary of Defense may
4 acquire real property and carry out military construction
5 projects for the installations and locations outside the
6 United States, and in the amounts, set forth in the following
7 table:

Defense Agencies: Outside the United States

Agency	Installation or location	Amount
<i>Defense Logistics Agency</i>	<i>Andersen Air Force Base, Guam</i>	<i>\$17,586,000</i>
	<i>Lajes Field, Azores, Portugal</i>	<i>\$19,000,000</i>
	<i>Naval Forces Marianas Islands, Guam</i>	<i>\$6,000,000</i>
	<i>Naval Station, Rota, Spain</i>	<i>\$23,400,000</i>
	<i>Royal Air Force, Fairford, United Kingdom</i>	<i>\$17,000,000</i>
	<i>Yokota Air Base, Japan</i>	<i>\$23,000,000</i>
<i>Department of Defense Dependents Schools.</i>	<i>Kaiserslautern, Germany</i>	<i>\$957,000</i>
	<i>Lajes Field, Azores, Portugal</i>	<i>\$1,192,000</i>
	<i>Seoul, Korea</i>	<i>\$31,683,000</i>
	<i>Mons, Belgium</i>	<i>\$1,573,000</i>
	<i>Spangdahlem Air Base, Germany</i>	<i>\$997,000</i>
	<i>Vicenza, Italy</i>	<i>\$2,117,000</i>
<i>TRICARE Management Activity.</i>	<i>Naval Support Activity, Naples, Italy</i>	<i>\$41,449,000</i>
	<i>Spangdahlem Air Base, Germany</i>	<i>\$39,629,000</i>
	<i>Total</i>	<i>\$225,583,000</i>

1 **SEC. 2402. IMPROVEMENTS TO MILITARY FAMILY HOUSING**
2 **UNITS.**

3 *Subject to section 2825 of title 10, United States Code,*
4 *and using amounts appropriated pursuant to the author-*
5 *ization of appropriations in section 2404(a)(8)(A), the Sec-*
6 *retary of Defense may improve existing military family*
7 *housing units in an amount not to exceed \$5,480,000.*

8 **SEC. 2403. ENERGY CONSERVATION PROJECTS.**

9 *Using amounts appropriated pursuant to the author-*
10 *ization of appropriations in section 2404(a)(4), the Sec-*
11 *retary of Defense may carry out energy conservation*
12 *projects under section 2865 of title 10, United States Code,*
13 *in the amount of \$50,531,000.*

14 **SEC. 2404. AUTHORIZATION OF APPROPRIATIONS, DEFENSE**
15 **AGENCIES.**

16 *(a) IN GENERAL.—Funds are hereby authorized to be*
17 *appropriated for fiscal years beginning after September 30,*
18 *2002, for military construction, land acquisition, and mili-*
19 *tary family housing functions of the Department of Defense*
20 *(other than the military departments) in the total amount*
21 *of \$1,316,972,000, as follows:*

22 *(1) For military construction projects inside the*
23 *United States authorized by section 2401(a),*
24 *\$367,896,000.*

1 (2) *For military construction projects outside the*
2 *United States authorized by section 2401(b),*
3 *\$225,583,000.*

4 (3) *For unspecified minor construction projects*
5 *under section 2805 of title 10, United States Code,*
6 *\$16,293,000.*

7 (4) *For contingency construction projects of the*
8 *Secretary of Defense under section 2804 of title 10,*
9 *United States Code, \$10,000,000.*

10 (5) *For architectural and engineering services*
11 *and construction design under section 2807 of title*
12 *10, United States Code, \$44,232,000.*

13 (6) *For energy conservation projects authorized*
14 *by section 2403 of this Act, \$50,531,000.*

15 (7) *For base closure and realignment activities*
16 *as authorized by the Defense Base Closure and Re-*
17 *alignment Act of 1990 (part A of title XXIX of Public*
18 *Law 101–510; 10 U.S.C. 2687 note), \$545,138,000.*

19 (8) *For military family housing functions:*

20 (A) *For improvement of military family*
21 *housing and facilities, \$5,480,000.*

22 (B) *For support of military family housing*
23 *(including functions described in section 2833 of*
24 *title 10, United States Code), \$42,432,000.*

1 (C) For credit to the Department of Defense
2 Family Housing Improvement Fund established
3 by section 2883(a)(1) of title 10, United States
4 Code, \$2,000,000.

5 (9) For payment of a claim against the Hospital
6 Replacement project at Elmendorf Air Force Base,
7 Alaska, \$10,400,000.

8 (b) *LIMITATION ON TOTAL COST OF CONSTRUCTION*
9 *PROJECTS.*—Notwithstanding the cost variations author-
10 ized by section 2853 of title 10, United States Code, and
11 any other cost variation authorized by law, the total cost
12 of all projects carried out under section 2401 of this Act
13 may not exceed—

14 (1) the total amount authorized to be appro-
15 priated under paragraphs (1) and (2) of subsection
16 (a); and

17 (2) \$26,200,000 (the balance of the amount au-
18 thorized under section 2401(a) for the construction of
19 the Defense Threat Reduction Center, Fort Belvoir,
20 Virginia).

21 (c) *ADJUSTMENT.*—The total amount authorized to be
22 appropriated pursuant to paragraphs (1) through (9) of
23 subsection (a) is the sum of the amounts authorized to be
24 appropriated in such paragraphs, reduced by—

1 (1) \$2,976,000, which represents savings result-
2 ing from adjustments to foreign currency exchange
3 rates for military construction, military family hous-
4 ing construction, and military family housing sup-
5 port outside the United States; and

6 (2) \$37,000, which represents adjustments for the
7 accounting of civilian personnel benefits.

8 **TITLE XXV—NORTH ATLANTIC**
9 **TREATY ORGANIZATION SE-**
10 **CURITY INVESTMENT PRO-**
11 **GRAM**

12 **SEC. 2501. AUTHORIZED NATO CONSTRUCTION AND LAND**
13 **ACQUISITION PROJECTS.**

14 *The Secretary of Defense may make contributions for*
15 *the North Atlantic Treaty Organization Security Invest-*
16 *ment program as provided in section 2806 of title 10,*
17 *United States Code, in an amount not to exceed the sum*
18 *of the amount authorized to be appropriated for this pur-*
19 *pose in section 2502 and the amount collected from the*
20 *North Atlantic Treaty Organization as a result of construc-*
21 *tion previously financed by the United States.*

22 **SEC. 2502. AUTHORIZATION OF APPROPRIATIONS, NATO.**

23 *Funds are hereby authorized to be appropriated for fis-*
24 *cal years beginning after September 30, 2002, for contribu-*
25 *tions by the Secretary of Defense under section 2806 of title*

1 10, United States Code, for the share of the United States
2 of the cost of projects for the North Atlantic Treaty Organi-
3 zation Security Investment program authorized by section
4 2501, in the amount of \$168,200,000.

5 **TITLE XXVI—GUARD AND**
6 **RESERVE FORCES FACILITIES**

7 **SEC. 2601. AUTHORIZED GUARD AND RESERVE CONSTRUC-**
8 **TION AND LAND ACQUISITION PROJECTS.**

9 *There are authorized to be appropriated for fiscal*
10 *years beginning after September 30, 2002, for the costs of*
11 *acquisition, architectural and engineering services, and*
12 *construction of facilities for the Guard and Reserve Forces,*
13 *and for contributions there for, under chapter 1803 of title*
14 *10, United States Code (including the cost of acquisition*
15 *of land for those facilities), the following amounts:*

16 (1) *For the Department of the Army—*

17 (A) *for the Army National Guard of the*
18 *United States, \$186,588,000; and*

19 (B) *for the Army Reserve, \$62,992,000.*

20 (2) *For the Department of the Navy, for the*
21 *Naval and Marine Corps Reserve, \$58,671,000.*

22 (3) *For the Department of the Air Force—*

23 (A) *for the Air National Guard of the*
24 *United States, \$212,459,000; and*

25 (B) *for the Air Force Reserve, \$59,883,000.*

1 **SEC. 2602. ARMY NATIONAL GUARD RESERVE CENTER,**
2 **LANE COUNTY, OREGON.**

3 (a) *INCREASE IN AUTHORIZATION OF APPROPRIA-*
4 *TIONS.—The amount authorized to be appropriated by sec-*
5 *tion 2601(1)(A) for the Army National Guard of the United*
6 *States is hereby increased by \$9,000,000.*

7 (b) *AVAILABILITY.—(1) Of the amount authorized to*
8 *be appropriated by section 2601(1)(A) for the Army Na-*
9 *tional Guard of the United States, as increased by sub-*
10 *section (a), \$9,000,000 may be available for a military con-*
11 *struction project for a Reserve Center in Lane County, Or-*
12 *egon.*

13 (2) *The amount available under paragraph (1) for the*
14 *military construction project referred to in that paragraph*
15 *is in addition to any other amounts available under this*
16 *Act for that project.*

17 (c) *OFFSET.—(1) The amount authorized to be appro-*
18 *priated by section 201(2) for research, development, test,*
19 *and evaluation for the Navy is hereby reduced by*
20 *\$2,500,000, with the amount of the reduction to be allocated*
21 *to Warfighter Sustainment Advanced Technology (PE*
22 *0603236N).*

23 (2) *The amount authorized to be appropriated by sec-*
24 *tion 301(a)(6) for operation and maintenance for the Army*
25 *Reserve is hereby reduced by \$6,000,000, with the amount*

1 *of the reduction to be allocated to the Enhanced Secure*
2 *Communications Program.*

3 **SEC. 2603. ADDITIONAL PROJECT AUTHORIZATION FOR**
4 **COMPOSITE SUPPORT FACILITY FOR ILLI-**
5 **NOIS AIR NATIONAL GUARD.**

6 (a) *INCREASE IN AUTHORIZATION OF APPROPRIA-*
7 *TIONS.—The amount authorized to be appropriated by sec-*
8 *tion 2601(3)(A) for the Air National Guard is hereby in-*
9 *creased by \$10,000,000.*

10 (b) *AVAILABILITY.—Of the amount authorized to be*
11 *appropriated by section 2601(3)(A) for the Air National*
12 *Guard, as increased by subsection (a), \$10,000,000 may be*
13 *available for a military construction project for a Com-*
14 *posite Support Facility for the 183rd Fighter Wing of the*
15 *Illinois Air National Guard.*

16 (c) *OFFSET.—The amount authorized to be appro-*
17 *priated by section 301(a)(5) for operation and mainte-*
18 *nance, defense-wide, is hereby reduced by \$10,000,000, with*
19 *the amount of the reduction to be allocated to amounts*
20 *available for the Information Operations Program.*

1 **TITLE XXVII—EXPIRATION AND**
2 **EXTENSION OF AUTHORIZA-**
3 **TIONS**

4 **SEC. 2701. EXPIRATION OF AUTHORIZATIONS AND**
5 **AMOUNTS REQUIRED TO BE SPECIFIED BY**
6 **LAW.**

7 (a) *EXPIRATION OF AUTHORIZATIONS AFTER THREE*
8 *YEARS.*—*Except as provided in subsection (b), all author-*
9 *izations contained in titles XXI through XXVI for military*
10 *construction projects, land acquisition, family housing*
11 *projects and facilities, and contributions to the North At-*
12 *lantic Treaty Organization Security Investment program*
13 *(and authorizations of appropriations therefor) shall expire*
14 *on the later of—*

15 (1) *October 1, 2005; or*

16 (2) *the date of the enactment of an Act author-*
17 *izing funds for military construction for fiscal year*
18 *2006.*

19 (b) *EXCEPTION.*—*Subsection (a) shall not apply to au-*
20 *thorizations for military construction projects, land acqui-*
21 *sition, family housing projects, and facilities, and contribu-*
22 *tions to the North Atlantic Treaty Organization Security*
23 *Investment program (and authorizations of appropriations*
24 *therefor) for which appropriated funds have been obligated*
25 *before the later of—*

- 1 (1) *October 1, 2005; or*
- 2 (2) *the date of the enactment of an Act author-*
- 3 *ized funds for fiscal year 2005 for military construc-*
- 4 *tion projects, land acquisition, family housing*
- 5 *projects and facilities, and contributions to the North*
- 6 *Atlantic Treaty Organization Security Investment*
- 7 *program.*

8 **SEC. 2702. EXTENSION OF AUTHORIZATIONS OF CERTAIN**
 9 **FISCAL YEAR 2000 PROJECTS.**

10 (a) *EXTENSION OF CERTAIN PROJECTS.*—*Notwith-*
 11 *standing section 2701 of the Military Construction Author-*
 12 *ization Act for Fiscal Year 2000 (division B of Public Law*
 13 *106–65; 113 Stat. 841), authorizations set forth in the ta-*
 14 *bles in subsection (b), as provided in section 2302 or 2601*
 15 *of that Act, shall remain in effect until October 1, 2003,*
 16 *or the date of the enactment of an Act authorizing funds*
 17 *for military construction for fiscal year 2004, whichever is*
 18 *later.*

19 (b) *TABLES.*—*The tables referred to in subsection (a)*
 20 *are as follows:*

Air Force: Extension of 2000 Project Authorization

<i>State</i>	<i>Installation or loca- tion</i>	<i>Project</i>	<i>Amount</i>
<i>Oklahoma</i>	<i>Tinker Air Force Base ..</i>	<i>Replace Family Housing (41 Units).</i>	<i>\$6,000,000</i>
<i>Texas</i>	<i>Lackland Air Force Base</i>	<i>Dormitory</i>	<i>\$5,300,000</i>

Army National Guard: Extension of 2000 Project Authorization

State	Installation or location	Project	Amount
Virginia	Fort Pickett	Multi-Purpose Range Complex-Heavy.	\$13,500,000

1 **SEC. 2703. EXTENSION OF AUTHORIZATIONS OF CERTAIN**
2 **FISCAL YEAR 1999 PROJECTS.**

3 (a) *EXTENSION.*—Notwithstanding section 2701 of the
4 *Military Construction Authorization Act for Fiscal Year*
5 *1999 (division B of Public Law 105–261; 112 Stat. 2199),*
6 *authorizations set forth in the table in subsection (b), as*
7 *provided in section 2302 of that Act and extended by section*
8 *2702 of the Military Construction Authorization Act for*
9 *Fiscal Year 2002 (division B of Public Law 107–107; 115*
10 *Stat. 1301), shall remain in effect until October 1, 2003,*
11 *or the date of the enactment of an Act authorizing funds*
12 *for military construction for fiscal year 2004, whichever is*
13 *later.*

14 (b) *TABLE.*—The table referred to in subsection (a) is
15 *as follows:*

Air Force: Extension of 1999 Project Authorizations

State	Installation or location	Project	Amount
Delaware	Dover Air Force Base	Replace Family Housing (55 Units).	\$8,988,000
Florida	Patrick Air Force Base	Replace Family Housing (46 Units).	\$9,692,000
New Mexico	Kirtland Air Force Base	Replace Family Housing (37 Units).	\$6,400,000
Ohio	Wright-Patterson Air Force Base.	Replace Family Housing (40 Units).	\$5,600,000

1 **SEC. 2704. EFFECTIVE DATE.**

2 *Titles XXI, XXII, XXIII, XXIV, XXV, XXVI, and*
3 *XXVII of this Act shall take effect on the later of—*

4 *(1) October 1, 2002; or*

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

6 **TITLE XXVIII—GENERAL**
7 **PROVISIONS**

8 **Subtitle A—Military Construction**
9 **Program and Military Family**
10 **Housing Changes**

11 **SEC. 2801. LEASE OF MILITARY FAMILY HOUSING IN KOREA.**

12 *(a) INCREASE IN NUMBER OF UNITS AUTHORIZED*
13 *FOR LEASE AT CURRENT MAXIMUM AMOUNT.—Paragraph*
14 *(3) of section 2828(e) of title 10, United States Code, is*
15 *amended by striking “800 units” and inserting “1,175*
16 *units”.*

17 *(b) AUTHORITY TO LEASE ADDITIONAL NUMBER OF*
18 *UNITS AT INCREASED MAXIMUM AMOUNT.—That section is*
19 *further amended—*

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

22 *(2) by inserting after paragraph (3) the fol-*
23 *lowing new paragraph (4):*

24 *“(4) In addition to the units of family housing referred*
25 *to in paragraph (1) for which the maximum lease amount*
26 *is \$25,000 per unit per year, the Secretary of the Army*

1 *may lease not more than 2,400 units of family housing in*
2 *Korea subject to a maximum lease amount of \$35,000 per*
3 *unit per year.”;*

4 (3) *in paragraph (5), as so redesignated, by*
5 *striking “and (3)” and inserting “(3), and (4)”;* and

6 (4) *in paragraph (6), as so redesignated, by*
7 *striking “53,000” and inserting “55,775”.*

8 **SEC. 2802. REPEAL OF SOURCE REQUIREMENTS FOR FAM-**
9 **ILY HOUSING CONSTRUCTION OVERSEAS.**

10 *Section 803 of the Military Construction Authoriza-*
11 *tion Act, 1984 (Public Law 98–115; 10 U.S.C. 2821 note)*
12 *is repealed.*

13 **SEC. 2803. MODIFICATION OF LEASE AUTHORITIES UNDER**
14 **ALTERNATIVE AUTHORITY FOR ACQUISITION**
15 **AND IMPROVEMENT OF MILITARY HOUSING.**

16 (a) *LEASING OF HOUSING.*—*Subsection (a) of section*
17 *2874 of title 10, United States Code, is amended to read*
18 *as follows:*

19 “(a) *LEASE AUTHORIZED.*—(1) *The Secretary con-*
20 *cerned may enter into contracts for the lease of housing*
21 *units that the Secretary determines are suitable for use as*
22 *military family housing or military unaccompanied hous-*
23 *ing.*

1 “(2) *The Secretary concerned shall utilize housing*
2 *units leased under paragraph (1) as military family hous-*
3 *ing or military unaccompanied housing, as appropriate.*”.

4 **(b) REPEAL OF INTERIM LEASE AUTHORITY.**—Section
5 2879 of such title is repealed.

6 **(c) CONFORMING AND CLERICAL AMENDMENTS.**—(1)
7 *The heading for section 2874 of such title is amended to*
8 *read as follows:*

9 **“§2874. Leasing of housing”.**

10 (2) *The table of sections at the beginning of subchapter*
11 *IV of chapter 169 of such title is amended—*

12 (A) *by striking the item relating to section 2874*
13 *and inserting the following new item:*

 “2874. *Leasing of housing.*”;

14 *and*

15 (B) *by striking the item relating to section 2879.*

16 ***Subtitle B—Real Property and***
17 ***Facilities Administration***

18 ***SEC. 2811. AGREEMENTS WITH PRIVATE ENTITIES TO EN-***
19 ***HANCE MILITARY TRAINING, TESTING, AND***
20 ***OPERATIONS.***

21 **(a) IN GENERAL.**—Chapter 159 of title 10, United
22 *States Code, is amended by inserting after section 2696 the*
23 *following new section:*

1 **“§2697. Agreements with private entities to enhance**
2 **military training, testing, and operations**

3 “(a) *AGREEMENTS WITH PRIVATE ENTITIES AUTHOR-*
4 *IZED.—The Secretary of Defense or the Secretary of a mili-*
5 *tary department may enter into an agreement with a pri-*
6 *vate entity described in subsection (b) to address the use*
7 *or development of real property in the vicinity of an instal-*
8 *lation under the jurisdiction of such Secretary for purposes*
9 *of—*

10 “(1) *limiting any development or use of such*
11 *property that would otherwise be incompatible with*
12 *the mission of such installation; or*

13 “(2) *preserving habitat on such property in a*
14 *manner that is compatible with both—*

15 “(A) *current or anticipated environmental*
16 *requirements that would or might otherwise re-*
17 *strict, impede, or otherwise interfere, whether di-*
18 *rectly or indirectly, with current or anticipated*
19 *military training, testing, or operations on such*
20 *installation; and*

21 “(B) *current or anticipated military train-*
22 *ing, testing, or operations on such installation.*

23 “(b) *COVERED PRIVATE ENTITIES.—A private entity*
24 *described in this subsection is any private entity that has*
25 *as its stated principal organizational purpose or goal the*

1 *conservation, restoration, or preservation of land and nat-*
2 *ural resources, or a similar purpose or goal.*

3 “(c) *INAPPLICABILITY OF CERTAIN CONTRACT RE-*
4 *QUIREMENTS.—Chapter 63 of title 31 shall not apply to*
5 *any agreement entered into under this section.*

6 “(d) *ACQUISITION AND ACCEPTANCE OF PROPERTY*
7 *AND INTERESTS.—(1) Subject to the provisions of this sub-*
8 *section, an agreement with a private entity under this*
9 *section—*

10 “(A) *may provide for the private entity to ac-*
11 *quire all right, title, and interest in and to any real*
12 *property, or any lesser interest therein, as may be ap-*
13 *propriate for purposes of this section; and*

14 “(B) *shall provide for the private entity to trans-*
15 *fer to the United States, upon the request of the*
16 *United States, any property or interest so acquired.*

17 “(2) *Property or interests may not be acquired pursu-*
18 *ant to an agreement under this section unless the owner*
19 *of such property or interests, as the case may be, consents*
20 *to the acquisition.*

21 “(3) *An agreement under this section providing for the*
22 *acquisition of property or interests under paragraph (1)(A)*
23 *shall provide for the sharing by the United States and the*
24 *private entity concerned of the costs of the acquisition of*
25 *such property or interests.*

1 “(4) *The Secretary concerned shall identify any prop-*
2 *erty or interests to be acquired pursuant to an agreement*
3 *under this section. Such property or interests shall be lim-*
4 *ited to the minimum property or interests necessary to en-*
5 *sure that the property concerned is developed and used in*
6 *a manner appropriate for purposes of this section.*

7 “(5) *The Secretary concerned may accept on behalf of*
8 *the United States any property or interest to be transferred*
9 *to the United States under paragraph (1)(B).*

10 “(6) *The Secretary concerned may, for purposes of the*
11 *acceptance of property or interests under this subsection,*
12 *accept an appraisal or title documents prepared or adopted*
13 *by a non-Federal entity as satisfying the applicable require-*
14 *ments of section 301 of the Uniform Relocation Assistance*
15 *and Real Property Acquisition Policies Act of 1970 (42*
16 *U.S.C. 4651) or section 355 of the Revised Statutes (40*
17 *U.S.C. 255) if the Secretary finds that such appraisal or*
18 *title documents substantially comply with such require-*
19 *ments.*

20 “(e) *ADDITIONAL TERMS AND CONDITIONS.—The Sec-*
21 *retary concerned may require such additional terms and*
22 *conditions in an agreement under this section as such Sec-*
23 *retary considers appropriate to protect the interests of the*
24 *United States.*

1 “(f) *FUNDING.*—(1) *Except as provided in paragraph*
2 *(2), amounts authorized to be appropriated to the Range*
3 *Enhancement Initiative Fund of the Department of Defense*
4 *are available for purposes of any agreement under this sec-*
5 *tion.*

6 “(2) *In the case of an installation operated primarily*
7 *with funds authorized to be appropriated for research, de-*
8 *velopment, test, and evaluation, funds authorized to be ap-*
9 *propriated for the Department of Defense, or the military*
10 *department concerned, for research, development, test, and*
11 *evaluation are available for purposes of an agreement under*
12 *this section with respect to such installation.*

13 “(3) *Amounts in the Fund that are made available for*
14 *an agreement of a military department under this section*
15 *shall be made available by transfer from the Fund to the*
16 *applicable operation and maintenance account of the mili-*
17 *tary department, including the operation and maintenance*
18 *account for the active component, or for a reserve compo-*
19 *nent, of the military department.”.*

20 “(b) *CLERICAL AMENDMENT.*—*The table of sections at*
21 *the beginning of such chapter is amended by inserting after*
22 *the item relating to section 2696 the following new item:*

 “2697. *Agreements with private entities to enhance military training, testing, and*
 operations.”.

