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108TH CONGRESS
2D SESSION

S. 2401

AN ACT

To authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Department of Defense Authorization Act for Fiscal Year 2005''.

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SEC. 3. CONGRESSIONAL DEFENSE COMMITTEES DEFINED.

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