1 **SEC. 2812. CONVEYANCE OF SURPLUS REAL PROPERTY FOR**
2 **NATURAL RESOURCE CONSERVATION.**

3 (a) *IN GENERAL.*—(1) Chapter 159 of title 10, United
4 States Code, as amended by section 2811 of this Act, is fur-
5 ther amended by inserting after section 2697 the following
6 new section:

7 **“§2698. Conveyance of surplus real property for nat-**
8 **ural resource conservation**

9 “(a) *AUTHORITY TO CONVEY.*—Subject to subsection
10 (c), the Secretary of a military department may, in the sole
11 discretion of such Secretary, convey to any State or local
12 government or instrumentality thereof, or private entity
13 that has as its primary purpose or goal the conservation
14 of open space or natural resources on real property, all
15 right, title, and interest of the United States in and to any
16 real property, including any improvements thereon, under
17 the jurisdiction of such Secretary that is described in sub-
18 section (b).

19 “(b) *COVERED REAL PROPERTY.*—Real property de-
20 scribed in this subsection is any property that—

21 “(1) is suitable, as determined by the Secretary
22 concerned, for use for the conservation of open space
23 or natural resources;

24 “(2) is surplus property for purposes of title II
25 of the Federal Property and Administrative Services
26 Act of 1949 (40 U.S.C. 471 et seq.); and

1 “(3) has been available for public benefit convey-
2 ance under that title for a sufficient time, as deter-
3 mined by the Secretary concerned in consultation
4 with the Administrator of General Services, to permit
5 potential claimants to seek public benefit conveyance
6 of such property, but without the submittal during
7 that time of a request for such conveyance.

8 “(c) *CONDITIONS OF CONVEYANCE.*—Real property
9 may not be conveyed under this section unless the conveyee
10 of such property agrees that such property—

11 “(1) shall be used and maintained for the con-
12 servation of open space or natural resources in per-
13 petuity, unless otherwise provided for under sub-
14 section (e); and

15 “(2) may be subsequently conveyed only if—

16 “(A) the Secretary concerned approves in
17 writing such subsequent conveyance;

18 “(B) the Secretary concerned notifies the
19 appropriate committees of Congress of the subse-
20 quent conveyance not later than 21 days before
21 the subsequent conveyance; and

22 “(C) after such subsequent conveyance, shall
23 be used and maintained for the conservation of
24 open space or natural resources in perpetuity,

1 *unless otherwise provided for under subsection*
2 *(e).*

3 “(d) *USE FOR INCIDENTAL PRODUCTION OF REV-*
4 *ENUE.—Real property conveyed under this section may be*
5 *used for the incidental production of revenue, as determined*
6 *by the Secretary concerned, if such production of revenue*
7 *is compatible with the use of such property for the conserva-*
8 *tion of open space or natural resources, as so determined.*

9 “(e) *REVERSION.—If the Secretary concerned deter-*
10 *mines at any time that real property conveyed under this*
11 *section is not being used and maintained in accordance*
12 *with the agreement of the conveyee under subsection (c), all*
13 *right, title, and interest in and to such real property, in-*
14 *cluding any improvements thereon, shall revert to the*
15 *United States, and the United States shall have the right*
16 *of immediate entry thereon.*

17 “(f) *PROPERTY UNDER BASE CLOSURE LAWS.—The*
18 *Secretary concerned may not make a conveyance under this*
19 *section of any real property to be disposed of under a base*
20 *closure law in a manner that is inconsistent with the re-*
21 *quirements and conditions of such base closure law.*

22 “(g) *ADDITIONAL TERMS AND CONDITIONS.—The Sec-*
23 *retary concerned may establish such additional terms and*
24 *conditions in connection with a conveyance of real property*

1 *under this section as such Secretary considers appropriate*
2 *to protect the interests of the United States.*

3 “(h) *DEFINITIONS.—In this section:*

4 “(1) *The term ‘appropriate committees of Con-*
5 *gress’ has the meaning given that term in section*
6 *2801(c)(4) of this title.*

7 “(2) *The term ‘State’ includes the District of Co-*
8 *lumbia, the Commonwealth of Puerto Rico, the Com-*
9 *monwealth of the Northern Marianas, and the terri-*
10 *tories and possessions of the United States.*

11 “(3) *The term ‘base closure law’ means the fol-*
12 *lowing:*

13 “(A) *Section 2687 of this title.*

14 “(B) *Title II of the Defense Authorization*
15 *Amendments and Base Closure and Realignment*
16 *Act of 1988 (10 U.S.C. 2687 note).*

17 “(C) *The Defense Base Closure and Realign-*
18 *ment Act of 1990 (part A of title XXIX of Public*
19 *Law 101–510; 10 U.S.C. 2687 note).*

20 “(D) *Any other similar authority for the*
21 *closure or realignment of military installations*
22 *that is enacted after the date of the enactment of*
23 *the National Defense Authorization Act for Fis-*
24 *cal Year 2003.”.*

1 (2) *The table of sections at the beginning of chapter*
2 *159 of that title, as amended by section 2811 of this Act,*
3 *is further amended by inserting after the item relating to*
4 *section 2687 the following new item:*

 “2698. *Conveyance of surplus real property for natural resource conservation.*”.

5 (b) *ACCEPTANCE OF FUNDS TO COVER ADMINISTRA-*
6 *TIVE EXPENSES.*—*Section 2695(b) of that title is amended*
7 *by adding at the end the following new paragraph:*

8 “(5) *The conveyance of real property under sec-*
9 *tion 2698 of this title.*”.

10 (c) *AGREEMENTS WITH PRIVATE ENTITIES.*—*Section*
11 *2701(d) of that title is amended—*

12 (1) *in paragraph (1), by striking “with any*
13 *State or local government agency, or with any Indian*
14 *tribe,” and inserting “any State or local government*
15 *agency, any Indian tribe, or, for purposes under sec-*
16 *tion 2697 or 2698 of this title, with any private enti-*
17 *ty”; and*

18 (2) *by striking paragraph (4), as redesignated by*
19 *section 311(1) of this Act, and inserting the following*
20 *new paragraph (4):*

21 “(4) *DEFINITIONS.*—*In this subsection:*

22 “(A) *The term ‘Indian tribe’ has the mean-*
23 *ing given such term in section 101(36) of Com-*
24 *prehensive Environmental Response, Compensa-*

1 *tion, and Liability Act of 1980 (42 U.S.C.*
2 *9601(36)).*

3 *“(B) The term ‘private entity’ means any*
4 *private entity that has as its stated principal or-*
5 *ganizational purpose or goal the conservation,*
6 *restoration, or preservation of land and natural*
7 *resources, or a similar purpose or goal.”.*

8 **SEC. 2813. MODIFICATION OF DEMONSTRATION PROGRAM**
9 **ON REDUCTION IN LONG-TERM FACILITY**
10 **MAINTENANCE COSTS.**

11 *(a) ADMINISTRATOR OF PROGRAM.—Subsection (a) of*
12 *section 2814 of the Military Construction Authorization Act*
13 *for Fiscal Year 2002 (division B of Public Law 107–107;*
14 *115 Stat. 1310; 10 U.S.C. 2809 note) is amended by strik-*
15 *ing “Secretary of the Army” and inserting “Secretary of*
16 *Defense or the Secretary of a military department”.*

17 *(b) CONTRACTS.—Subsection (b) of that section is*
18 *amended to read as follows:*

19 *“(b) CONTRACTS.—(1) Not more than 12 contracts*
20 *may contain requirements referred to in subsection (a) for*
21 *the purpose of the demonstration program.*

22 *“(2) Except as provided in paragraph (3), the dem-*
23 *onstration program may only cover contracts entered into*
24 *on or after the date of the enactment of the National Defense*
25 *Authorization Act for Fiscal Year 2003.*

1 “(3) *The Secretary of the Army shall treat any con-*
2 *tract containing requirements referred to in subsection (a)*
3 *that was entered into under the authority in that subsection*
4 *during the period beginning on December 28, 2001, and*
5 *ending on the date of the enactment of the National Defense*
6 *Authorization Act for Fiscal Year 2003 as a contract for*
7 *the purpose of the demonstration program under that sub-*
8 *section.*”.

9 (c) *REPORTING REQUIREMENTS.*—Subsection (d) of
10 *that section is amended by striking “Secretary of the Army”*
11 *and inserting “Secretary of Defense”.*

12 (d) *FUNDING.*—(1) *Subsection (f) of that section is*
13 *amended by striking “the Army” and inserting “the mili-*
14 *tary departments or defense-wide”.*

15 (2) *The amendment made by paragraph (1) shall not*
16 *affect the availability for the purpose of the demonstration*
17 *program under section 2814 of the Military Construction*
18 *Authorization Act for Fiscal Year 2002, as amended by this*
19 *section, of any amounts authorized to be appropriated be-*
20 *fore the date of the enactment of this Act for the Army for*
21 *military construction that have been obligated for the dem-*
22 *onstration program, but not expended, as of that date.*

Subtitle C—Land Conveyances

SEC. 2821. CONVEYANCE OF CERTAIN LANDS IN ALASKA NO LONGER REQUIRED FOR NATIONAL GUARD PURPOSES.

(a) *CONVEYANCE AUTHORIZED.*—The Secretary of the Army may convey to the State of Alaska, or any governmental entity, Native Corporation, or Indian tribe within the State of Alaska, all right, title, and interest of the United States in and to any parcel of real property, including any improvements thereon, described in subsection (b) that the Secretary considers appropriate in the public interest.

(b) *COVERED PROPERTY.*—Real property described in this subsection is any property located in the State of Alaska that, as determined by the Secretary—

(1) is currently under the jurisdiction of the Department of the Army;

(2) before December 2, 1980, was under the jurisdiction of the Department of the Army for use of the Alaska National Guard;

(3) is located in a unit of the National Wildlife Refuge System designated in the Alaska National Interest Lands Conservation Act (94 Stat. 2371; 16 U.S.C. 1301 note);

1 (4) *is excess to the needs of the Alaska National*
2 *Guard and the Department of Defense; and*

3 (5) *is in such condition that—*

4 (A) *the anticipated cost to the United States*
5 *of retaining such property exceeds the value of*
6 *such property; or*

7 (B) *such property is unsuitable for reten-*
8 *tion by the United States.*

9 (c) *CONSIDERATION.—(1) The conveyance of real prop-*
10 *erty under this section shall, at the election of the Secretary,*
11 *be for no consideration or for consideration in an amount*
12 *determined by the Secretary to be appropriate under the*
13 *circumstances.*

14 (2) *If consideration is received under paragraph (1)*
15 *for property conveyed under subsection (a), the Secretary*
16 *may use the amounts received, to the extent provided in*
17 *appropriations Acts, to pay for—*

18 (A) *the cost of a survey described in subsection*
19 (d) *with respect to such property;*

20 (B) *the cost of carrying out any environmental*
21 *assessment, study, or analysis, and any remediation,*
22 *that may be required under Federal law, or is consid-*
23 *ered appropriate by the Secretary, in connection with*
24 *such property or the conveyance of such property; and*

1 (C) any other costs incurred by the Secretary in
2 conveying such property.

3 (d) *DESCRIPTION OF PROPERTY.*—The exact acreage
4 and legal description of any real property to be conveyed
5 under subsection (a) shall be determined by a survey satis-
6 factory to the Secretary.

7 (e) *ADDITIONAL TERMS AND CONDITIONS.*—The Sec-
8 retary may require such additional terms and conditions
9 in connection with a conveyance of real property under this
10 section as the Secretary considers appropriate to protect the
11 interests of the United States.

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

13 (1) The term “Indian tribe” has the meaning
14 given such term in section 102 of the Federally Recog-
15 nized Indian Tribe List Act of 1994 (Public Law
16 103–454; 108 Stat. 4791; 25 U.S.C. 479a).

17 (2) The term “Native Corporation” has the
18 meaning given such term in section 3 of the Alaska
19 Native Claims Settlement Act (43 U.S.C. 1602).

20 **SEC. 2822. LAND CONVEYANCE, FORT CAMPBELL, KEN-**
21 **TUCKY.**

22 (a) *CONVEYANCE AUTHORIZED.*—The Secretary of the
23 Army may convey, without consideration, to the City of
24 Hopkinsville, Kentucky (in this section referred to as the
25 “City”), all right, title, and interest of the United States

1 *in and to a parcel of real property at Fort Campbell, Ken-*
2 *tucky, consisting of approximately 50 acres and containing*
3 *an abandoned railroad spur for the purpose of permitting*
4 *the City to use the property for storm water management,*
5 *recreation, transportation, and other public purposes.*

6 (b) *REIMBURSEMENT OF TRANSACTION COSTS.—(1)*
7 *The City shall reimburse the Secretary for any costs in-*
8 *curred by the Secretary in carrying out the conveyance au-*
9 *thorized by subsection (a).*

10 (2) *Any reimbursement for costs that is received under*
11 *paragraph (1) shall be credited to the fund or account pro-*
12 *viding funds for such costs. Amounts so credited shall be*
13 *merged with amounts in such fund or account, and shall*
14 *be available for the same purposes, and subject to the same*
15 *conditions and limitations, as amounts in such fund or ac-*
16 *count.*

17 (c) *DESCRIPTION OF PROPERTY.—The acreage of the*
18 *real property to be conveyed under subsection (a) has been*
19 *determined by the Secretary through a legal description out-*
20 *lining such acreage. No further survey of the property is*
21 *required before conveyance under that subsection.*

22 (d) *ADDITIONAL TERMS AND CONDITIONS.—The Sec-*
23 *retary may require such additional terms and conditions*
24 *in connection with the conveyance under subsection (a) as*

1 *the Secretary considers appropriate to protect the interests*
2 *of the United States.*

3 **SEC. 2823. MODIFICATION OF AUTHORITY FOR LAND**
4 **TRANSFER AND CONVEYANCE, NAVAL SECU-**
5 **RITY GROUP ACTIVITY, WINTER HARBOR,**
6 **MAINE.**

7 *(a) MODIFICATION OF CONVEYANCE AUTHORITY FOR*
8 *COREA AND WINTER HARBOR PROPERTIES.—Section 2845*
9 *of the Military Construction Authorization Act for Fiscal*
10 *Year 2002 (division B of Public Law 107–107; 115 Stat.*
11 *1319) is amended—*

12 *(1) by striking subsection (b) and inserting the*
13 *following new subsection (b):*

14 *“(b) CONVEYANCE AND TRANSFER OF COREA AND WIN-*
15 *TER HARBOR PROPERTIES AUTHORIZED.—(1) The Sec-*
16 *retary of the Navy may convey, without consideration, to*
17 *the State of Maine, any political subdivision of the State*
18 *of Maine, or any tax-supported agency in the State of*
19 *Maine, all right, title, and interest of the United States in*
20 *and to parcels of real property, including any improve-*
21 *ments thereon and appurtenances thereto, comprising the*
22 *former facilities of the Naval Security Group Activity, Win-*
23 *ter Harbor, Maine, as follows:*

24 *“(A) The parcel consisting of approximately 50*
25 *acres known as the Corea Operations Site.*

1 “(B) Three parcels consisting of approximately
2 23 acres and comprising family housing facilities.

3 “(2) The Secretary of the Navy may transfer to the
4 administrative jurisdiction of the Secretary of the Interior
5 a parcel of real property consisting of approximately 404
6 acres at the former Naval Security Group Activity, which
7 is the balance of the real property comprising the Corea
8 Operations Site.

9 “(3) The Secretary of the Interior shall administer the
10 property transferred under paragraph (2) as part of the Na-
11 tional Wildlife Refuge System.”; and

12 (2) in subsections (c), (d), (e), (f), (g), and (h),
13 by striking “subsection (b)” each place it appears and
14 inserting “subsection (b)(1)”.

15 (b) *EXEMPTION OF MODIFIED CONVEYANCES FROM*
16 *FEDERAL SCREENING REQUIREMENT.*—That section is fur-
17 ther amended—

18 (1) by redesignating subsections (g) and (h) as
19 subsections (h) and (i), respectively; and

20 (2) by inserting after subsection (f) the following
21 new subsection (g):

22 “(g) *EXEMPTION OF CERTAIN CONVEYANCES FROM*
23 *FEDERAL SCREENING.*—Any conveyance authorized by sub-
24 section (b)(1) of this section, as amended by section 2823
25 of the National Defense Authorization Act for Fiscal Year

1 2003, is exempt from the requirement to screen the property
2 concerned for further Federal use pursuant to section 2696
3 of title 10, United States Code.”.

4 **SEC. 2824. LAND CONVEYANCE, WESTOVER AIR RESERVE**
5 **BASE, MASSACHUSETTS.**

6 (a) *CONVEYANCE AUTHORIZED.*—The Secretary of the
7 Navy may convey, without consideration, to the City of
8 Chicopee, Massachusetts (in this section referred to as the
9 “City”), all right, title, and interest of the United States
10 in and to a parcel of real property, including 133 housing
11 units and other improvements thereon, consisting of ap-
12 proximately 30.38 acres located at Westover Air Reserve
13 Base in Chicopee, Massachusetts, for the purpose of permit-
14 ting the City to use the property for economic development
15 and other public purposes.

16 (b) *ADMINISTRATIVE EXPENSES.*—(1) The Secretary
17 may require the City to reimburse the Secretary for the costs
18 incurred by the Secretary to carry out the conveyance under
19 subsection (a), including survey costs, costs related to envi-
20 ronmental documentation (other than the environmental
21 baseline survey), and other administrative costs related to
22 the conveyance.

23 (2) Section 2695(c) of title 10, United States Code,
24 shall apply to any amount received under this subsection.

1 (c) *DESCRIPTION OF PROPERTY.*—*The exact acreage*
2 *and legal description of the real property to be conveyed*
3 *under subsection (a) shall be determined by a survey satis-*
4 *factory to the Secretary.*

5 (d) *ADDITIONAL TERMS AND CONDITIONS.*—*The Sec-*
6 *retary may require such additional terms and conditions*
7 *in connection with the conveyance under subsection (a) as*
8 *the Secretary considers appropriate to protect the interests*
9 *of the United States.*

10 **SEC. 2825. LAND CONVEYANCE, NAVAL STATION NEWPORT,**
11 **RHODE ISLAND.**

12 (a) *CONVEYANCE AUTHORIZED.*—*The Secretary of the*
13 *Navy may convey to the State of Rhode Island, or any polit-*
14 *ical subdivision thereof, any or all right, title, and interest*
15 *of the United States in and to a parcel of real property,*
16 *together with improvements thereon, consisting of approxi-*
17 *mately 34 acres located in Melville, Rhode Island, and*
18 *known as the Melville Marina site.*

19 (b) *CONSIDERATION.*—(1) *As consideration for the con-*
20 *veyance of real property under subsection (a), the conveyee*
21 *shall pay the United States an amount equal to the fair*
22 *market value of the real property, as determined by the Sec-*
23 *retary based on an appraisal of the real property acceptable*
24 *to the Secretary.*

1 (2) *Any consideration received under paragraph (1)*
2 *shall be deposited in the account established under section*
3 *204(h) of the Federal Property and Administrative Services*
4 *Act of 1949 (40 U.S.C. 485(h)), and shall be available as*
5 *provided for in that section.*

6 (c) *REIMBURSEMENT OF TRANSACTION COSTS.—(1)*
7 *The Secretary may require the conveyee of the real property*
8 *under subsection (a) to reimburse the Secretary for any*
9 *costs incurred by the Secretary in carrying out the convey-*
10 *ance.*

11 (2) *Any reimbursement for costs that is received under*
12 *paragraph (1) shall be credited to the fund or account pro-*
13 *viding funds for such costs. Amounts so credited shall be*
14 *merged with amounts in such fund or account, and shall*
15 *be available for the same purposes, and subject to the same*
16 *conditions and limitations, as amounts in such fund or ac-*
17 *count.*

18 (d) *DESCRIPTION OF PROPERTY.—The exact acreage*
19 *and legal description of the real property to be conveyed*
20 *under subsection (a) shall be determined by a survey satis-*
21 *factory to the Secretary.*

22 (e) *ADDITIONAL TERMS AND CONDITIONS.—The Sec-*
23 *retary may require such additional terms and conditions*
24 *in connection with the conveyance under subsection (a) as*

1 *the Secretary considers appropriate to protect the interests*
2 *of the United States.*

3 **SEC. 2826. LAND EXCHANGE, BUCKLEY AIR FORCE BASE,**
4 **COLORADO.**

5 (a) *EXCHANGE AUTHORIZED.*—Subject to subsection
6 (b), the Secretary of the Air Force may convey to the State
7 of Colorado (in this section referred to as the “State”) all
8 right, title, and interest of the United States in and to a
9 parcel of real property, including improvements thereon,
10 consisting of all or part of the Watkins Communications
11 Site in Arapahoe County, Colorado.

12 (b) *LIMITATION.*—The Secretary of the Air Force may
13 carry out the conveyance authorized by subsection (a) only
14 with the concurrence of the Secretary of Defense.

15 (c) *CONSIDERATION.*—(1) As consideration for the con-
16 veyance authorized by subsection (a) the State shall convey
17 to the United States of all right, title, and interest of the
18 State in and to a parcel of real property, including im-
19 provements thereon, consisting of approximately 41 acres
20 that is owned by the State and is contiguous to Buckley
21 Air Force Base, Colorado.

22 (2) The Secretary shall have jurisdiction over the real
23 property conveyed under paragraph (1).

24 (3) Upon conveyance to the United States under para-
25 graph (1), the real property conveyed under that paragraph

1 *is withdrawn from all forms of appropriation under the*
2 *general land laws, including the mining laws and mineral*
3 *and geothermal leasing laws.*

4 (d) *DESCRIPTION OF PROPERTY.*—*The exact acreage*
5 *and legal description of the parcels of real property to be*
6 *conveyed under this section shall be determined by surveys*
7 *satisfactory to the Secretary.*

8 (e) *ADDITIONAL TERMS AND CONDITIONS.*—*The Sec-*
9 *retary may require such additional terms and conditions*
10 *in connection with the conveyances under authorized by this*
11 *section as the Secretary considers appropriate to protect the*
12 *interests of the United States.*

13 **SEC. 2827. LAND ACQUISITION, BOUNDARY CHANNEL DRIVE**
14 **SITE, ARLINGTON, VIRGINIA.**

15 (a) *ACQUISITION AUTHORIZED.*—*The Secretary of De-*
16 *fense may, using amounts authorized to be appropriated to*
17 *be appropriated by section 2401, acquire all right, title, and*
18 *interest in and to a parcel of real property, including any*
19 *improvements thereon, in Arlington County, Virginia, con-*
20 *sisting of approximately 7.2 acres and known as the Bound-*
21 *ary Channel Drive Site. The parcel is located southeast of*
22 *Interstate Route 395 at the end of Boundary Channel Drive*
23 *and was most recently occupied by the Twin Bridges Mar-*
24 *riott.*

1 (b) *INCLUSION IN PENTAGON RESERVATION.*—Upon
2 *its acquisition under subsection (a), the parcel acquired*
3 *under that subsection shall be included in the Pentagon Res-*
4 *ervation, as that term is defined in section 2674(f)(1) of*
5 *title 10, United States Code.*

6 (c) *DESCRIPTION OF PROPERTY.*—*The exact acreage*
7 *and legal description of the real property to be acquired*
8 *under subsection (a) shall be determined by a survey satis-*
9 *factory to the Secretary.*

10 (d) *TERMS AND CONDITIONS.*—*The Secretary may re-*
11 *quire such terms and conditions in connection with the ac-*
12 *quisition under this section as the Secretary considers ap-*
13 *propriate to protect the interests of the United States.*

14 **SEC. 2828. LAND CONVEYANCES, WENDOVER AIR FORCE**
15 **BASE AUXILIARY FIELD, NEVADA.**

16 (a) *CONVEYANCES AUTHORIZED TO WEST WENDOVER,*
17 *NEVADA.*—(1) *The Secretary of the Interior may convey,*
18 *without consideration, to the City of West Wendover, Ne-*
19 *vada, all right, title, and interest of the United States in*
20 *and to the following:*

21 (A) *The lands at Wendover Air Force Base Aux-*
22 *iliary Field, Nevada, identified in Easement No.*
23 *AFMC-HL-2-00-334 that are determined by the Sec-*
24 *retary of the Air Force to be no longer required.*

1 (B) *The lands at Wendover Air Force Base Aux-*
2 *iliary Field identified for disposition on the map en-*
3 *itled “West Wendover, Nevada–Excess”, dated Janu-*
4 *ary 5, 2001, that are determined by the Secretary of*
5 *the Air Force to be no longer required.*

6 (2) *The purposes of the conveyances under this sub-*
7 *section are—*

8 (A) *to permit the establishment and maintenance*
9 *of runway protection zones; and*

10 (B) *to provide for the development of an indus-*
11 *trial park and related infrastructure.*

12 (3) *The map referred to in paragraph (1)(B) shall be*
13 *on file and available for public inspection in the offices of*
14 *the Director of the Bureau of Land Management and the*
15 *Elko District Office of the Bureau of Land Management.*

16 (b) *CONVEYANCE AUTHORIZED TO TOOELE COUNTY,*
17 *UTAH.—(1) The Secretary of the Interior may convey,*
18 *without consideration, to Tooele County, Utah, all right,*
19 *title, and interest of the United States in and to the lands*
20 *at Wendover Air Force Base Auxiliary Field identified in*
21 *Easement No. AFMC–HL–2–00–318 that are determined*
22 *by the Secretary of the Air Force to be no longer required.*

23 (2) *The purpose of the conveyance under this sub-*
24 *section is to permit the establishment and maintenance of*
25 *runway protection zones and an aircraft accident potential*

1 *protection zone as necessitated by continued military air-*
2 *craft operations at the Utah Test and Training Range.*

3 (c) *MANAGEMENT OF CONVEYED LANDS.—The lands*
4 *conveyed under subsections (a) and (b) shall be managed*
5 *by the City of West Wendover, Nevada, City of Wendover,*
6 *Utah, Tooele County, Utah, and Elko County, Nevada—*

7 (1) *in accordance with the provisions of an*
8 *Interlocal Memorandum of Agreement entered into be-*
9 *tween the Cities of West Wendover, Nevada, and*
10 *Wendover, Utah, Tooele County, Utah, and Elko*
11 *County, Nevada, providing for the coordinated man-*
12 *agement and development of the lands for the eco-*
13 *nomie benefit of both communities; and*

14 (2) *in a manner that is consistent with such pro-*
15 *visions of the easements referred to subsections (a)*
16 *and (b) that, as jointly determined by the Secretary*
17 *of the Air Force and Secretary of the Interior, remain*
18 *applicable and relevant to the operation and manage-*
19 *ment of the lands following conveyance and are con-*
20 *sistent with the provisions of this section.*

21 (d) *ADDITIONAL TERMS AND CONDITIONS.—The Sec-*
22 *retary of the Air Force and the Secretary of the Interior*
23 *may jointly require such additional terms and conditions*
24 *in connection with the conveyances required by subsections*

1 (a) and (b) as the Secretaries consider appropriate to pro-
2 tect the interests of the United States.

3 **SEC. 2829. LAND CONVEYANCE, FORT HOOD, TEXAS.**

4 (a) *CONVEYANCE AUTHORIZED.*—The Secretary of the
5 Army may convey, without consideration, to the Veterans
6 Land Board of the State of Texas (in this section referred
7 to as the “Board”), all right, title, and interest of the
8 United States in and to a parcel of real property, including
9 any improvements thereon, consisting of approximately 174
10 acres at Fort Hood, Texas, for the purpose of permitting
11 the Board to establish a State-run cemetery for veterans.

12 (b) *REVERSIONARY INTEREST.*—(1) If at the end of the
13 five-year period beginning on the date of the conveyance
14 authorized by subsection (a), the Secretary determines that
15 the property conveyed under that subsection is not being
16 used for the purpose specified in that subsection, all right,
17 title, and interest in and to the property, including any
18 improvements thereon, shall revert to the United States, and
19 the United States shall have the right of immediate entry
20 thereon.

21 (2) Any determination of the Secretary under this sub-
22 section shall be made on the record after an opportunity
23 for a hearing.

24 (c) *DESCRIPTION OF PROPERTY.*—The exact acreage
25 and legal description of the real property to be conveyed

1 *under subsection (a) shall be determined by a survey satis-*
2 *factory to the Secretary. The cost of the survey shall be borne*
3 *by the Board.*

4 *(d) ADDITIONAL TERMS AND CONDITIONS.—The Sec-*
5 *retary may require such additional terms and conditions*
6 *in connection with the conveyance under subsection (a) as*
7 *the Secretary considers appropriate to protect the interests*
8 *of the United States.*

9 **SEC. 2830. LAND CONVEYANCES, ENGINEER PROVING**
10 **GROUND, FORT BELVOIR, VIRGINIA.**

11 *(a) CONVEYANCE TO FAIRFAX COUNTY, VIRGINIA, AU-*
12 *THORIZED.—(1) The Secretary of the Army may convey,*
13 *without consideration, to Fairfax County, Virginia, all*
14 *right, title, and interest of the United States in and to a*
15 *parcel of real property, including any improvements there-*
16 *on, consisting of approximately 135 acres, located in the*
17 *northwest portion of the Engineer Proving Ground (EPG)*
18 *at Fort Belvoir, Virginia, in order to permit the County*
19 *to use such property for park and recreational purposes.*

20 *(2) The parcel of real property authorized to be con-*
21 *veyed by paragraph (1) is generally described as that por-*
22 *tion of the Engineer Proving Ground located west of*
23 *Accotink Creek, east of the Fairfax County Parkway, and*
24 *north of Cissna Road to the northern boundary, but ex-*
25 *cludes a parcel of land consisting of approximately 15 acres*

1 *located in the southeast corner of such portion of the Engi-*
2 *neer Proving Ground.*

3 (3) *The land excluded under paragraph (2) from the*
4 *parcel of real property authorized to be conveyed by para-*
5 *graph (1) shall be reserved for an access road to be con-*
6 *structed in the future.*

7 (b) *CONVEYANCE OF BALANCE OF PROPERTY AUTHOR-*
8 *IZED.—The Secretary may convey to any competitively se-*
9 *lected grantee all right, title, and interest of the United*
10 *States in and to the real property, including any improve-*
11 *ments thereon, at the Engineering Proving Ground, not*
12 *conveyed under the authority in subsection (a).*

13 (c) *CONSIDERATION.—(1) As consideration for the con-*
14 *veyance authorized by subsection (b), the grantee shall pro-*
15 *vide the United States, whether by cash payment, in-kind*
16 *contribution, or a combination thereof, an amount that is*
17 *not less than the fair market value, as determined by the*
18 *Secretary, of the property conveyed under that subsection.*

19 (2) *In-kind consideration under paragraph (1) may*
20 *include the maintenance, improvement, alteration, repair,*
21 *remodeling, restoration (including environmental restora-*
22 *tion), or construction of facilities for the Department of the*
23 *Army at Fort Belvoir or at any other site or sites des-*
24 *ignated by the Secretary.*

1 (3) *If in-kind consideration under paragraph (1) in-*
2 *cludes the construction of facilities, the grantee shall also*
3 *convey to the United States—*

4 (A) *title to such facilities, free of all liens and*
5 *other encumbrances; and*

6 (B) *if the United States does not have fee simple*
7 *title to the land underlying such facilities, convey to*
8 *the United States all right, title, and interest in and*
9 *to such lands not held by the United States.*

10 (4) *The Secretary shall deposit any cash received as*
11 *consideration under this subsection in the special account*
12 *established pursuant to section 204(h) of the Federal Prop-*
13 *erty and Administrative Services Act of 1949 (40 U.S.C.*
14 *485(h)).*

15 (d) *REPEAL OF SUPERSEDED AUTHORITY.—Section*
16 *2821 of the Military Construction Authorization Act for*
17 *Fiscal Years 1990 and 1991 (division B of Public Law 101–*
18 *189; 103 Stat. 1658), as amended by section 2854 of the*
19 *Military Construction Authorization Act for Fiscal Year*
20 *1996 (division B of Public Law 104–106; 110 Stat. 568),*
21 *is repealed.*

22 (e) *DESCRIPTION OF PROPERTY.—The exact acreage*
23 *and legal description of the real property to be conveyed*
24 *under subsections (a) and (b) shall be determined by surveys*

1 *satisfactory to the Secretary. The cost of each such survey*
2 *shall be borne by the grantee.*

3 (f) *ADDITIONAL TERMS AND CONDITIONS.—The Sec-*
4 *retary may require such additional terms and conditions*
5 *in connection with the conveyances under subsections (a)*
6 *and (b) as the Secretary considers appropriate to protect*
7 *the interests of the United States.*

8 **SEC. 2831. MASTER PLAN FOR USE OF NAVY ANNEX, AR-**
9 **LINGTON, VIRGINIA.**

10 (a) *REPEAL OF COMMISSION ON NATIONAL MILITARY*
11 *MUSEUM.—Title XXIX of the Military Construction Au-*
12 *thorization Act for Fiscal Year 2000 (division B of Public*
13 *Law 106–65; 113 Stat. 880; 10 U.S.C. 111 note) is repealed.*

14 (b) *MODIFICATION OF AUTHORITY FOR TRANSFER*
15 *FROM NAVY ANNEX.—Section 2881 of the Military Con-*
16 *struction Authorization Act for Fiscal Year 2000 (113 Stat.*
17 *879) is amended—*

18 (1) *in subsection (b)(2), as amended by section*
19 *2863(f) of the Military Construction Authorization*
20 *Act for Fiscal Year 2002 (division B of Public Law*
21 *107–107; 115 Stat. 1332), by striking “as a site—”*
22 *and all that follows and inserting “as a site for such*
23 *other memorials or museums that the Secretary con-*
24 *siders compatible with Arlington National Cemetery*
25 *and the Air Force Memorial.”; and*

1 (2) *in subsection (d)—*

2 (A) *in paragraph (2), by striking “the rec-*
3 *ommendation (if any) of the Commission on the*
4 *National Military Museum to use a portion of*
5 *the Navy Annex property as the site for the Na-*
6 *tional Military Museum”, and inserting “the use*
7 *of the acres reserved under (b)(2) as a memorial*
8 *or museum”; and*

9 (B) *in paragraph (4), by striking “the date*
10 *on which the Commission on the National Mili-*
11 *tary Museum submits to Congress its report*
12 *under section 2903” and inserting “the date of*
13 *the enactment of the National Defense Authoriza-*
14 *tion Act for Fiscal Year 2003”.*

15 (c) *CONSTRUCTION OF AMENDMENTS.—The amend-*
16 *ments made by subsections (a) and (b) may not be con-*
17 *strued to delay the establishment of the United States Air*
18 *Force Memorial authorized by section 2863 of the Military*
19 *Construction Authorization Act for Fiscal Year 2002 (115*
20 *Stat. 1330).*

21 **SEC. 2832. LAND CONVEYANCE, SUNFLOWER ARMY AMMUNI-**
22 **TION PLANT, KANSAS.**

23 (a) *CONVEYANCE AUTHORIZED.—The Secretary of the*
24 *Army or the Administrator of General Services may convey,*
25 *without consideration, to the Johnson County Park and*

1 *Recreation District, Kansas (in this section referred to as*
2 *the “District”), all right, title, and interest of the United*
3 *States in and to a parcel of real property, including any*
4 *improvements thereon, in the State of Kansas consisting of*
5 *approximately 2,000 acres, a portion of the Sunflower*
6 *Army Ammunition Plant. The purpose of the conveyance*
7 *is to permit the District to use the parcel for public rec-*
8 *reational purposes.*

9 **(b) DESCRIPTION OF PROPERTY.**—*The exact acreage,*
10 *location, and legal description of the real property to be*
11 *conveyed under subsection (a) shall be determined by a sur-*
12 *vey satisfactory to the official making the conveyance. The*
13 *cost of such legal description, survey, or both shall be borne*
14 *by the District.*

15 **(c) ADDITIONAL TERMS AND CONDITIONS.**—*The offi-*
16 *cial making the conveyance of real property under sub-*
17 *section (a) may require such additional terms and condi-*
18 *tions in connection with the conveyance as that official con-*
19 *siders appropriate to protect the interests of the United*
20 *States.*

21 **(d) EFFECTIVE DATE.**—*This section shall take effect*
22 *on January 31, 2003.*

1 **SEC. 2833. LAND CONVEYANCE, BLUEGRASS ARMY DEPOT,**
2 **RICHMOND, KENTUCKY.**

3 (a) *CONVEYANCE AUTHORIZED.*—(1) *The Secretary of*
4 *the Army may convey, without consideration, to Madison*
5 *County, Kentucky (in this section referred to as the “Coun-*
6 *ty”), all right, title, and interest of the United States in*
7 *and to a parcel of real property, including any improve-*
8 *ments thereon, consisting of approximately 10 acres at the*
9 *Bluegrass Army Depot, Richmond, Kentucky, for the pur-*
10 *pose of facilitating the construction of a veterans’ center on*
11 *the parcel by the State of Kentucky.*

12 (2) *The Secretary may not make the conveyance au-*
13 *thorized by this subsection unless the Secretary determines*
14 *that the State of Kentucky has appropriated adequate funds*
15 *for the construction of the veterans’ center.*

16 (b) *REVERSIONARY INTEREST.*—*If the Secretary deter-*
17 *mines that the real property conveyed under subsection (a)*
18 *ceases to be utilized for the sole purpose of a veterans’ center*
19 *or that reasonable progress is not demonstrated in con-*
20 *structing the center and initiating services to veterans, all*
21 *right, title, and interest in and to the property shall revert*
22 *to the United States, and the United States shall have the*
23 *right of immediate entry onto the property. Any determina-*
24 *tion under this subsection shall be made on the record after*
25 *an opportunity for a hearing.*

1 (c) *ADMINISTRATIVE EXPENSES.*—*The Secretary shall*
2 *apply section 2695 of title 10, United States Code, to the*
3 *conveyance authorized by subsection (a).*

4 (d) *DESCRIPTION OF PROPERTY.*—*The exact acreage*
5 *and legal description of the real property to be conveyed*
6 *under subsection (a) shall be determined by a survey satis-*
7 *factory to the Secretary. The cost of the survey shall be borne*
8 *by the County.*

9 (e) *ADDITIONAL TERMS AND CONDITIONS.*—*The Sec-*
10 *retary may require such additional terms and conditions*
11 *in connection with the conveyance under subsection (a) as*
12 *the Secretary considers appropriate to protect the interests*
13 *of the United States.*

14 ***Subtitle D—Other Matters***

15 ***SEC. 2841. TRANSFER OF FUNDS FOR ACQUISITION OF RE-*** 16 ***PLACEMENT PROPERTY FOR NATIONAL WILD-*** 17 ***LIFE REFUGE SYSTEM LANDS IN NEVADA.***

18 (a) *TRANSFER OF FUNDS AUTHORIZED.*—(1) *The Sec-*
19 *retary of the Air Force may, using amounts authorized to*
20 *be appropriated by section 2304(a), transfer to the United*
21 *States Fish and Wildlife Service \$15,000,000 to fulfill the*
22 *obligations of the Air Force under section 3011(b)(5)(F) of*
23 *the Military Lands Withdrawal Act of 1999 (title XXX of*
24 *Public Law 106–65; 113 Stat. 889).*

1 (2) *Upon receipt by the Service of the funds transferred*
2 *under paragraph (1), the obligations of the Air Force re-*
3 *ferred to in that paragraph shall be considered fulfilled.*

4 (b) *CONTRIBUTION TO FOUNDATION.—(1) The United*
5 *States Fish and Wildlife Service may grant funds received*
6 *by the Service under subsection (a) in a lump sum to the*
7 *National Fish and Wildlife Foundation for use in accom-*
8 *plishing the purposes of section 3011(b)(5)(F) of the Mili-*
9 *tary Lands Withdrawal Act of 1999.*

10 (2) *Funds received by the Foundation under para-*
11 *graph (1) shall be subject to the provisions of the National*
12 *Fish and Wildlife Foundation Establishment Act (16*
13 *U.S.C. 3701 et seq.), other than section 10(a) of that Act*
14 *(16 U.S.C. 3709(a)).*

1 ***DIVISION C—DEPARTMENT OF***
2 ***ENERGY NATIONAL SECURITY***
3 ***AUTHORIZATIONS AND***
4 ***OTHER AUTHORIZATIONS***
5 ***TITLE XXXI—DEPARTMENT OF***
6 ***ENERGY NATIONAL SECURITY***
7 ***PROGRAMS***
8 ***Subtitle A—National Security***
9 ***Programs Authorizations***

10 ***SEC. 3101. NATIONAL NUCLEAR SECURITY ADMINISTRA-***
11 ***TION.***

12 *Funds are hereby authorized to be appropriated to the*
13 *Department of Energy for fiscal year 2003 for the activities*
14 *of the National Nuclear Security Administration in car-*
15 *rying out programs necessary for national security in the*
16 *amount of \$8,160,043,000, to be allocated as follows:*

17 *(1) WEAPONS ACTIVITIES.—For weapons activi-*
18 *ties, \$5,988,188,000, to be allocated as follows:*

19 *(A) For directed stockpile work,*
20 *\$1,218,967,000.*

21 *(B) For campaigns, \$2,090,528,000, to be*
22 *allocated as follows:*

23 *(i) For operation and maintenance,*
24 *\$1,740,983,000.*

1 (ii) For construction, \$349,545,000, to
2 be allocated as follows:

3 Project 01–D–101, distributed in-
4 formation systems laboratory, Sandia
5 National Laboratories, Livermore,
6 California, \$13,305,000.

7 Project 00–D–103, terascale sim-
8 ulation facility, Lawrence Livermore
9 National Laboratory, Livermore, Cali-
10 fornia, \$35,030,000.

11 Project 00–D–107, joint computa-
12 tional engineering laboratory, Sandia
13 National Laboratories, Albuquerque,
14 New Mexico, \$7,000,000.

15 Project 98–D–125, tritium extrac-
16 tion facility, Savannah River Plant,
17 Aiken, South Carolina, \$70,165,000.

18 Project 96–D–111, national igni-
19 tion facility (NIF), Lawrence Liver-
20 more National Laboratory, Livermore,
21 California, \$224,045,000.

22 (C) For readiness in technical base and fa-
23 cilities, \$1,735,129,000, to be allocated as follows:

24 (i) For operation and maintenance,
25 \$1,464,783,000.

1 (ii) For plant projects (including
2 maintenance, restoration, planning, con-
3 struction, acquisition, modification of fa-
4 cilities, and the continuation of projects au-
5 thorized in prior years, and land acquisi-
6 tion related thereto), \$270,346,000, to be al-
7 located as follows:

8 Project 03-D-101, Sandia under-
9 ground reactor facility (SURF),
10 Sandia National Laboratory, Liver-
11 more, California, \$2,000,000.

12 Project 03-D-103, project engi-
13 neering and design (PED), various lo-
14 cations, \$17,839,000.

15 Project 03-D-121, gas transfer
16 capacity expansion, Kansas City
17 Plant, Kansas City, Missouri,
18 \$4,000,000.

19 Project 03-D-122, purification
20 prototype facility, Y-12 Plant, Oak
21 Ridge, Tennessee, \$20,800,000.

22 Project 03-D-123, special nuclear
23 material component requalification fa-
24 cility, Pantex Plant, Amarillo, Texas,
25 \$3,000,000

1 *Project 02-D-103, project engi-*
2 *neering and design (PED), various lo-*
3 *cations, \$24,945,000.*

4 *Project 02-D-105, engineering*
5 *technology complex upgrade, Lawrence*
6 *Livermore National Laboratory, Liver-*
7 *more, California, \$10,000,000.*

8 *Project 02-D-107, electrical*
9 *power systems safety communications*
10 *and bus upgrades, Nevada Test Site,*
11 *Nevada, \$7,500,000.*

12 *Project 01-D-103, project engi-*
13 *neering and design (PED), various lo-*
14 *cations, \$6,164,000.*

15 *Project 01-D-107, Atlas reloca-*
16 *tion, Nevada Test Site, Nevada,*
17 *\$4,123,000.*

18 *Project 01-D-108, microsystems*
19 *and engineering sciences applications*
20 *(MESA), Sandia National Labora-*
21 *tories, Albuquerque, New Mexico,*
22 *\$75,000,000.*

23 *Project 01-D-124, HEU storage*
24 *facility, Y-12 Plant, Oak Ridge, Ten-*
25 *nessee, \$25,000,000.*

1 *Project 01–D–126, weapons eval-*
2 *uation test laboratory, Pantex Plant,*
3 *Amarillo, Texas, \$8,650,000.*

4 *Project 01–D–800, sensitive com-*
5 *partmented information facility, Law-*
6 *rence Livermore National Laboratory,*
7 *Livermore, California, \$9,611,000.*

8 *Project 99–D–103, isotope sciences*
9 *facilities, Lawrence Livermore Na-*
10 *tional Laboratory, Livermore, Cali-*
11 *formia, \$4,011,000.*

12 *Project 99–D–104, protection of*
13 *real property (roof reconstruction,*
14 *phase II), Lawrence Livermore Na-*
15 *tional Laboratory, Livermore, Cali-*
16 *formia, \$5,915,000.*

17 *Project 99–D–127, stockpile man-*
18 *agement restructuring initiative, Kan-*
19 *sas City Plant, Kansas City, Missouri,*
20 *\$29,900,000.*

21 *Project 99–D–128, stockpile man-*
22 *agement restructuring initiative,*
23 *Pantex Plant, Amarillo, Texas,*
24 *\$407,000.*

1 *Project 98–D–123, stockpile man-*
2 *agement restructuring initiative, trit-*
3 *ium facility modernization and con-*
4 *solidation, Savannah River Plant,*
5 *Aiken, South Carolina, \$10,481,000.*

6 *Project 96–D–102, stockpile stew-*
7 *ardship facilities revitalization, Phase*
8 *VI, various locations, \$1,000,000.*

9 *(C) For secure transportation asset,*
10 *\$157,083,000, to be allocated as follows:*

11 *(i) For operation and maintenance,*
12 *\$102,578,000.*

13 *(ii) For program direction,*
14 *\$54,505,000.*

15 *(D) For safeguards and security,*
16 *\$574,954,000, to be allocated as follows:*

17 *(i) For operation and maintenance,*
18 *\$566,054,000.*

19 *(ii) For plant projects (including*
20 *maintenance, restoration, planning, con-*
21 *struction, acquisition, modification of fa-*
22 *ilities, and the continuation of projects au-*
23 *thorized in prior years, and land acquisi-*
24 *tion related thereto), \$8,900,000, to be allo-*
25 *cated as follows:*

1 *Project 99–D–132, stockpile man-*
2 *agement restructuring initiative, nu-*
3 *clear material safeguards and security*
4 *upgrades project, Los Alamos National*
5 *Laboratory, Los Alamos, New Mexico,*
6 *\$8,900,000.*

7 *(E) For facilities and infrastructure,*
8 *\$242,512,000.*

9 *(2) DEFENSE NUCLEAR NONPROLIFERATION.—*
10 *For defense nuclear nonproliferation activities,*
11 *\$1,129,130,000, to be allocated as follows:*

12 *(A) For operation and maintenance,*
13 *\$1,037,130,000, to be allocated as follows:*

14 *(i) For nonproliferation and*
15 *verification research and development,*
16 *\$298,907,000.*

17 *(ii) For nonproliferation programs,*
18 *\$446,223,000.*

19 *(iii) For fissile materials,*
20 *\$292,000,000.*

21 *(B) For plant projects (including mainte-*
22 *nance, restoration, planning, construction, ac-*
23 *quisition, modification of facilities, and the con-*
24 *tinuation of projects authorized in prior years,*

1 *and land acquisition related thereto),*
2 *\$156,000,000, to be allocated as follows:*

3 *Project 01–D–407, highly enriched*
4 *uranium blend-down, Savannah River Site,*
5 *Aiken, South Carolina, \$30,000,000.*

6 *Project 99–D–141, pit disassembly and*
7 *conversion facility, Savannah River Site,*
8 *Aiken, South Carolina, \$33,000,000.*

9 *Project 99–D–143, mixed oxide fuel*
10 *fabrication facility, Savannah River Site,*
11 *Aiken, South Carolina, \$93,000,000.*

12 (3) *NAVAL REACTORS.—For naval reactors,*
13 *\$707,020,000, to be allocated as follows:*

14 (A) *For naval reactors development,*
15 *\$682,590,000, to be allocated as follows:*

16 (i) *For operation and maintenance,*
17 *\$671,290,000.*

18 (ii) *For plant projects (including*
19 *maintenance, restoration, planning, con-*
20 *struction, acquisition, modification of fa-*
21 *ilities, and the continuation of projects au-*
22 *thorized in prior years, and land acquisi-*
23 *tion related thereto), \$11,300,000, to be allo-*
24 *cated as follows:*

1 *Project 03–D–201, cleanroom*
2 *technology facility, Bettis Atomic*
3 *Power Laboratory, West Mifflin, Penn-*
4 *sylvania, \$7,200,000.*

5 *Project 01–D–200, major office re-*
6 *placement building, Schenectady, New*
7 *York, \$2,100,000.*

8 *Project 90–N–102, expended core*
9 *facility dry cell project, Naval Reactors*
10 *Facility, Idaho, \$2,000,000.*

11 *(B) For program direction, \$24,430,000.*

12 *(4) OFFICE OF ADMINISTRATOR FOR NUCLEAR*
13 *SECURITY.—For the Office of the Administrator for*
14 *Nuclear Security, and for program direction for the*
15 *National Nuclear Security Administration (other*
16 *than for naval reactors and secure transportation*
17 *asset), \$335,705,000.*

18 **SEC. 3102. DEFENSE ENVIRONMENTAL MANAGEMENT.**

19 *Funds are hereby authorized to be appropriated to the*
20 *Department of Energy for fiscal year 2003 for environ-*
21 *mental management activities in carrying out programs*
22 *necessary for national security in the amount of*
23 *\$6,710,774,000, to be allocated as follows:*

24 *(1) CLOSURE PROJECTS.—For closure projects*
25 *carried out in accordance with section 3143 of the*

1 *National Defense Authorization Act for Fiscal Year*
2 *1997 (Public Law 104-201; 110 Stat. 2836; 42*
3 *U.S.C. 7277n), \$1,109,314,000.*

4 (2) *SITE/PROJECT COMPLETION.—For site com-*
5 *pletion and project completion in carrying out envi-*
6 *ronmental management activities necessary for na-*
7 *tional security programs, \$793,950,000, to be allo-*
8 *cated as follows:*

9 (A) *For operation and maintenance,*
10 *\$779,706,000.*

11 (B) *For plant projects (including mainte-*
12 *nance, restoration, planning, construction, ac-*
13 *quisition, modification of facilities, and the con-*
14 *tinuation of projects authorized in prior years,*
15 *and land acquisition related thereto),*
16 *\$14,244,000, to be allocated as follows:*

17 *Project 02-D-402, Intec cathodic pro-*
18 *tection system expansion, Idaho National*
19 *Engineering and Environmental Labora-*
20 *tory, Idaho Falls, Idaho, \$1,119,000.*

21 *Project 02-D-420, plutonium sta-*
22 *bilization and packaging, Savannah River*
23 *Site, Aiken, South Carolina, \$2,000,000.*

1 *Project 01–D–414, project engineering*
2 *and design (PED), various locations,*
3 *\$5,125,000.*

4 *Project 86–D–103, decontamination*
5 *and waste treatment facility, Lawrence*
6 *Livermore National Laboratory, Livermore,*
7 *California, \$6,000,000.*

8 *(3) POST-2006 COMPLETION.—For post-2006 com-*
9 *pletion in carrying out environmental restoration*
10 *and waste management activities necessary for na-*
11 *tional security programs, \$2,617,199,000, to be allo-*
12 *cated as follows:*

13 *(A) For operation and maintenance,*
14 *\$1,704,341,000.*

15 *(B) For plant projects (including mainte-*
16 *nance, restoration, planning, construction, ac-*
17 *quisition, modification of facilities, and the con-*
18 *tinuation of projects authorized in prior years,*
19 *and land acquisition related thereto),*
20 *\$14,870,000, to be allocated as follows:*

21 *Project 93–D–187, high-level waste re-*
22 *moval from filled waste tanks, Savannah*
23 *River Site, Aiken, South Carolina,*
24 *\$14,870,000.*

1 (C) *For the Office of River Protection in*
2 *carrying out environmental restoration and*
3 *waste management activities necessary for na-*
4 *tional security programs, \$897,988,000, to be al-*
5 *located as follows:*

6 (i) *For operation and maintenance,*
7 *\$226,256,000.*

8 (ii) *For plant projects (including*
9 *maintenance, restoration, planning, con-*
10 *struction, acquisition, modification of fa-*
11 *cilities, and the continuation of projects au-*
12 *thorized in prior years, and land acquisi-*
13 *tion related thereto), \$671,732,000, to be al-*
14 *located as follows:*

15 *Project 03-D-403, immobilized*
16 *high-level waste interim storage facil-*
17 *ity, Richland, Washington, \$6,363,000.*

18 *Project 01-D-416, waste treat-*
19 *ment and immobilization plant, Rich-*
20 *land, Washington, \$619,000,000.*

21 *Project 97-D-402, tank farm res-*
22 *toration and safe operations, Richland,*
23 *Washington, \$25,424,000.*

1 *Project 94-D-407, initial tank re-*
2 *trieval systems, Richland, Washington,*
3 *\$20,945,000.*

4 (4) *SCIENCE AND TECHNOLOGY DEVELOPMENT.—*
5 *For science and technology development in carrying*
6 *out environmental management activities necessary*
7 *for national security programs, \$92,000,000.*

8 (5) *EXCESS FACILITIES.—For excess facilities in*
9 *carrying out environmental management activities*
10 *necessary for national security programs, \$1,300,000.*

11 (6) *SAFEGUARDS AND SECURITY.—For safe-*
12 *guards and security in carrying out environmental*
13 *management activities necessary for national security*
14 *programs, \$278,260,000.*

15 (7) *URANIUM ENRICHMENT DECONTAMINATION*
16 *AND DECOMMISSIONING FUND.—For contribution to*
17 *the Uranium Enrichment Decontamination and De-*
18 *commissioning Fund under chapter 28 of the Atomic*
19 *Energy Act of 1954 (42 U.S.C. 2297g et seq.),*
20 *\$441,000,000.*

21 (8) *ENVIRONMENTAL MANAGEMENT CLEANUP RE-*
22 *FORM.—For accelerated environmental restoration*
23 *and waste management activities, \$1,000,000,000.*

24 (9) *PROGRAM DIRECTION.—For program direc-*
25 *tion in carrying out environmental restoration and*

1 *waste management activities necessary for national*
2 *security programs, \$396,098,000.*

3 **SEC. 3103. OTHER DEFENSE ACTIVITIES.**

4 *Funds are hereby authorized to be appropriated to the*
5 *Department of Energy for fiscal year 2003 for other defense*
6 *activities in carrying out programs necessary for national*
7 *security in the amount of \$489,883,000, to be allocated as*
8 *follows:*

9 (1) *INTELLIGENCE.—For intelligence,*
10 *\$43,559,000.*

11 (2) *COUNTERINTELLIGENCE.—For counterintel-*
12 *ligence, \$48,083,000.*

13 (3) *OFFICE OF SECURITY.—For the Office of Se-*
14 *curity for security, \$252,218,000, to be allocated as*
15 *follows:*

16 (A) *For nuclear safeguards and security,*
17 *\$156,102,000.*

18 (B) *For security investigations,*
19 *\$45,870,000.*

20 (C) *For program direction, \$50,246,000.*

21 (4) *INDEPENDENT OVERSIGHT AND PERFORM-*
22 *ANCE ASSURANCE.—For independent oversight and*
23 *performance assurance, \$22,615,000.*

1 (5) *OFFICE OF ENVIRONMENT, SAFETY, AND*
2 *HEALTH.—For the Office of Environment, Safety,*
3 *and Health, \$104,910,000, to be allocated as follows:*

4 (A) *For environment, safety, and health*
5 *(defense), \$86,892,000.*

6 (B) *For program direction, \$18,018,000.*

7 (6) *WORKER AND COMMUNITY TRANSITION AS-*
8 *SISTANCE.—For worker and community transition*
9 *assistance, \$25,774,000, to be allocated as follows:*

10 (A) *For worker and community transition,*
11 *\$22,965,000.*

12 (B) *For program direction, \$2,809,000.*

13 (7) *OFFICE OF HEARINGS AND APPEALS.—For*
14 *the Office of Hearings and Appeals, \$3,136,000.*

15 **SEC. 3104. DEFENSE ENVIRONMENTAL MANAGEMENT PRI-**
16 **VATIZATION.**

17 *Funds are hereby authorized to be appropriated to the*
18 *Department of Energy for fiscal year 2003 for privatization*
19 *initiatives in carrying out environmental restoration and*
20 *waste management activities necessary for national security*
21 *programs in the amount of \$158,399,000, to be allocated*
22 *as follows:*

23 *Project 98–PVT–2, spent nuclear fuel dry stor-*
24 *age, Idaho Falls, Idaho, \$53,399,000.*

1 *Project 97–PVT–2, advanced mixed waste treat-*
2 *ment project, Idaho Falls, Idaho, \$105,000,000.*

3 **SEC. 3105. DEFENSE NUCLEAR WASTE DISPOSAL.**

4 *Funds are hereby authorized to be appropriated to the*
5 *Department of Energy for fiscal year 2003 for payment to*
6 *the Nuclear Waste Fund established in section 302(c) of the*
7 *Nuclear Waste Policy Act of 1982 (42 U.S.C. 10222(c)) in*
8 *the amount of \$215,000,000.*

9 ***Subtitle B—Recurring General***
10 ***Provisions***

11 **SEC. 3121. REPROGRAMMING.**

12 *(a) IN GENERAL.—Until the Secretary of Energy sub-*
13 *mits to the congressional defense committees the report re-*
14 *ferred to in subsection (b) and a period of 30 days has*
15 *elapsed after the date on which such committees receive the*
16 *report, the Secretary may not use amounts appropriated*
17 *pursuant to this title for any program—*

18 *(1) in amounts that exceed, in a fiscal year—*

19 *(A) 115 percent of the amount authorized*
20 *for that program by this title; or*

21 *(B) \$5,000,000 more than the amount au-*
22 *thorized for that program by this title; or*

23 *(2) which has not been presented to, or requested*
24 *of, Congress.*

1 (b) *REPORT.*—(1) *The report referred to in subsection*
2 *(a) is a report containing a full and complete statement*
3 *of the action proposed to be taken and the facts and cir-*
4 *cumstances relied upon in support of the proposed action.*

5 (2) *In the computation of the 30-day period under sub-*
6 *section (a), there shall be excluded any day on which either*
7 *House of Congress is not in session because of an adjourn-*
8 *ment of more than 3 days to a day certain.*

9 (c) *LIMITATIONS.*—(1) *In no event may the total*
10 *amount of funds obligated pursuant to this title exceed the*
11 *total amount authorized to be appropriated by this title.*

12 (2) *Funds appropriated pursuant to this title may not*
13 *be used for an item for which Congress has specifically de-*
14 *nied funds.*

15 **SEC. 3122. LIMITS ON MINOR CONSTRUCTION PROJECTS.**

16 (a) *AUTHORITY.*—*The Secretary of Energy may carry*
17 *out any minor construction project using operation and*
18 *maintenance funds, or facilities and infrastructure funds,*
19 *authorized by this title.*

20 (b) *ANNUAL REPORT.*—*The Secretary shall submit to*
21 *the congressional defense committees on an annual basis a*
22 *report on each exercise of the authority in subsection (a)*
23 *during the preceding year. Each report shall provide a brief*
24 *description of each minor construction project covered by*
25 *the report.*

1 (c) *COST VARIATION REPORTS TO CONGRESSIONAL*
2 *COMMITTEES.*—*If, at any time during the construction of*
3 *any minor construction project authorized by this title, the*
4 *estimated cost of the project is revised and the revised cost*
5 *of the project exceeds \$5,000,000, the Secretary shall imme-*
6 *diately submit to the congressional defense committees a re-*
7 *port explaining the reasons for the cost variation.*

8 (d) *MINOR CONSTRUCTION PROJECT DEFINED.*—*In*
9 *this section, the term “minor construction project” means*
10 *any plant project not specifically authorized by law if the*
11 *approved total estimated cost of the plant project does not*
12 *exceed \$5,000,000.*

13 **SEC. 3123. LIMITS ON CONSTRUCTION PROJECTS.**

14 (a) *IN GENERAL.*—(1) *Except as provided in para-*
15 *graph (2), construction on a construction project may not*
16 *be started or additional obligations incurred in connection*
17 *with the project above the total estimated cost, whenever the*
18 *current estimated cost of the construction project, author-*
19 *ized by section 3101, 3102, or 3103, or which is in support*
20 *of national security programs of the Department of Energy*
21 *and was authorized by any previous Act, exceeds by more*
22 *than 25 percent the higher of—*

23 (A) *the amount authorized for the project; or*

1 (B) the amount of the total estimated cost for the
2 project as shown in the most recent budget justifica-
3 tion data submitted to Congress.

4 (2) An action described in paragraph (1) may be taken
5 if—

6 (A) the Secretary of Energy has submitted to the
7 congressional defense committees a report on the ac-
8 tions and the circumstances making such action nec-
9 essary; and

10 (B) a period of 30 days has elapsed after the
11 date on which the report is received by the commit-
12 tees.

13 (b) *EXCEPTION.*—Subsection (a) does not apply to a
14 construction project with a current estimated cost of less
15 than \$5,000,000.

16 **SEC. 3124. FUND TRANSFER AUTHORITY.**

17 (a) *TRANSFER TO OTHER FEDERAL AGENCIES.*—The
18 Secretary of Energy may transfer funds authorized to be
19 appropriated to the Department of Energy pursuant to this
20 title to other Federal agencies for the performance of work
21 for which the funds were authorized. Funds so transferred
22 may be merged with and be available for the same purposes
23 and for the same time period as the authorizations of the
24 Federal agency to which the amounts are transferred.

1 (b) *TRANSFER WITHIN DEPARTMENT OF ENERGY.*—

2 (1) *Subject to paragraph (2), the Secretary of Energy may*
3 *transfer funds authorized to be appropriated to the Depart-*
4 *ment of Energy pursuant to this title between any such au-*
5 *thorizations. Amounts of authorizations so transferred may*
6 *be merged with and be available for the same purposes and*
7 *for the same period as the authorization to which the*
8 *amounts are transferred.*

9 (2) *Not more than 5 percent of any such authorization*
10 *may be transferred between authorizations under para-*
11 *graph (1). No such authorization may be increased or de-*
12 *creased by more than 5 percent by a transfer under such*
13 *paragraph.*

14 (c) *LIMITATIONS.*—*The authority provided by this sub-*
15 *section to transfer authorizations—*

16 (1) *may be used only to provide funds for items*
17 *relating to activities necessary for national security*
18 *programs that have a higher priority than the items*
19 *from which the funds are transferred; and*

20 (2) *may not be used to provide funds for an item*
21 *for which Congress has specifically denied funds.*

22 (d) *NOTICE TO CONGRESS.*—*The Secretary of Energy*
23 *shall promptly notify the Committees on Armed Services*
24 *of the Senate and House of Representatives of any transfer*
25 *of funds to or from authorizations under this title.*

1 **SEC. 3125. AUTHORITY FOR CONCEPTUAL AND CONSTRUC-**
2 **TION DESIGN.**

3 (a) *REQUIREMENT OF CONCEPTUAL DESIGN.—(1)*
4 *Subject to paragraph (2) and except as provided in para-*
5 *graph (3), before submitting to Congress a request for funds*
6 *for a construction project that is in support of a national*
7 *security program of the Department of Energy, the Sec-*
8 *retary of Energy shall complete a conceptual design for that*
9 *project.*

10 (2) *If the estimated cost of completing a conceptual*
11 *design for a construction project exceeds \$3,000,000, the*
12 *Secretary shall submit to Congress a request for funds for*
13 *the conceptual design before submitting a request for funds*
14 *for the construction project.*

15 (3) *The requirement in paragraph (1) does not apply*
16 *to a request for funds—*

17 (A) *for a minor construction project the total es-*
18 *timated cost of which is less than \$5,000,000; or*

19 (B) *for emergency planning, design, and con-*
20 *struction activities under section 3126.*

21 (b) *AUTHORITY FOR CONSTRUCTION DESIGN.—(1)*
22 *Within the amounts authorized by this title, the Secretary*
23 *of Energy may carry out construction design (including ar-*
24 *chitectural and engineering services) in connection with*
25 *any proposed construction project if the total estimated cost*
26 *for such design does not exceed \$600,000.*

1 (2) *If the total estimated cost for construction design*
2 *in connection with any construction project exceeds*
3 *\$600,000, funds for that design must be specifically author-*
4 *ized by law.*

5 **SEC. 3126. AUTHORITY FOR EMERGENCY PLANNING, DE-**
6 **SIGN, AND CONSTRUCTION ACTIVITIES.**

7 (a) *AUTHORITY.—The Secretary of Energy may use*
8 *any funds available to the Department of Energy pursuant*
9 *to an authorization in this title, including funds authorized*
10 *to be appropriated for advance planning, engineering, and*
11 *construction design, and for plant projects, under sections*
12 *3101, 3102, 3103, and 3104 to perform planning, design,*
13 *and construction activities for any Department of Energy*
14 *national security program construction project that, as de-*
15 *termined by the Secretary, must proceed expeditiously in*
16 *order to protect public health and safety, to meet the needs*
17 *of national defense, or to protect property.*

18 (b) *LIMITATION.—The Secretary may not exercise the*
19 *authority under subsection (a) in the case of any construc-*
20 *tion project until the Secretary has submitted to the con-*
21 *gressional defense committees a report on the activities that*
22 *the Secretary intends to carry out under this section and*
23 *the circumstances making those activities necessary.*

1 (c) *SPECIFIC AUTHORITY.*—*The requirement of section*
2 *3125(b)(2) does not apply to emergency planning, design,*
3 *and construction activities conducted under this section.*

4 **SEC. 3127. FUNDS AVAILABLE FOR ALL NATIONAL SECU-**
5 **RITY PROGRAMS OF THE DEPARTMENT OF**
6 **ENERGY.**

7 *Subject to the provisions of appropriation Acts and*
8 *section 3121, amounts appropriated pursuant to this title*
9 *for management and support activities and for general*
10 *plant projects are available for use, when necessary, in con-*
11 *nection with all national security programs of the Depart-*
12 *ment of Energy.*

13 **SEC. 3128. AVAILABILITY OF FUNDS.**

14 (a) *IN GENERAL.*—*Except as provided in subsection*
15 *(b), when so specified in an appropriations Act, amounts*
16 *appropriated for operation and maintenance or for plant*
17 *projects may remain available until expended.*

18 (b) *EXCEPTION FOR PROGRAM DIRECTION FUNDS.*—
19 *Amounts appropriated for program direction pursuant to*
20 *an authorization of appropriations in subtitle A shall re-*
21 *main available to be expended only until the end of fiscal*
22 *year 2004.*

1 **SEC. 3129. TRANSFER OF DEFENSE ENVIRONMENTAL MAN-**
2 **AGEMENT FUNDS.**

3 (a) *TRANSFER AUTHORITY FOR DEFENSE ENVIRON-*
4 *MENTAL MANAGEMENT FUNDS.*—*The Secretary of Energy*
5 *shall provide the manager of each field office of the Depart-*
6 *ment of Energy with the authority to transfer defense envi-*
7 *ronmental management funds from a program or project*
8 *under the jurisdiction of that office to another such program*
9 *or project.*

10 (b) *LIMITATIONS.*—(1) *Not more than three transfers*
11 *may be made to or from any program or project under sub-*
12 *section (a) in a fiscal year.*

13 (2) *The amount transferred to or from a program or*
14 *project in any one transfer under subsection (a) may not*
15 *exceed \$5,000,000.*

16 (3) *A transfer may not be carried out by a manager*
17 *of a field office under subsection (a) unless the manager*
18 *determines that the transfer is necessary—*

19 (A) *to address a risk to health, safety, or the en-*
20 *vironment; or*

21 (B) *to assure the most efficient use of defense en-*
22 *vironmental management funds at the field office.*

23 (4) *Funds transferred pursuant to subsection (a) may*
24 *not be used for an item for which Congress has specifically*
25 *denied funds or for a new program or project that has not*
26 *been authorized by Congress.*

1 (c) *EXEMPTION FROM REPROGRAMMING REQUIRE-*
2 *MENTS.—The requirements of section 3121 shall not apply*
3 *to transfers of funds pursuant to subsection (a).*

4 (d) *NOTIFICATION.—The Secretary, acting through the*
5 *Assistant Secretary of Energy for Environmental Manage-*
6 *ment, shall notify Congress of any transfer of funds pursu-*
7 *ant to subsection (a) not later than 30 days after such*
8 *transfer occurs.*

9 (e) *DEFINITIONS.—In this section:*

10 (1) *The term “program or project” means, with*
11 *respect to a field office of the Department of Energy,*
12 *any of the following:*

13 (A) *A program referred to or a project listed*
14 *in paragraph (2) or (3) of section 3102.*

15 (B) *A program or project not described in*
16 *subparagraph (A) that is for environmental res-*
17 *toration or waste management activities nec-*
18 *essary for national security programs of the De-*
19 *partment, that is being carried out by that office,*
20 *and for which defense environmental manage-*
21 *ment funds have been authorized and appro-*
22 *priated before the date of the enactment of this*
23 *Act.*

24 (2) *The term “defense environmental manage-*
25 *ment funds” means funds appropriated to the Depart-*

1 *ment of Energy pursuant to an authorization for car-*
2 *rying out environmental restoration and waste man-*
3 *agement activities necessary for national security pro-*
4 *grams.*

5 *(f) DURATION OF AUTHORITY.—The managers of the*
6 *field offices of the Department may exercise the authority*
7 *provided under subsection (a) during the period beginning*
8 *on October 1, 2002, and ending on September 30, 2003.*

9 **SEC. 3130. TRANSFER OF WEAPONS ACTIVITIES FUNDS.**

10 *(a) TRANSFER AUTHORITY FOR WEAPONS ACTIVITIES*
11 *FUNDS.—The Secretary of Energy shall provide the man-*
12 *ager of each field office of the Department of Energy with*
13 *the authority to transfer weapons activities funds from a*
14 *program or project under the jurisdiction of that office to*
15 *another such program or project.*

16 *(b) LIMITATIONS.—(1) Not more than three transfers*
17 *may be made to or from any program or project under sub-*
18 *section (a) in a fiscal year.*

19 *(2) The amount transferred to or from a program or*
20 *project in any one transfer under subsection (a) may not*
21 *exceed \$5,000,000.*

22 *(3) A transfer may not be carried out by a manager*
23 *of a field office under subsection (a) unless the manager*
24 *determines that the transfer—*

1 (A) is necessary to address a risk to health, safe-
2 ty, or the environment; or

3 (B) will result in cost savings and efficiencies.

4 (4) A transfer may not be carried out by a manager
5 of a field office under subsection (a) to cover a cost overrun
6 or scheduling delay for any program or project.

7 (5) Funds transferred pursuant to subsection (a) may
8 not be used for an item for which Congress has specifically
9 denied funds or for a new program or project that has not
10 been authorized by Congress.

11 (c) *EXEMPTION FROM REPROGRAMMING REQUIRE-*
12 *MENTS.*—The requirements of section 3121 shall not apply
13 to transfers of funds pursuant to subsection (a).

14 (d) *NOTIFICATION.*—The Secretary, acting through the
15 Administrator for Nuclear Security, shall notify Congress
16 of any transfer of funds pursuant to subsection (a) not later
17 than 30 days after such transfer occurs.

18 (e) *DEFINITIONS.*—In this section:

19 (1) The term “program or project” means, with
20 respect to a field office of the Department of Energy,
21 any of the following:

22 (A) A program referred to or a project listed
23 in section 3101(1).

24 (B) A program or project not described in
25 subparagraph (A) that is for weapons activities

1 *necessary for national security programs of the*
2 *Department, that is being carried out by that of-*
3 *fice, and for which weapons activities funds have*
4 *been authorized and appropriated before the date*
5 *of the enactment of this Act.*

6 (2) *The term “weapons activities funds” means*
7 *funds appropriated to the Department of Energy pur-*
8 *suant to an authorization for carrying out weapons*
9 *activities necessary for national security programs.*

10 (f) *DURATION OF AUTHORITY.—The managers of the*
11 *field offices of the Department may exercise the authority*
12 *provided under subsection (a) during the period beginning*
13 *on October 1, 2002, and ending on September 30, 2003.*

14 ***Subtitle C—Program Authoriza-***
15 ***tions, Restrictions, and Limita-***
16 ***tions***

17 ***SEC. 3131. AVAILABILITY OF FUNDS FOR ENVIRONMENTAL***
18 ***MANAGEMENT CLEANUP REFORM.***

19 (a) *LIMITATION ON AVAILABILITY FOR ENVIRON-*
20 *MENTAL MANAGEMENT CLEANUP REFORM.—None of the*
21 *funds authorized to be appropriated by section 3102(8) for*
22 *the Department of Energy for environmental management*
23 *cleanup reform may be obligated or expended until the Sec-*
24 *retary of Energy—*

1 (1) publishes in the Federal Register, and sub-
2 mits to the congressional defense committees, a report
3 setting forth criteria established by the Secretary—

4 (A) for selecting the projects that will re-
5 ceive funding using such funds; and

6 (B) for setting priorities among the projects
7 selected under subparagraph (A); or

8 (2) notifies the congressional defense committees
9 that the criteria described by paragraph (1) will not
10 be established.

11 (b) *REQUIREMENTS REGARDING ESTABLISHMENT OF*
12 *CRITERIA.*—Before establishing criteria, if any, under sub-
13 section (a)(1), the Secretary shall publish a proposal for
14 such criteria in the Federal Register, and shall provide a
15 period of 45 days for public notice and comment on the
16 proposal.

17 (c) *AVAILABILITY OF FUNDS IF CRITERIA ARE NOT*
18 *ESTABLISHED.*—(1) If the Secretary exercises the authority
19 under subsection (a)(2), the Secretary shall reallocate the
20 funds referred to in subsection (a) among sites that received
21 funds during fiscal year 2002 for defense environmental res-
22 toration and waste management activities under section
23 3102 of the National Defense Authorization Act for Fiscal
24 Year 2002 (Public Law 107–197; 115 Stat. 1358).

1 (2) *The amount of funds referred to in subsection (a)*
2 *that are allocated under paragraph (1) to a site described*
3 *in that paragraph shall bear the same ratio to the amount*
4 *of funds referred to in subsection (a) as the amount of funds*
5 *received by such site during fiscal year 2002 under section*
6 *3102 of the National Defense Authorization Act for Fiscal*
7 *Year 2002 bears to the total amount of funds made available*
8 *to all sites during fiscal year 2002 under that section.*

9 (3) *No funds allocated under paragraph (1) may be*
10 *obligated or expended until 30 days after the Secretary sub-*
11 *mits to the congressional defense committee a list of the*
12 *projects at each site allocated funds under that paragraph,*
13 *and the amount of such funds to be provided to each such*
14 *project at each such site.*

15 (4) *Funds referred to in subsection (a) may not be obli-*
16 *gated or expended for any site that was not funded in fiscal*
17 *year 2002 from amounts available to the Department of En-*
18 *ergy under title XXXI of the National Defense Authoriza-*
19 *tion Act for Fiscal Year 2002.*

20 **SEC. 3132. ROBUST NUCLEAR EARTH PENETRATOR.**

21 *Not later than February 3, 2003, the Secretary of De-*
22 *fense shall, in consultation with the Secretary of Energy,*
23 *submit to the congressional defense committees a report on*
24 *the Robust Nuclear Earth Penetrator (RNEP). The report*
25 *shall set forth—*

1 (1) *the military requirements for the Robust Nuclear Earth Penetrator;*

2
3 (2) *the nuclear weapons employment policy regarding the Robust Nuclear Earth Penetrator;*

4
5 (3) *a detailed description of the categories or types of targets that the Robust Nuclear Earth Penetrator is designed to hold at risk; and*

6
7
8 (4) *an assessment of the ability of conventional weapons to address the same categories and types of targets described under paragraph (3).*

11 **SEC. 3133. DATABASE TO TRACK NOTIFICATION AND RESOLUTION PHASES OF SIGNIFICANT FINDING INVESTIGATIONS.**

12
13
14 (a) *AVAILABILITY OF FUNDS FOR DATABASE.—*
15 *Amounts authorized to be appropriated by section 3101(1) for the National Nuclear Security Administration for weapons activities shall be available to the Deputy Administrator for Nuclear Security for Defense Programs for the*
16 *development and implementation of a database for all national security laboratories to track the notification and*
17 *resolution phases of Significant Finding Investigations (SFIs). The purpose of the database is to facilitate the monitoring of the progress and accountability of the national*
18 *security laboratories in Significant Finding Investigations.*

1 (b) *IMPLEMENTATION DEADLINE.*—*The database re-*
2 *quired by subsection (a) shall be implemented not later than*
3 *September 30, 2003.*

4 (c) *NATIONAL SECURITY LABORATORY DEFINED.*—*In*
5 *this section, the term “national security laboratory” has the*
6 *meaning given that term in section 3281(1) of the National*
7 *Nuclear Security Administration Act (title XXXII of Public*
8 *Law 106–65; 113 Stat. 968; 50 U.S.C. 2471(1)).*

9 **SEC. 3134. REQUIREMENTS FOR SPECIFIC REQUEST FOR**
10 **NEW OR MODIFIED NUCLEAR WEAPONS.**

11 (a) *REQUIREMENT FOR REQUEST FOR FUNDS FOR DE-*
12 *VELOPMENT.*—(1) *In any fiscal year after fiscal year 2002*
13 *in which the Secretary of Energy plans to carry out activi-*
14 *ties described in paragraph (2) relating to the development*
15 *of a new nuclear weapon or modified nuclear weapon, the*
16 *Secretary shall specifically request funds for such activities*
17 *in the budget of the President for that fiscal year under*
18 *section 1105(a) of title 31, United States Code.*

19 (2) *The activities described in this paragraph are as*
20 *follows:*

21 (A) *The conduct, or provision for conduct, of re-*
22 *search and development which could lead to the pro-*
23 *duction of a new nuclear weapon by the United*
24 *States.*

1 (B) *The conduct, or provision for conduct, of en-*
2 *gineering or manufacturing to carry out the produc-*
3 *tion of a new nuclear weapon by the United States.*

4 (C) *The conduct, or provision for conduct, of re-*
5 *search and development which could lead to the pro-*
6 *duction of a modified nuclear weapon by the United*
7 *States.*

8 (D) *The conduct, or provision for conduct, of en-*
9 *gineering or manufacturing to carry out the produc-*
10 *tion of a modified nuclear weapon by the United*
11 *States.*

12 (b) *BUDGET REQUEST FORMAT.—The Secretary shall*
13 *include in a request for funds under subsection (a) the fol-*
14 *lowing:*

15 (1) *In the case of funds for activities described*
16 *in subparagraph (A) or (C) of subsection (a)(2), a*
17 *dedicated line item for each such activity for a new*
18 *nuclear weapon or modified nuclear weapons that is*
19 *in phase 1 or 2A or phase 6.1 or 6.2A, as the case*
20 *may be, of the nuclear weapons acquisition process.*

21 (2) *In the case of funds for activities described*
22 *in subparagraph (B) or (D) of subsection (a)(2), a*
23 *dedicated line item for each such activity for a new*
24 *nuclear weapon or modified nuclear weapon that is*
25 *in phase 3 or higher or phase 6.3 or higher, as the*

1 case may be, of the nuclear weapons acquisition proc-
2 ess.

3 (c) *EXCEPTION.*—Subsections (a) shall not apply to
4 funds for purposes of conducting, or providing for the con-
5 duct of, research and development, or manufacturing and
6 engineering, determined by the Secretary to be necessary—

7 (1) for the nuclear weapons life extension pro-
8 gram;

9 (2) to modify an existing nuclear weapon solely
10 to address safety or reliability concerns; or

11 (3) to address proliferation concerns.

12 (d) *CONSTRUCTION WITH PROHIBITION ON RESEARCH*
13 *AND DEVELOPMENT ON LOW-YIELD NUCLEAR WEAPONS.*—

14 Nothing in this section may be construed to modify, repeal,
15 or in any way affect the provisions of section 3136 of the
16 National Defense Authorization Act for Fiscal Year 1994
17 (Public Law 103–160; 107 Stat. 1946; 42 U.S.C. 2121
18 note), relating to prohibitions on research and development
19 on low-yield nuclear weapons.

20 (e) *DEFINITIONS.*—In this section:

21 (1) The term “life extension program” means the
22 program to repair or replace non-nuclear components,
23 or to modify the pit or canned subassembly, of nu-
24 clear weapons in the nuclear weapons stockpile on the
25 date of the enactment of this Act in order to assure

1 *that such nuclear weapons retain the ability to meet*
2 *the military requirements applicable to such nuclear*
3 *weapons when first placed in the nuclear weapons*
4 *stockpile.*

5 (2) *The term “modified nuclear weapon” means*
6 *a nuclear weapon that contains a pit or canned sub-*
7 *assembly, either of which—*

8 (A) *is in the nuclear weapons stockpile as*
9 *of the date of the enactment of this Act; and*

10 (B) *is being modified in order to meet a*
11 *military requirement that is other than the mili-*
12 *tary requirements applicable to such nuclear*
13 *weapon when first placed in the nuclear weapons*
14 *stockpile.*

15 (3) *The term “new nuclear weapon” means a*
16 *nuclear weapon that contains a pit or canned sub-*
17 *assembly, either of which is neither—*

18 (A) *in the nuclear weapons stockpile on the*
19 *date of the enactment of this Act; nor*

20 (B) *in production as of that date.*

1 **SEC. 3135. REQUIREMENT FOR AUTHORIZATION BY LAW**
2 **FOR FUNDS OBLIGATED OR EXPENDED FOR**
3 **DEPARTMENT OF ENERGY NATIONAL SECU-**
4 **RITY ACTIVITIES.**

5 *Section 660 of the Department of Energy Organization*
6 *Act (42 U.S.C. 7270) is amended—*

7 *(1) by inserting “(a)” before “Appropriations”;*
8 *and*

9 *(2) by adding at the end the following new sub-*
10 *section:*

11 *“(b)(1) No funds for the Department may be obligated*
12 *or expended for—*

13 *“(A) national security programs and activities*
14 *of the Department; or*

15 *“(B) activities under the Atomic Energy Act of*
16 *1954 (42 U.S.C. 2012 et seq.);*

17 *unless funds therefor have been specifically authorized by*
18 *law.*

19 *“(2) Nothing in paragraph (1) may be construed to*
20 *preclude the requirement under subsection (a), or under any*
21 *other provision of law, for an authorization of appropria-*
22 *tions for programs and activities of the Department (other*
23 *than programs and activities covered by that paragraph)*
24 *as a condition to the obligation and expenditure of funds*
25 *for programs and activities of the Department (other than*
26 *programs and activities covered by that paragraph).”.*

1 **SEC. 3136. LIMITATION ON AVAILABILITY OF FUNDS FOR**
2 **PROGRAM TO ELIMINATE WEAPONS GRADE**
3 **PLUTONIUM PRODUCTION IN RUSSIA.**

4 (a) *LIMITATION.*—Of the amounts authorized to be ap-
5 propriated by this title for the program to eliminate weap-
6 ons grade plutonium production, the Administrator for Nu-
7 clear Security may not obligate or expend more than
8 \$100,000,000 for that program until 30 days after the date
9 on which the Administrator submits to the congressional de-
10 fense committees a copy of an agreement entered into be-
11 tween the United States Government and the Government
12 of the Russian Federation to shut down the three pluto-
13 nium-producing reactors in Russia.

14 (b) *AGREEMENT ELEMENTS.*—The agreement under
15 subsection (a)—

16 (1) shall contain—

17 (A) a commitment to shut down the three
18 plutonium-producing reactors;

19 (B) the date on which each such reactor will
20 be shut down;

21 (C) a schedule and milestones for each such
22 reactor to complete the shut down of such reactor
23 by the date specified under subparagraph (B);

24 (D) an arrangement for access to sites and
25 facilities necessary to meet such schedules and
26 milestones; and

1 (E) an arrangement for audit and exam-
2 ination procedures in order to evaluate progress
3 in meeting such schedules and milestones; and
4 (2) may include cost sharing arrangements.

5 ***Subtitle D—Proliferation Matters***

6 ***SEC. 3151. ADMINISTRATION OF PROGRAM TO ELIMINATE***
7 ***WEAPONS GRADE PLUTONIUM PRODUCTION***
8 ***IN RUSSIA.***

9 (a) *TRANSFER OF PROGRAM TO DEPARTMENT OF EN-*
10 *ERGY.—The program to eliminate weapons grade pluto-*
11 *nium production in Russia shall be transferred from the*
12 *Department of Defense to the Department of Energy.*

13 (b) *TRANSFER OF ASSOCIATED FUNDS.—(1) Notwith-*
14 *standing any restriction or limitation in law on the avail-*
15 *ability of Cooperative Threat Reduction funds specified in*
16 *paragraph (2), the Cooperative Threat Reduction funds*
17 *specified in that paragraph that are available for the pro-*
18 *gram referred to in subsection (a) shall be transferred from*
19 *the Department of Defense to the Department of Energy.*

20 (2) *The Cooperative Threat Reduction funds specified*
21 *in this paragraph are the following:*

22 (A) *Fiscal year 2002 Cooperative Threat Reduc-*
23 *tion funds, as specified in section 1301(b) of the Na-*
24 *tional Defense Authorization Act for Fiscal Year 2002*

1 *(Public Law 107–107; 115 Stat. 1254; 22 U.S.C.*
2 *5952 note).*

3 *(B) Fiscal year 2001 Cooperative Threat Reduc-*
4 *tion funds, as specified in section 1301(b) of the*
5 *Floyd D. Spence National Defense Authorization Act*
6 *for Fiscal Year 2001 (as enacted into law by Public*
7 *Law 106–398; 114 Stat. 1654A–339).*

8 *(C) Fiscal year 2000 Cooperative Threat Reduc-*
9 *tion funds, as specified in section 1301(b) of the Na-*
10 *tional Defense Authorization Act for Fiscal Year 2000*
11 *(Public Law 106–65; 113 Stat. 792; 22 U.S.C. 5952*
12 *note).*

13 *(c) AVAILABILITY OF TRANSFERRED FUNDS.—(1) Not-*
14 *withstanding any restriction or limitation in law on the*
15 *availability of Cooperative Threat Reduction funds speci-*
16 *fied in subsection (b)(2), the Cooperative Threat Reduction*
17 *funds transferred under subsection (b) for the program re-*
18 *ferred to in subsection (a) shall be available for activities*
19 *as follows:*

20 *(A) To design and construct, refurbish, or both,*
21 *fossil fuel energy plants in Russia that provide alter-*
22 *native sources of energy to the energy plants in Rus-*
23 *sia that produce weapons grade plutonium.*

24 *(B) To carry out limited safety upgrades of not*
25 *more than three energy plants in Russia that produce*

1 *weapons grade plutonium in order to permit the shut-*
 2 *down of such energy plants and eliminate the produc-*
 3 *tion of weapons grade plutonium in such energy*
 4 *plants.*

5 *(2) Amounts available under paragraph (1) for activi-*
 6 *ties referred to in that paragraph shall remain available*
 7 *for such activities until expended.*

8 **SEC. 3152. REPEAL OF REQUIREMENT FOR REPORTS ON OB-**
 9 **LIGATION OF FUNDS FOR PROGRAMS ON**
 10 **FISSILE MATERIALS IN RUSSIA.**

11 *Section 3131 of the National Defense Authorization*
 12 *Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat.*
 13 *617; 22 U.S.C. 5952 note) is amended—*

14 *(1) in subsection (a), by striking “(a) AUTHOR-*
 15 *ITY.—”; and*

16 *(2) by striking subsection (b).*

17 **SEC. 3153. EXPANSION OF ANNUAL REPORTS ON STATUS OF**
 18 **NUCLEAR MATERIALS PROTECTION, CON-**
 19 **TROL, AND ACCOUNTING PROGRAMS.**

20 *(a) COVERED PROGRAMS.—Subsection (a) of section*
 21 *3171 of the Floyd D. Spence National Defense Authoriza-*
 22 *tion Act for Fiscal Year 2001 (as enacted into law by Public*
 23 *Law 106–398; 114 Stat. 1654A–475) is amended by strik-*
 24 *ing “Russia that” and inserting “countries where such ma-*
 25 *terials”.*

1 (b) *REPORT CONTENTS.*—*Subsection (b) of that section*
2 *is amended—*

3 (1) *in paragraph (1) by inserting “in each coun-*
4 *try covered by subsection (a)” after “locations,”;*

5 (2) *in paragraph (2), by striking “in Russia”*
6 *and inserting “in each such country”;*

7 (3) *in paragraph (3), by inserting “in each such*
8 *country” after “subsection (a)”;* *and*

9 (4) *in paragraph (5), by striking “by total*
10 *amount and by amount per fiscal year” and inserting*
11 *“by total amount per country and by amount per fis-*
12 *cal year per country”.*

13 **SEC. 3154. TESTING OF PREPAREDNESS FOR EMERGENCIES**

14 **INVOLVING NUCLEAR, RADIOLOGICAL, CHEM-**
15 **ICAL, OR BIOLOGICAL WEAPONS.**

16 (a) *EXTENSION OF TESTING.*—*Section 1415 of the De-*
17 *fense Against Weapons of Mass Destruction Act of 1996*
18 *(title XIV of Public Law 104–201; 110 Stat. 2720; 50*
19 *U.S.C. 2315) is amended—*

20 (1) *in subsection (a)(2), by striking “of five suc-*
21 *cessive fiscal years beginning with fiscal year 1997”*
22 *and inserting “of fiscal years 1997 through 2013”;*
23 *and*

1 (2) *in subsection (b)(2), by striking “of five suc-*
2 *cessive fiscal years beginning with fiscal year 1997”*
3 *and inserting “of fiscal years 1997 through 2013”.*

4 **(b) CONSTRUCTION OF EXTENSION WITH DESIGNA-**
5 **TION OF ATTORNEY GENERAL AS LEAD OFFICIAL.**—*The*
6 *amendment made by subsection (a) may not be construed*
7 *as modifying the designation of the President entitled “Des-*
8 *ignation of the Attorney General as the Lead Official for*
9 *the Emergency Response Assistance Program Under Sec-*
10 *tions 1412 and 1415 of the National Defense Authorization*
11 *Act for Fiscal Year 1997”, dated April 6, 2000, designating*
12 *the Attorney General to assume programmatic and funding*
13 *responsibilities for the Emergency Response Assistance Pro-*
14 *gram under sections 1412 and 1415 of the Defense Against*
15 *Weapons of Mass Destruction Act of 1996.*

16 **SEC. 3155. PROGRAM ON RESEARCH AND TECHNOLOGY FOR**
17 **PROTECTION FROM NUCLEAR OR RADIO-**
18 **LOGICAL TERRORISM.**

19 **(a) PROGRAM REQUIRED.**—*(1) The Administrator for*
20 *Nuclear Security shall carry out a program on research and*
21 *technology for protection from nuclear or radiological ter-*
22 *rorism, including technology for the detection (particularly*
23 *as border crossings and ports of entry), identification, as-*
24 *essment, control, disposition, consequence management,*

1 *and consequence mitigation of the dispersal of radiological*
2 *materials or of nuclear terrorism.*

3 *(2) The Administrator shall carry out the program as*
4 *part of the support of the Administrator for homeland secu-*
5 *rity and counterterrorism within the National Nuclear Se-*
6 *curity Administration*

7 *(b) PROGRAM ELEMENTS.—In carrying out the pro-*
8 *gram required by subsection (a), the Administrator shall—*

9 *(1) provide for the development of technologies to*
10 *respond to threats or incidents involving nuclear or*
11 *radiological terrorism in the United States;*

12 *(2) demonstrate applications of the technologies*
13 *developed under paragraph (1), including joint dem-*
14 *onstrations with the Office of Homeland Security and*
15 *other appropriate Federal agencies;*

16 *(3) provide, where feasible, for the development*
17 *in cooperation with the Russian Federation of tech-*
18 *nologies to respond to nuclear or radiological ter-*
19 *rorism in the former states of the Soviet Union, in-*
20 *cluding the demonstration of technologies so devel-*
21 *oped;*

22 *(4) provide, where feasible, assistance to other*
23 *countries on matters relating to nuclear or radio-*
24 *logical terrorism, including—*

1 (A) the provision of technology and assist-
2 ance on means of addressing nuclear or radio-
3 logical incidents;

4 (B) the provision of assistance in developing
5 means for the safe disposal of radioactive mate-
6 rials;

7 (C) in coordination with the Nuclear Regu-
8 latory Commission, the provision of assistance in
9 developing the regulatory framework for licens-
10 ing and developing programs for the protection
11 and control of radioactive sources; and

12 (D) the provision of assistance in evalu-
13 ating the radiological sources identified as not
14 under current accounting programs in the report
15 of the Inspector General of the Department of
16 Energy entitled “Accounting for Sealed Sources
17 of Nuclear Material Provided to Foreign Coun-
18 tries”, and in identifying and controlling radio-
19 logical sources that represent significant risks;
20 and

21 (5) in coordination with the Office of Environ-
22 ment, Safety, and Health of the Department of En-
23 ergy, the Department of Commerce, and the Inter-
24 national Atomic Energy Agency, develop consistent

1 *criteria for screening international transfers of radio-*
2 *logical materials.*

3 (c) *REQUIREMENTS FOR INTERNATIONAL ELEMENTS*
4 *OF PROGRAM.—(1) In carrying out activities in accordance*
5 *with paragraphs (3) and (4) of subsection (b), the Adminis-*
6 *trator shall consult with—*

7 (A) *the Secretary of Defense, Secretary of State,*
8 *and Secretary of Commerce; and*

9 (B) *the International Atomic Energy Agency.*

10 (2) *The Administrator shall encourage joint leadership*
11 *between the United States and the Russian Federation of*
12 *activities on the development of technologies under sub-*
13 *section (b)(4).*

14 (d) *INCORPORATION OF RESULTS IN EMERGENCY RE-*
15 *SPONSE ASSISTANCE PROGRAM.—To the maximum extent*
16 *practicable, the technologies and information developed*
17 *under the program required by subsection (a) shall be incor-*
18 *porated into the program on responses to emergencies in-*
19 *volving nuclear and radiological weapons carried out under*
20 *section 1415 of the Defense Against Weapons of Mass De-*
21 *struction Act of 1996 (title XIV of Public Law 104–201;*
22 *50 U.S.C. 2315).*

23 (e) *AMOUNT FOR ACTIVITIES.—Of the amount author-*
24 *ized to be appropriated by section 3101(2) for the Depart-*
25 *ment of Energy for the National Nuclear Security Adminis-*

1 *tration for defense nuclear nonproliferation and available*
2 *for the development of a new generation of radiation detec-*
3 *tors for homeland defense, up to \$15,000,000 shall be avail-*
4 *able for carrying out this section.*

5 **SEC. 3156. EXPANSION OF INTERNATIONAL MATERIALS**
6 **PROTECTION, CONTROL, AND ACCOUNTING**
7 **PROGRAM.**

8 *(a) EXPANSION OF PROGRAM TO ADDITIONAL COUN-*
9 *TRIES AUTHORIZED.—The Secretary of Energy may ex-*
10 *pand the International Materials Protection, Control, and*
11 *Accounting (MPC&A) program of the Department of En-*
12 *ergy to encompass countries outside the Russian Federation*
13 *and the independent states of the former Soviet Union.*

14 *(b) NOTICE TO CONGRESS OF USE OF FUNDS FOR AD-*
15 *DITIONAL COUNTRIES.—Not later than 30 days after the*
16 *Secretary obligates funds for the International Materials*
17 *Protection, Control, and Accounting program, as expanded*
18 *under subsection (a), for activities in or with respect to a*
19 *country outside the Russian Federation and the inde-*
20 *pendent states of the former Soviet Union, the Secretary*
21 *shall submit to Congress a notice of the obligation of such*
22 *funds for such activities.*

23 *(c) ASSISTANCE TO DEPARTMENT OF STATE FOR NU-*
24 *CLEAR MATERIALS SECURITY PROGRAMS.—(1) As part of*
25 *the International Materials Protection, Control, and Ac-*

1 counting program, the Secretary of Energy may provide
2 technical assistance to the Secretary of State in the efforts
3 of the Secretary of State to assist other nuclear weapons
4 states to review and improve their nuclear materials secu-
5 rity programs.

6 (2) The technical assistance provided under paragraph
7 (1) may include the sharing of technology or methodologies
8 to the states referred to in that paragraph. Any such shar-
9 ing shall—

10 (A) be consistent with the treaty obligations of
11 the United States; and

12 (B) take into account the sovereignty of the state
13 concerned and its weapons programs, as well the sen-
14 sitivity of any information involved regarding United
15 States weapons or weapons systems.

16 (3) The Secretary of Energy may include the Russian
17 Federation in activities under paragraph (1) if the Sec-
18 retary determines that the experience of the Russian Fed-
19 eration under the International Materials Protection, Con-
20 trol, and Accounting program with the Russian Federation
21 would make the participation of the Russian Federation in
22 such activities useful in providing technical assistance
23 under that paragraph.

24 (d) *PLAN FOR ACCELERATED CONVERSION OR RETURN*
25 *OF WEAPONS-USABLE NUCLEAR MATERIALS.*—(1) The Sec-

1 *retary shall develop a plan to accelerate the conversion or*
2 *return to the country of origin of all weapons-usable nuclear*
3 *materials located in research reactors and other facilities*
4 *outside the country of origin.*

5 (2) *The plan under paragraph (1) for nuclear mate-*
6 *rials of origin in the Soviet Union shall be developed in*
7 *consultation with the Russian Federation.*

8 (3) *As part of the plan under paragraph (1), the Sec-*
9 *retary shall identify the funding and schedules required to*
10 *assist the research reactors and facilities referred to in that*
11 *paragraph in upgrading their materials protection, control,*
12 *and accounting procedures until the weapons-usable nu-*
13 *clear materials in such reactors and facilities are converted*
14 *or returned in accordance with that paragraph.*

15 (4) *The provision of assistance under paragraph (3)*
16 *shall be closely coordinated with ongoing efforts of the Inter-*
17 *national Atomic Energy Agency for the same purpose.*

18 (e) *RADIOLOGICAL DISPERSAL DEVICE MATERIALS*
19 *PROTECTION, CONTROL, AND ACCOUNTING.—(1) The Sec-*
20 *retary shall establish within the International Materials*
21 *Protection, Control, and Accounting program a program on*
22 *the protection, control, and accounting of materials usable*
23 *in radiological dispersal devices.*

24 (2) *The program under paragraph (1) shall include—*

1 (A) an identification of vulnerabilities regarding
2 radiological materials worldwide;

3 (B) the mitigation of vulnerabilities so identified
4 through appropriate security enhancements; and

5 (C) an acceleration of efforts to recover and con-
6 trol diffused radiation sources and ‘orphaned’ radio-
7 logical sources that are of sufficient strength to rep-
8 resent a significant risk.

9 (3) The program under paragraph (1) shall be known
10 as the Radiological Dispersal Device Materials Protection,
11 Control, and Accounting program.

12 (f) *STUDY OF PROGRAM TO SECURE CERTAIN RADIO-*
13 *LOGICAL MATERIALS.*—(1) The Secretary, acting through
14 the Administrator for Nuclear Security, shall require the
15 Office of International Materials Protection, Control, and
16 Accounting of the Department of Energy to conduct a study
17 to determine the feasibility and advisability of developing
18 a program to secure radiological materials outside the
19 United States that pose a threat to the national security
20 of the United States.

21 (2) The study under paragraph (1) shall include the
22 following:

23 (A) An identification of the categories of radio-
24 logical materials that are covered by that paragraph,

1 *including an order of priority for securing each cat-*
2 *egory of such radiological materials.*

3 *(B) An estimate of the number of sites at which*
4 *such radiological materials are present.*

5 *(C) An assessment of the effort required to secure*
6 *such radiological materials at such sites, including—*

7 *(i) a description of the security upgrades, if*
8 *any, that are required at such sites;*

9 *(ii) an assessment of the costs of securing*
10 *such radiological materials at such sites;*

11 *(iii) a description of any cost-sharing ar-*
12 *rangements to defray such costs;*

13 *(iv) a description of any legal impediments*
14 *to such effort, including a description of means*
15 *of overcoming such impediments; and*

16 *(v) a description of the coordination re-*
17 *quired for such effort among appropriate United*
18 *States Government entities (including the Nu-*
19 *clear Regulatory Commission), participating*
20 *countries, and international bodies (including*
21 *the International Atomic Energy Agency).*

22 *(D) A description of the pilot project undertaken*
23 *in Russia.*

24 *(3) In identifying categories of radiological materials*
25 *under paragraph (2)(A), the Secretary shall take into ac-*

1 *count matters relating to specific activity, half-life, radi-*
2 *ation type and energy, attainability, difficulty of handling,*
3 *and toxicity, and such other matters as the Secretary con-*
4 *siders appropriate.*

5 (4) *Not later than one year after the date of the enact-*
6 *ment of this Act, the Secretary shall submit to Congress a*
7 *report on the study conducted under this subsection. The*
8 *report shall include the matters specified under paragraph*
9 *(2) and such other matters, including recommendations, as*
10 *the Secretary considers appropriate as a result of the study.*

11 (5) *In this subsection, the term “radiological material”*
12 *means any radioactive material, other than plutonium (Pu)*
13 *or uranium enriched above 20 percent uranium–235.*

14 (g) *AMENDMENT OF CONVENTION ON PHYSICAL PRO-*
15 *TECTION OF NUCLEAR MATERIAL.—(1) It is the sense of*
16 *Congress that the President should encourage amendment*
17 *of the Convention on the Physical Protection of Nuclear Ma-*
18 *terials in order to provide that the Convention shall—*

19 (A) *apply to both the domestic and international*
20 *use and transport of nuclear materials;*

21 (B) *incorporate fundamental practices for the*
22 *physical protection of such materials; and*

23 (C) *address protection against sabotage involving*
24 *nuclear materials.*

1 (2) *In this subsection, the term “Convention on the*
2 *Physical Protection of Nuclear Materials” means the Con-*
3 *vention on the Physical Protection of Nuclear Materials,*
4 *With Annex, done at Vienna on October 26, 1979.*

5 (h) *AMOUNT FOR ACTIVITIES.—Of the amount author-*
6 *ized to be appropriated by section 3102(2) for the Depart-*
7 *ment of Energy for the National Nuclear Security Adminis-*
8 *tration for defense nuclear nonproliferation, up to*
9 *\$5,000,000 shall be available for carrying out this section.*

10 **SEC. 3157. ACCELERATED DISPOSITION OF HIGHLY EN-**
11 **RICHED URANIUM AND PLUTONIUM.**

12 (a) *SENSE OF CONGRESS ON PROGRAM TO SECURE*
13 *STOCKPILES OF HIGHLY ENRICHED URANIUM AND PLUTO-*
14 *NIUM.—(1) It is the sense of Congress that the Secretary*
15 *of Energy, in consultation with the Secretary of State and*
16 *Secretary of Defense, should develop a comprehensive pro-*
17 *gram of activities to encourage all countries with nuclear*
18 *materials to adhere to, or to adopt standards equivalent to,*
19 *the International Atomic Energy Agency standard on The*
20 *Physical Protection of Nuclear Material and Nuclear Fa-*
21 *cilities (INFCIRC/225/Rev.4), relating to the security of*
22 *stockpiles of highly enriched uranium (HEU) and pluto-*
23 *nium (Pu).*

24 (2) *To the maximum extent practicable, the program*
25 *should be developed in consultation with the Russian Fed-*

1 *eration, other Group of 8 countries, and other allies of the*
2 *United States.*

3 *(3) Activities under the program should include spe-*
4 *cific, targeted incentives intended to encourage countries*
5 *that cannot undertake the expense of conforming to the*
6 *standard referred to in paragraph (1) to relinquish their*
7 *highly enriched uranium (HEU) or plutonium (Pu), in-*
8 *cluding incentives in which a country, group of countries,*
9 *or international body—*

10 *(A) purchase such materials and provide for*
11 *their security (including by removal to another loca-*
12 *tion);*

13 *(B) undertake the costs of decommissioning fa-*
14 *cilities that house such materials;*

15 *(C) in the case of research reactors, convert such*
16 *reactors to low-enriched uranium reactors; or*

17 *(D) upgrade the security of facilities that house*
18 *such materials in order to meet stringent security*
19 *standards that are established for purposes of the pro-*
20 *gram based upon agreed best practices.*

21 *(b) PROGRAM ON ACCELERATED DISPOSITION OF*
22 *HEU AUTHORIZED.—(1) The Secretary of Energy may*
23 *carry out a program to pursue with the Russian Federa-*
24 *tion, and any other nation that possesses highly enriched*
25 *uranium, options for blending such uranium so that the*

1 concentration of U-235 in such uranium is below 20 per-
2 cent.

3 (2) The options pursued under paragraph (1) shall in-
4 clude expansion of the Material Consolidation and Conver-
5 sion program of the Department of Energy to include—

6 (A) additional facilities for the blending of high-
7 ly enriched uranium; and

8 (B) additional centralized secure storage facili-
9 ties for highly enriched uranium designated for blend-
10 ing.

11 (c) *INCENTIVES REGARDING HIGHLY ENRICHED URA-*
12 *NIUM IN RUSSIA.*—As part of the options pursued under
13 subsection (b) with the Russian Federation, the Secretary
14 may provide financial and other incentives for the removal
15 of all highly enriched uranium from any particular facility
16 in the Russian Federation if the Secretary determines that
17 such incentives will facilitate the consolidation of highly en-
18 riched uranium in the Russian Federation to the best-se-
19 cured facilities.

20 (d) *CONSTRUCTION WITH HEU DISPOSITION AGREE-*
21 *MENT.*—Nothing in this section may be construed as termi-
22 nating, modifying, or otherwise effecting requirements for
23 the disposition of highly enriched uranium under the Agree-
24 ment Between the Government of the United States of
25 America and the Government of the Russian Federation

1 *Concerning the Disposition of Highly Enriched Uranium*
2 *Extracted from Nuclear Weapons, signed at Washington on*
3 *February 18, 1993.*

4 (e) *PRIORITY IN BLENDING ACTIVITIES.—In pursuing*
5 *options under this section, the Secretary shall give priority*
6 *to the blending of highly enriched uranium from weapons,*
7 *though highly enriched uranium from sources other than*
8 *weapons may also be blended.*

9 (f) *TRANSFER OF HIGHLY ENRICHED URANIUM AND*
10 *PLUTONIUM TO UNITED STATES.—(1) As part of the pro-*
11 *gram under subsection (b), the Secretary may, upon the re-*
12 *quest of any nation—*

13 (A) *purchase highly enriched uranium or weap-*
14 *ons grade plutonium from the nation at a price deter-*
15 *mined by the Secretary;*

16 (B) *transport any uranium or plutonium so*
17 *purchased to the United States; and*

18 (C) *store any uranium or plutonium so trans-*
19 *ported in the United States.*

20 (2) *The Secretary is not required to blend any highly*
21 *enriched uranium purchased under paragraph (1)(A) in*
22 *order to reduce the concentration of U-235 in such uranium*
23 *to below 20 percent. Amounts authorized to be appropriated*
24 *by subsection (m) may not be used for purposes of blending*
25 *such uranium.*

1 (g) *TRANSFER OF HIGHLY ENRICHED URANIUM TO*
2 *RUSSIA.—(1) As part of the program under subsection (b),*
3 *the Secretary may encourage nations with highly enriched*
4 *uranium to transfer such uranium to the Russian Federa-*
5 *tion for disposition under this section.*

6 (2) *The Secretary may pay any nation that transfers*
7 *highly enriched uranium to the Russian Federation under*
8 *this subsection an amount determined appropriate by the*
9 *Secretary.*

10 (3) *The Secretary may bear the cost of any blending*
11 *and storage of uranium transferred to the Russian Federa-*
12 *tion under this subsection, including any costs of blending*
13 *and storage under a contract under subsection (h). Any site*
14 *selected for such storage shall have undergone complete ma-*
15 *terials protection, control, and accounting upgrades before*
16 *the commencement of such storage.*

17 (h) *CONTRACTS FOR BLENDING AND STORAGE OF*
18 *HIGHLY ENRICHED URANIUM IN RUSSIA.—(1) As part of*
19 *the program under subsection (b), the Secretary may enter*
20 *into one or more contracts with the Russian Federation—*

21 (A) *to blend in the Russian Federation highly*
22 *enriched uranium of the Russian Federation and*
23 *highly enriched uranium transferred to the Russian*
24 *Federation under subsection (g); or*

1 (B) to store in the Russian Federation highly en-
2 riched uranium before blending or the blended mate-
3 rial.

4 (2) Any site selected for the storage of uranium or
5 blended material under paragraph (1)(B) shall have under-
6 gone complete materials protection, control, and accounting
7 upgrades before the commencement of such storage.

8 (i) *LIMITATION ON RELEASE FOR SALE OF BLENDED*
9 *URANIUM.*—Uranium blended under this section may not
10 be released for sale until the earlier of—

11 (1) January 1, 2014; or

12 (2) the date on which the Secretary certifies that
13 such uranium can be absorbed into the global market
14 without undue disruption to the uranium mining in-
15 dustry in the United States.

16 (j) *PROCEEDS OF SALE OF URANIUM BLENDED BY*
17 *RUSSIA.*—Upon the sale by the Russian Federation of ura-
18 nium blended under this section by the Russian Federation,
19 the Secretary may elect to receive from the proceeds of such
20 sale an amount not to exceed 75 percent of the costs in-
21 curred by the Department of Energy under subsections (c),
22 (g), and (h).

23 (k) *REPORT ON STATUS OF PROGRAM.*—Not later than
24 July 1, 2003, the Secretary shall submit to Congress a re-

1 port on the status of the program carried out under the
2 authority in subsection (b). The report shall include—

3 (1) a description of international interest in the
4 program;

5 (2) schedules and operational details of the pro-
6 gram; and

7 (3) recommendations for future funding for the
8 program.

9 (l) *HIGHLY ENRICHED URANIUM DEFINED.*—In this
10 section, the term “highly enriched uranium” means ura-
11 nium with a concentration of U-235 of 20 percent or more.

12 (m) *AMOUNT FOR ACTIVITIES.*—Of the amount to be
13 appropriated by section 3102(2) for the Department of En-
14 ergy for the National Nuclear Security Administration for
15 defense nuclear nonproliferation, up to \$40,000,000 shall be
16 available for carrying out this section.

17 **SEC. 3158. DISPOSITION OF PLUTONIUM IN RUSSIA.**

18 (a) *NEGOTIATIONS WITH RUSSIAN FEDERATION.*—(1)
19 The Secretary of Energy is encouraged to continue to sup-
20 port the Secretary of State in negotiations with the Min-
21 istry of Atomic Energy of the Russian Federation to final-
22 ize the plutonium disposition program of the Russian Fed-
23 eration (as established under the agreement described in
24 subsection (b)).

1 (2) *As part of the negotiations, the Secretary of Energy*
2 *may consider providing additional funds to the Ministry*
3 *of Atomic Energy in order to reach a successful agreement.*

4 (3) *If such an agreement, meeting the requirements in*
5 *subsection (c), is reached with the Ministry of Atomic En-*
6 *ergy, which requires additional funds for the Russian work,*
7 *the Secretary shall either seek authority to use funds avail-*
8 *able for another purpose, or request supplemental appro-*
9 *priations, for such work.*

10 (b) *AGREEMENT.—The agreement referred to in sub-*
11 *section (a) is the Agreement Between the Government of the*
12 *United States of America and the Government of the Rus-*
13 *sian Federation Concerning the Management and Disposi-*
14 *tion of Plutonium Designated As No Longer Required For*
15 *Defense Purposes and Related Cooperation, signed August*
16 *29, 2000, and September 1, 2000.*

17 (c) *REQUIREMENT FOR DISPOSITION PROGRAM.— The*
18 *plutonium disposition program under subsection (a)—*

19 (1) *shall include transparent verifiable steps;*

20 (2) *shall proceed at a rate approximately equiva-*
21 *lent to the rate of the United States program for the*
22 *disposition of plutonium;*

23 (3) *shall provide for cost-sharing among a vari-*
24 *ety of countries;*

1 (4) shall provide for contributions by the Rus-
2 sian Federation;

3 (5) shall include steps over the near term to pro-
4 vide high confidence that the schedules for the disposi-
5 tion of plutonium of the Russian Federation will be
6 achieved; and

7 (6) may include research on more speculative
8 long-term options for the future disposition of the plu-
9 tonium of the Russian Federation in addition to the
10 near-term steps under paragraph (5).

11 **SEC. 3159. STRENGTHENED INTERNATIONAL SECURITY FOR**
12 **NUCLEAR MATERIALS AND SAFETY AND SE-**
13 **CURITY OF NUCLEAR OPERATIONS.**

14 (a) *REPORT ON OPTIONS FOR INTERNATIONAL PRO-*
15 *GRAM TO STRENGTHEN SECURITY AND SAFETY.*—(1) *Not*
16 *later than 270 days after the date of the enactment of this*
17 *Act, the Secretary of Energy shall submit to Congress a re-*
18 *port on options for an international program to develop*
19 *strengthened security for all nuclear materials and safety*
20 *and security for current nuclear operations.*

21 (2) *The Secretary shall consult with the Office of Nu-*
22 *clear Energy Science and Technology of the Department of*
23 *Energy in the development of options for purposes of the*
24 *report.*

1 (3) *In evaluating options for purposes of the report,*
2 *the Secretary shall consult with the Nuclear Regulatory*
3 *Commission and the International Atomic Energy Agency*
4 *on the feasibility and advisability of actions to reduce the*
5 *risks associated with terrorist attacks on nuclear power*
6 *plants outside the United States.*

7 (4) *Each option for an international program under*
8 *paragraph (1) may provide that the program is jointly led*
9 *by the United States, the Russian Federation, and the*
10 *International Atomic Energy Agency.*

11 (5) *The Secretary shall include with the report on op-*
12 *tions for an international program under paragraph (1)*
13 *a description and assessment of various management alter-*
14 *natives for the international program. If any option re-*
15 *quires Federal funding or legislation to implement, the re-*
16 *port shall also include recommendations for such funding*
17 *or legislation, as the case may be.*

18 (b) *JOINT PROGRAMS WITH RUSSIA ON PROLIFERA-*
19 *TION RESISTANT NUCLEAR ENERGY TECHNOLOGIES.—The*
20 *Director of the Office of Nuclear Energy Science and Tech-*
21 *nology Energy shall, in coordination with the Secretary,*
22 *pursue with the Ministry of Atomic Energy of the Russian*
23 *Federation joint programs between the United States and*
24 *the Russian Federation on the development of proliferation*

1 *resistant nuclear energy technologies, including advanced*
2 *fuel cycles.*

3 (c) *PARTICIPATION OF INTERNATIONAL TECHNICAL*
4 *EXPERTS.*—*In developing options under subsection (a), the*
5 *Secretary shall, in consultation with the Nuclear Regu-*
6 *latory Commission, the Russian Federation, and the Inter-*
7 *national Atomic Energy Agency, convene and consult with*
8 *an appropriate group of international technical experts on*
9 *the development of various options for technologies to pro-*
10 *vide strengthened security for nuclear materials and safety*
11 *and security for current nuclear operations, including the*
12 *implementation of such options.*

13 (d) *ASSISTANCE REGARDING HOSTILE INSIDERS AND*
14 *AIRCRAFT IMPACTS.*—(1) *The Secretary may, utilizing ap-*
15 *propriate expertise of the Department of Energy and the*
16 *Nuclear Regulatory Commission, provide assistance to nu-*
17 *clear facilities abroad on the interdiction of hostile insiders*
18 *at such facilities in order to prevent incidents arising from*
19 *the disablement of the vital systems of such facilities.*

20 (2) *The Secretary may carry out a joint program with*
21 *the Russian Federation and other countries to address and*
22 *mitigate concerns on the impact of aircraft with nuclear*
23 *facilities in such countries.*

24 (e) *ASSISTANCE TO IAEA IN STRENGTHENING INTER-*
25 *NATIONAL NUCLEAR SAFETY AND SECURITY.*—*The Sec-*

1 *retary may expand and accelerate the programs of the De-*
2 *partment of Energy to support the International Atomic*
3 *Energy Agency in strengthening international nuclear safe-*
4 *ty and security.*

5 (f) *AMOUNT FOR ACTIVITIES.*—*Of the amount author-*
6 *ized to be appropriated by section 3102(2) for the Depart-*
7 *ment of Energy for the National Nuclear Security Adminis-*
8 *tration for defense nuclear nonproliferation, up to*
9 *\$35,000,000 shall be available for carrying out this section*
10 *as follows:*

11 (1) *For activities under subsections (a) through*
12 *(d), \$20,000,000, of which—*

13 (A) *\$5,000,000 shall be available for sabo-*
14 *tage protection for nuclear power plants and*
15 *other nuclear facilities abroad; and*

16 (B) *\$10,000,000 shall be available for devel-*
17 *opment of proliferation resistant nuclear energy*
18 *technologies under subsection (b).*

19 (2) *For activities under subsection (e),*
20 *\$15,000,000.*

21 **SEC. 3160. EXPORT CONTROL PROGRAMS.**

22 (a) *AUTHORITY TO PURSUE OPTIONS FOR STRENGTH-*
23 *ENING EXPORT CONTROL PROGRAMS.*—*The Secretary of*
24 *Energy may pursue in the former Soviet Union and other*
25 *regions of concern, principally in South Asia, the Middle*

1 *East, and the Far East, options for accelerating programs*
2 *that assist countries in such regions in improving their do-*
3 *mestic export control programs for materials, technologies,*
4 *and expertise relevant to the construction or use of a nuclear*
5 *or radiological dispersal device.*

6 (b) *AMOUNT FOR ACTIVITIES.*—*Of the amount author-*
7 *ized to be appropriated by section 3102(2) for the Depart-*
8 *ment of Energy for the National Nuclear Security Adminis-*
9 *tration for defense nuclear nonproliferation, up to*
10 *\$5,000,000 shall be available for carrying out this section.*

11 **SEC. 3161. IMPROVEMENTS TO NUCLEAR MATERIALS PRO-**
12 **TECTION, CONTROL, AND ACCOUNTING PRO-**
13 **GRAM OF THE RUSSIAN FEDERATION.**

14 (a) *REVISED FOCUS FOR PROGRAM.*—(1) *The Sec-*
15 *retary of Energy shall work cooperatively with the Russian*
16 *Federation to update and improve the Joint Action Plan*
17 *for the Materials Protection, Control, and Accounting pro-*
18 *grams of the Department and the Russian Federation Min-*
19 *istry of Atomic Energy.*

20 (2) *The updated plan shall shift the focus of the up-*
21 *grades of the nuclear materials protection, control, and ac-*
22 *counting program of the Russian Federation in order to*
23 *assist the Russian Federation in achieving, as soon as prac-*
24 *ticable but not later than January 1, 2012, a sustainable*
25 *nuclear materials protection, control, and accounting sys-*

1 *tem for the nuclear materials of the Russian Federation*
2 *that is supported solely by the Russian Federation.*

3 (b) *PACE OF PROGRAM.*—*The Secretary shall work*
4 *with the Russian Federation, including applicable insti-*
5 *tutes in Russia, to pursue acceleration of the nuclear mate-*
6 *rials protection, control, and accounting programs at nu-*
7 *clear defense facilities in the Russian Federation.*

8 (c) *TRANSPARENCY OF PROGRAM.*—*The Secretary*
9 *shall work with the Russian Federation to identify various*
10 *alternatives to provide the United States adequate trans-*
11 *parency in the nuclear materials protection, control, and*
12 *accounting program of the Russian Federation to assure*
13 *that such program is meeting applicable goals for nuclear*
14 *materials protection, control, and accounting.*

15 (d) *SENSE OF CONGRESS.*—*In furtherance of the ac-*
16 *tivities required under this section, it is the sense of Con-*
17 *gress the Secretary should—*

18 (1) *enhance the partnership with the Russian*
19 *Ministry of Atomic Energy in order to increase the*
20 *pace and effectiveness of nuclear materials accounting*
21 *and security activities at facilities in the Russian*
22 *Federation, including serial production enterprises;*
23 *and*

24 (2) *clearly identify the assistance required by the*
25 *Russian Federation, the contributions anticipated*

1 *from the Russian Federation, and the transparency*
2 *milestones that can be used to assess progress in meet-*
3 *ing the requirements of this section.*

4 **SEC. 3162. COMPREHENSIVE ANNUAL REPORT TO CON-**
5 **GRESS ON COORDINATION AND INTEGRA-**
6 **TION OF ALL UNITED STATES NON-**
7 **PROLIFERATION ACTIVITIES.**

8 *Section 1205 of the National Defense Authorization*
9 *Act for Fiscal Year 2002 (Public Law 107–107; 115 Stat.*
10 *1247) is amended by adding at the end the following new*
11 *subsection:*

12 “(d) *ANNUAL REPORT ON IMPLEMENTATION OF*
13 *PLAN.—(1) Not later than January 31, 2003, and each year*
14 *thereafter, the President shall submit to Congress a report*
15 *on the implementation of the plan required by subsection*
16 *(a) during the preceding year.*

17 “(2) *Each report under paragraph (1) shall include—*
18 “(A) *a discussion of progress made during the*
19 *year covered by such report in the matters of the plan*
20 *required by subsection (a);*

21 “(B) *a discussion of consultations with foreign*
22 *nations, and in particular the Russian Federation,*
23 *during such year on joint programs to implement the*
24 *plan;*

1 “(C) a discussion of cooperation, coordination,
2 and integration during such year in the implementa-
3 tion of the plan among the various departments and
4 agencies of the United States Government, as well as
5 private entities that share objectives similar to the ob-
6 jectives of the plan; and

7 “(D) any recommendations that the President
8 considers appropriate regarding modifications to law
9 or regulations, or to the administration or organiza-
10 tion of any Federal department or agency, in order
11 to improve the effectiveness of any programs carried
12 out during such year in the implementation of the
13 plan.”.

14 **SEC. 3163. UTILIZATION OF DEPARTMENT OF ENERGY NA-**
15 **TIONAL LABORATORIES AND SITES IN SUP-**
16 **PORT OF COUNTERTERRORISM AND HOME-**
17 **LAND SECURITY ACTIVITIES.**

18 (a) *AGENCIES AS JOINT SPONSORS OF LABORATORIES*
19 *FOR WORK ON ACTIVITIES.*—Each department or agency
20 of the Federal Government, or of a State or local govern-
21 ment, that carries out work on counterterrorism and home-
22 land security activities at a Department of Energy national
23 laboratory may be a joint sponsor, under a multiple agency
24 sponsorship arrangement with the Department, of such lab-
25 oratory in the performance of such work.

1 **(b) AGENCIES AS JOINT SPONSORS OF SITES FOR**
2 *WORK ON ACTIVITIES.*—*Each department or agency of the*
3 *Federal Government, or of a State or local government, that*
4 *carries out work on counterterrorism and homeland secu-*
5 *rity activities at a Department of Energy site may be a*
6 *joint sponsor of such site in the performance of such work*
7 *as if such site were a federally funded research and develop-*
8 *ment center and such work were performed under a mul-*
9 *tiple agency sponsorship arrangement with the Department.*

10 **(c) PRIMARY SPONSORSHIP.**—*The Department of En-*
11 *ergy shall be the primary sponsor under a multiple agency*
12 *sponsorship arrangement required under subsection (a) or*
13 *(b).*

14 **(d) WORK.**—*(1) The Administrator for Nuclear Secu-*
15 *rity shall act as the lead agent in coordinating the forma-*
16 *tion and performance of a joint sponsorship agreement be-*
17 *tween a requesting agency and a Department of Energy na-*
18 *tional laboratory or site for work on counterterrorism and*
19 *homeland security.*

20 **(2)** *A request for work may not be submitted to a na-*
21 *tional laboratory or site under this section unless approved*
22 *in advance by the Administrator.*

23 **(3)** *Any work performed by a national laboratory or*
24 *site under this section shall comply with the policy on the*
25 *use of federally funded research and development centers*

1 *under section 35.017(a)(4) of the Federal Acquisition Regu-*
2 *lation.*

3 *(4) The Administrator shall ensure that the work of*
4 *a national laboratory or site requested under this section*
5 *is performed expeditiously and to the satisfaction of the*
6 *head of the department or agency submitting the request.*

7 *(e) FUNDING.—(1) Subject to paragraph (2), a joint*
8 *sponsor of a Department of Energy national laboratory or*
9 *site under this section shall provide funds for work of such*
10 *national laboratory or site, as the case may be, under this*
11 *section under the same terms and conditions as apply to*
12 *the primary sponsor of such national laboratory under sec-*
13 *tion 303(b)(1)(C) of the Federal Property and Administra-*
14 *tive Services Act of 1949 (41 U.S.C. 253(b)(1)(C)) or of such*
15 *site to the extent such section applies to such site as a feder-*
16 *ally funded research and development center by reason of*
17 *subsection (b).*

18 *(2) The total amount of funds provided a national lab-*
19 *oratory or site in a fiscal year under this subsection by*
20 *joint sponsors other than the Department of Energy shall*
21 *not exceed an amount equal to 25 percent of the total funds*
22 *provided such national laboratory or site, as the case may*
23 *be, in such fiscal year from all sources.*

1 ***Subtitle E—Other Matters***

2 ***SEC. 3171. INDEMNIFICATION OF DEPARTMENT OF ENERGY***

3 ***CONTRACTORS.***

4 *Section 170d.(1)(A) of the Atomic Energy Act of 1954*
5 *(42 U.S.C. 2210(d)(1)(A)) is amended by striking “until*
6 *August 1, 2002,” and inserting “until August 1, 2012”.*

7 ***SEC. 3172. WORKER HEALTH AND SAFETY RULES FOR DE-***

8 ***PARTMENT OF ENERGY FACILITIES.***

9 *The Atomic Energy Act of 1954 is amended by insert-*
10 *ing after section 234B (42 U.S.C. 2282b) the following:*

11 ***“SEC. 234C. WORKER HEALTH AND SAFETY RULES FOR DE-***

12 ***PARTMENT OF ENERGY NUCLEAR FACILITIES.***

13 ***“(a) PERSONS SUBJECT TO PENALTY.—***

14 ***“(1) CIVIL PENALTY.—***

15 ***“(A) IN GENERAL.—****A person (or any sub-*
16 *contractor or supplier of the person) who has en-*
17 *tered into an agreement of indemnification*
18 *under section 2210(d) (or any subcontractor or*
19 *supplier of the person) that violates (or is the*
20 *employer of a person that violates) Department*
21 *of Energy Order No. 440.1A (1998), or any rule*
22 *or regulation relating to industrial or construc-*
23 *tion health and safety promulgated by the Sec-*
24 *retary of Energy (referred to in this section as*
25 *the “Secretary”) after public notice and oppor-*

1 *tunity for comment under section 553 of title 5,*
2 *United States Code (commonly known as the*
3 *‘Administrative Procedure Act’), shall be subject*
4 *to a civil penalty of not more than \$100,000 for*
5 *each such violation.*

6 “(B) *CONTINUING VIOLATIONS.*—*If any vio-*
7 *lation under this subsection is a continuing vio-*
8 *lation, each day of the violation shall constitute*
9 *a separate violation for the purpose of computing*
10 *the civil penalty under subparagraph (A).*

11 “(2) *REGULATIONS.*—

12 “(A) *IN GENERAL.*—*Not later than 270*
13 *days after the date of enactment of this section,*
14 *the Secretary shall promulgate regulations for*
15 *industrial and construction health and safety*
16 *that incorporate the provisions and requirements*
17 *contained in Department of Energy Order No.*
18 *440.1A (1998).*

19 “(B) *EFFECTIVE DATE.*—*The regulations*
20 *promulgated under subparagraph (A) shall take*
21 *effect on the date that is 1 year after the promul-*
22 *gation date of the regulations.*

23 “(3) *VARIANCES OR EXEMPTIONS.*—

24 “(A) *IN GENERAL.*—*The Secretary may*
25 *provide in the regulations promulgated under*

1 paragraph (2) a procedure for granting
2 variances or exemptions to the extent necessary
3 to avoid serious impairment of the national secu-
4 rity of the United States.

5 “(B) DETERMINATION.—In determining
6 whether to provide a variance or exemption
7 under subparagraph (A), the Secretary of En-
8 ergy shall assess—

9 “(i) the impact on national security of
10 not providing a variance or exemption; and

11 “(ii) the benefits or detriments to
12 worker health and safety of providing a
13 variance or exemption.

14 “(C) PROCEDURE.—Before granting a vari-
15 ance or exemption, the Secretary of Energy
16 shall—

17 “(i) notify affected employees;

18 “(ii) provide an opportunity for a
19 hearing on the record; and

20 “(iii) notify Congress of any deter-
21 mination to grant a variance at least 60
22 days before the proposed effective date of the
23 variance or exemption.

24 “(4) APPLICABILITY.—This subsection does not
25 apply to any facility that is a component of, or any

1 *activity conducted under, the Naval Nuclear Propul-*
2 *sion Program.*

3 “(5) *ENFORCEMENT GUIDANCE ON STRUCTURES*
4 *TO BE DISPOSED OF.—*

5 “(A) *IN GENERAL.—In enforcing the regula-*
6 *tions under paragraph (2), the Secretary of En-*
7 *ergy shall, on a case-by-case basis, evaluate*
8 *whether a building, facility, structure, or im-*
9 *provement of the Department of Energy that is*
10 *permanently closed and that is expected to be de-*
11 *molished, or title to which is expected to be*
12 *transferred to another entity for reuse, should*
13 *undergo major retrofitting to comply with spe-*
14 *cific general industry standards.*

15 “(B) *NO EFFECT ON HEALTH AND SAFETY*
16 *ENFORCEMENT.—This subsection does not dimin-*
17 *ish or otherwise affect—*

18 “(i) *the enforcement of any worker*
19 *health and safety regulations under this sec-*
20 *tion with respect to the surveillance and*
21 *maintenance or decontamination, decom-*
22 *missioning, or demolition of buildings, fa-*
23 *cilities, structures, or improvements; or*

1 “(i) the application of any other law
2 (including regulations), order, or contrac-
3 tual obligation.

4 “(b) *CONTRACT PENALTIES.*—

5 “(1) *IN GENERAL.*—The Secretary shall include
6 in each contract with a contractor of the Department
7 provisions that provide an appropriate reduction in
8 the fees or amounts paid to the contractor under the
9 contract in the event of a violation by the contractor
10 or contractor employee of any regulation or order re-
11 lating to industrial or construction health and safety.

12 “(2) *CONTENTS.*—The provisions shall specify
13 various degrees of violations and the amount of the
14 reduction attributable to each degree of violation.

15 “(c) *POWERS AND LIMITATIONS.*—The powers and
16 limitations applicable to the assessment of civil penalties
17 under section 234A, except for subsection (d) of that section,
18 shall apply to the assessment of civil penalties under this
19 section.

20 “(d) *TOTAL AMOUNT OF PENALTIES.*—In the case of
21 an entity described in subsection (d) of section 234A, the
22 total amount of civil penalties under subsection (a) or
23 under subsection (a) of section 234B in a fiscal year may
24 not exceed the total amount of fees paid by the Department
25 of Energy to that entity in that fiscal year.”.

1 **SEC. 3173. ONE-YEAR EXTENSION OF AUTHORITY OF DE-**
2 **PARTMENT OF ENERGY TO PAY VOLUNTARY**
3 **SEPARATION INCENTIVE PAYMENTS.**

4 (a) *IN GENERAL.*—Section 3161(a) of the National De-
5 fense Authorization Act for Fiscal Year 2000 (Public Law
6 106–65; 5 U.S.C. 5597 note) is amended by striking “Janu-
7 ary 1, 2004” and inserting “January 1, 2005”.

8 (b) *CONSTRUCTION.*—The amendment made by sub-
9 section (a) may be superseded by another provision of law
10 that takes effect after the date of the enactment of this Act,
11 and before January 1, 2004, establishing a uniform system
12 for providing voluntary separation incentives (including a
13 system for requiring approval of plans by the Office of Man-
14 agement and Budget) for employees of the Federal Govern-
15 ment.

16 **SEC. 3174. SUPPORT FOR PUBLIC EDUCATION IN THE VICIN-**
17 **ITY OF LOS ALAMOS NATIONAL LABORATORY,**
18 **NEW MEXICO.**

19 (a) *SUPPORT FOR FISCAL YEAR 2003.*—From
20 amounts authorized to be appropriated to the Secretary of
21 Energy by this title, \$6,900,000 shall be available for pay-
22 ment by the Secretary for fiscal year 2003 to the Los Ala-
23 mos National Laboratory Foundation, a not-for-profit foun-
24 dation chartered in accordance with section 3167(a) of the
25 National Defense Authorization Act for Fiscal Year 1998
26 (Public Law 105–85; 111 Stat. 2052).

1 (b) *USE OF FUNDS.*—*The foundation referred to in*
2 *subsection (a) shall—*

3 (1) *utilize funds provided under this section as*
4 *a contribution to the endowment fund for the founda-*
5 *tion; and*

6 (2) *use the income generated from investments in*
7 *the endowment fund that are attributable to the pay-*
8 *ment made under this section to fund programs to*
9 *support the educational needs of children in the pub-*
10 *lic schools in the vicinity of Los Alamos National*
11 *Laboratory, New Mexico.*

12 (c) *REPEAL OF SUPERSEDED AUTHORITY AND MODI-*
13 *FICATION OF AUTHORITY TO EXTEND CONTRACT.*—(1)
14 *Subsection (b) of section 3136 of the National Defense Au-*
15 *thorization Act for Fiscal Year 2002 (Public Law 107–107;*
16 *115 Stat. 1368) is amended to read as follows:*

17 “(b) *SUPPORT FOR FISCAL YEARS 2003 THROUGH*
18 *2013.*—*Subject to the availability of appropriations, the*
19 *Secretary may provide for a contract extension through fis-*
20 *cal year 2013 similar to the contract extension referred to*
21 *in subsection (a)(2).”.*

22 (2) *The amendment made by paragraph (1) shall take*
23 *effect on October 1, 2002.*

1 ***Subtitle F—Disposition of Weapons-***
2 ***Usable Plutonium at Savannah***
3 ***River, South Carolina***

4 **SEC. 3181. FINDINGS.**

5 *Congress makes the following findings:*

6 *(1) In September 2000, the United States and*
7 *the Russian Federation signed a Plutonium Manage-*
8 *ment and Disposition Agreement by which each*
9 *agreed to dispose of 34 metric tons of weapons-grade*
10 *plutonium.*

11 *(2) The agreement with Russia is a significant*
12 *step toward safeguarding nuclear materials and pre-*
13 *venting their diversion to rogue states and terrorists.*

14 *(3) The Department of Energy plans to dispose*
15 *of 34 metric tons of weapons-grade plutonium in the*
16 *United States before the end of 2019 by converting the*
17 *plutonium to a mixed-oxide fuel to be used in com-*
18 *mercial nuclear power reactors.*

19 *(4) The Department has formulated a plan for*
20 *implementing the agreement with Russia through con-*
21 *struction of a mixed-oxide fuel fabrication facility,*
22 *the so-called MOX facility, and a pit disassembly and*
23 *conversion facility at the Savannah River Site,*
24 *Aiken, South Carolina.*

1 (5) *The United States and the State of South*
2 *Carolina have a compelling interest in the safe, prop-*
3 *er, and efficient operation of the plutonium disposi-*
4 *tion facilities at the Savannah River Site. The MOX*
5 *facility will also be economically beneficial to the*
6 *State of South Carolina, and that economic benefit*
7 *will not be fully realized unless the MOX facility is*
8 *built.*

9 (6) *The State of South Carolina desires to ensure*
10 *that all plutonium transferred to the State of South*
11 *Carolina is stored safely; that the full benefits of the*
12 *MOX facility are realized as soon as possible; and,*
13 *specifically, that all defense plutonium or defense plu-*
14 *tonium materials transferred to the Savannah River*
15 *Site either be processed or be removed expeditiously.*

16 **SEC. 3182. DISPOSITION OF WEAPONS-USABLE PLUTONIUM**
17 **AT SAVANNAH RIVER SITE.**

18 (a) *PLAN FOR CONSTRUCTION AND OPERATION OF*
19 *MOX FACILITY.—(1) Not later than February 1, 2003, the*
20 *Secretary of Energy shall submit to Congress a plan for*
21 *the construction and operation of the MOX facility at the*
22 *Savannah River Site, Aiken, South Carolina.*

23 (2) *The plan under paragraph (1) shall include—*

24 (A) *a schedule for construction and operations so*
25 *as to achieve, as of January 1, 2009, and thereafter,*

1 *the MOX production objective, and to produce 1 met-*
2 *ric ton of mixed oxide fuel by December 31, 2009; and*

3 *(B) a schedule of operations of the MOX facility*
4 *designed so that 34 metric tons of defense plutonium*
5 *and defense plutonium materials at the Savannah*
6 *River Site will be processed into mixed oxide fuel by*
7 *January 1, 2019.*

8 *(3)(A) Not later than February 15 each year, begin-*
9 *ning in 2004 and continuing for as long as the MOX facil-*
10 *ity is in use, the Secretary shall submit to Congress a report*
11 *on the implementation of the plan required by paragraph*
12 *(1).*

13 *(B) Each report under subparagraph (A) for years be-*
14 *fore 2010 shall include—*

15 *(i) an assessment of compliance with the sched-*
16 *ules included with the plan under paragraph (2); and*

17 *(ii) a certification by the Secretary whether or*
18 *not the MOX production objective can be met by Jan-*
19 *uary 2009.*

20 *(C) Each report under subparagraph (A) for years*
21 *after 2009 shall—*

22 *(i) address whether the MOX production objective*
23 *has been met; and*

1 (ii) assess progress toward meeting the obliga-
2 tions of the United States under the Plutonium Man-
3 agement and Disposition Agreement.

4 (D) For years after 2017, each report under subpara-
5 graph (A) shall also include an assessment of compliance
6 with the MOX production objective and, if not in compli-
7 ance, the plan of the Secretary for achieving one of the fol-
8 lowing:

9 (i) Compliance with such objective.

10 (ii) Removal of all remaining defense plutonium
11 and defense plutonium materials from the State of
12 South Carolina.

13 (b) CORRECTIVE ACTIONS.—(1) If a report under sub-
14 section (a)(3) indicates that construction or operation of the
15 MOX facility is behind the applicable schedule under sub-
16 section (a)(2) by 12 months or more, the Secretary shall
17 submit to Congress, not later than August 15 of the year
18 in which such report is submitted, a plan for corrective ac-
19 tions to be implemented by the Secretary to ensure that the
20 MOX facility project is capable of meeting the MOX produc-
21 tion objective by January 1, 2009.

22 (2) If a plan is submitted under paragraph (1) in any
23 year after 2008, the plan shall include corrective actions
24 to be implemented by the Secretary to ensure that the MOX
25 production objective is met.

1 (3) *Any plan for corrective actions under paragraph*
2 *(1) or (2) shall include established milestones under such*
3 *plan for achieving compliance with the MOX production*
4 *objective.*

5 (4) *If, before January 1, 2009, the Secretary deter-*
6 *mines that there is a substantial and material risk that*
7 *the MOX production objective will not be achieved by 2009*
8 *because of a failure to achieve milestones set forth in the*
9 *most recent corrective action plan under this subsection, the*
10 *Secretary shall suspend further transfers of defense pluto-*
11 *nium and defense plutonium materials to be processed by*
12 *the MOX facility until such risk is addressed and the Sec-*
13 *retary certifies that the MOX production objective can be*
14 *met by 2009.*

15 (5) *If, after January 1, 2009, the Secretary determines*
16 *that the MOX production objective has not been achieved*
17 *because of a failure to achieve milestones set forth in the*
18 *most recent corrective action plan under this subsection, the*
19 *Secretary shall suspend further transfers of defense pluto-*
20 *nium and defense plutonium materials to be processed by*
21 *the MOX facility until the Secretary certifies that the MOX*
22 *production objective can be met by 2009.*

23 (6)(A) *Upon making a determination under para-*
24 *graph (4) or (5), the Secretary shall submit to Congress a*
25 *report on the options for removing from the State of South*

1 *Carolina an amount of defense plutonium or defense pluto-*
2 *nium materials equal to the amount of defense plutonium*
3 *or defense plutonium materials transferred to the State of*
4 *South Carolina after April 15, 2002.*

5 *(B) Each report under subparagraph (A) shall include*
6 *an analysis of each option set forth in the report, including*
7 *the cost and schedule for implementation of such option,*
8 *and any requirements under the National Environmental*
9 *Policy Act of 1969 (42 U.S.C. 4321 et seq.) relating to con-*
10 *sideration or selection of such option.*

11 *(C) Upon submittal of a report under paragraph (A),*
12 *the Secretary shall commence any analysis that may be re-*
13 *quired under the National Environmental Policy Act of*
14 *1969 in order to select among the options set forth in the*
15 *report.*

16 *(c) CONTINGENT REQUIREMENT FOR REMOVAL OF*
17 *PLUTONIUM AND MATERIALS FROM SAVANNAH RIVER*
18 *SITE.—If the MOX production objective is not achieved as*
19 *of January 1, 2009, the Secretary shall, consistent with the*
20 *National Environmental Policy Act of 1969 and other ap-*
21 *plicable laws, remove from the State of South Carolina, for*
22 *storage or disposal elsewhere—*

23 *(1) not later than January 1, 2011, not less than*
24 *1 metric ton of defense plutonium or defense pluto-*
25 *nium materials; and*

1 (2) *not later than January 1, 2017, an amount*
2 *of defense plutonium or defense plutonium materials*
3 *equal to the amount of defense plutonium or defense*
4 *plutonium materials transferred to the Savannah*
5 *River Site between April 15, 2002 and January 1,*
6 *2017, but not processed by the MOX facility.*

7 (d) *ECONOMIC AND IMPACT ASSISTANCE.—(1) If the*
8 *MOX production objective is not achieved as of January*
9 *1, 2011, the Secretary shall pay to the State of South Caro-*
10 *lina each year beginning on or after that date through 2016*
11 *for economic and impact assistance an amount equal to*
12 *\$1,000,000 per day until the later of—*

13 (A) *the passage of 100 days in such year;*

14 (B) *the MOX production objective is achieved in*
15 *such year; or*

16 (C) *the Secretary has removed from the State of*
17 *South Carolina in such year at least 1 metric ton of*
18 *defense plutonium or defense plutonium materials.*

19 (2)(A) *If the MOX production objective is not achieved*
20 *as of January 1, 2017, the Secretary shall pay to the State*
21 *of South Carolina each year beginning on or after that date*
22 *through 2024 for economic and impact assistance an*
23 *amount equal to \$1,000,000 per day until the later of—*

24 (i) *the passage of 100 days in such year;*

1 (ii) the MOX production objective is achieved in
2 such year; or

3 (iii) the Secretary has removed from the State of
4 South Carolina an amount of defense plutonium or
5 defense plutonium materials equal to the amount of
6 defense plutonium or defense plutonium materials
7 transferred to the Savannah River Site between April
8 15, 2002 and January 1, 2017, but not processed by
9 the MOX facility.

10 (B) Nothing in this paragraph may be construed to
11 terminate, supersede, or otherwise affect any other require-
12 ments of this section.

13 (3) The Secretary shall make payments, if any, under
14 this subsection, from amounts authorized to be appropriated
15 to the Department of Energy.

16 (4) If the State of South Carolina obtains an injunc-
17 tion that prohibits the Department from taking any action
18 necessary for the Department to meet any deadline specified
19 by this subsection, that deadline shall be extended for a pe-
20 riod of time equal to the period of time during which the
21 injunction is in effect.

22 (e) *FAILURE TO COMPLETE PLANNED DISPOSITION*
23 *PROGRAM.*—If on July 1 each year beginning in 2020 and
24 continuing for as long as the MOX facility is in use, less
25 than 34 metric tons of defense plutonium or defense pluto-

1 *nium materials have been processed by the MOX facility,*
2 *the Secretary shall submit to Congress a plan for—*

3 *(1) completing the processing of 34 metric tons*
4 *of defense plutonium and defense plutonium material*
5 *by the MOX facility; or*

6 *(2) removing from the State of South Carolina*
7 *an amount of defense plutonium or defense plutonium*
8 *materials equal to the amount of defense plutonium*
9 *or defense plutonium materials transferred to the Sa-*
10 *vannah River Site after April 15, 2002, but not proc-*
11 *essed by the MOX facility.*

12 *(f) REMOVAL OF MIXED-OXIDE FUEL UPON COMPLE-*
13 *TION OF OPERATIONS OF MOX FACILITY.—If, one year*
14 *after the date on which operation of the MOX facility per-*
15 *manently ceases any mixed-oxide fuel remains at the Sa-*
16 *vannah River Site, the Secretary shall submit to*
17 *Congress—*

18 *(1) a report on when such fuel will be transferred*
19 *for use in commercial nuclear reactors; or*

20 *(2) a plan for removing such fuel from the State*
21 *of South Carolina.*

22 *(g) DEFINITIONS.—In this section:*

23 *(1) MOX PRODUCTION OBJECTIVE.—The term*
24 *“MOX production objective” means production at the*
25 *MOX facility of mixed-oxide fuel from defense pluto-*

1 *mium and defense plutonium materials at an average*
 2 *rate equivalent to not less than one metric ton of*
 3 *mixed-oxide fuel per year. The average rate shall be*
 4 *determined by measuring production at the MOX fa-*
 5 *cility from the date the facility is declared oper-*
 6 *ational to the Nuclear Regulatory Commission*
 7 *through the date of assessment.*

8 (2) *MOX FACILITY.*—*The term “MOX facility”*
 9 *means the mixed-oxide fuel fabrication facility at the*
 10 *Savannah River Site, Aiken, South Carolina.*

11 (3) *DEFENSE PLUTONIUM; DEFENSE PLUTONIUM*
 12 *MATERIALS.*—*The terms “defense-plutonium” and*
 13 *“defense plutonium materials” mean weapons-usable*
 14 *plutonium.*

15 **SEC. 3183. STUDY OF FACILITIES FOR STORAGE OF PLUTO-**
 16 **NIUM AND PLUTONIUM MATERIALS AT SA-**
 17 **VANNAH RIVER SITE.**

18 (a) *STUDY.*—*The Defense Nuclear Facilities Safety*
 19 *Board shall conduct a study of the adequacy of K-Area Ma-*
 20 *terials Storage facility (KAMS), and related support facili-*
 21 *ties such as Building 235-F, at the Savannah River Site,*
 22 *Aiken, South Carolina, for the storage of defense plutonium*
 23 *and defense plutonium materials in connection with the*
 24 *disposition program provided in section 3182 and in con-*

1 *nection with the amended Record of Decision of the Depart-*
2 *ment of Energy for fissile materials disposition.*

3 (b) *REPORT.*—*Not later than one year after the date*
4 *of enactment of this Act, the Defense Nuclear Facilities*
5 *Safety Board shall submit to Congress and the Secretary*
6 *of Energy a report on the study conducted under subsection*
7 *(a).*

8 (c) *REPORT ELEMENTS.*—*The report under subsection*
9 *(b) shall—*

10 (1) *address—*

11 (A) *the suitability of KAMS and related*
12 *support facilities for monitoring and observing*
13 *any defense plutonium or defense plutonium ma-*
14 *terials stored in KAMS;*

15 (B) *the adequacy of the provisions made by*
16 *the Department for remote monitoring of such*
17 *defense plutonium and defense plutonium mate-*
18 *rials by way of sensors and for handling of re-*
19 *trieval of such defense plutonium and defense*
20 *plutonium materials; and*

21 (C) *the adequacy of KAMS should such de-*
22 *fense plutonium and defense plutonium mate-*
23 *rials continue to be stored at KAMS after 2019;*
24 *and*

1 (2) *include such recommendations as the Defense*
2 *Nuclear Facilities Safety Board considers appropriate*
3 *to enhance the safety, reliability, and functionality of*
4 *KAMS.*

5 (d) *REPORTS ON ACTIONS ON RECOMMENDATIONS.—*
6 *Not later than 6 months after the date on which the report*
7 *under subsection (b) is submitted to Congress, and every*
8 *year thereafter, the Secretary and the Board shall each sub-*
9 *mit to Congress a report on the actions taken by the Sec-*
10 *retary in response to the recommendations, if any, included*
11 *in the report.*

12 **TITLE XXXII—DEFENSE NU-**
13 **CLEAR FACILITIES SAFETY**
14 **BOARD**

15 **SEC. 3201. AUTHORIZATION.**

16 *There are authorized to be appropriated for fiscal year*
17 *2003, \$19,494,000 for the operation of the Defense Nuclear*
18 *Facilities Safety Board under chapter 21 of the Atomic En-*
19 *ergy Act of 1954 (42 U.S.C. 2286 et seq.).*

20 **SEC. 3202. AUTHORIZATION OF APPROPRIATIONS FOR THE**
21 **FORMERLY USED SITES REMEDIAL ACTION**
22 **PROGRAM OF THE CORPS OF ENGINEERS.**

23 *There is hereby authorized to be appropriated for fiscal*
24 *year 2003 for the Department of the Army, \$140,000,000*

- 1 *for the formerly used sites remedial action program of the*
- 2 *Corps of Engineers.*

Attest:

Secretary.

107TH CONGRESS
2D SESSION

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AMENDMENT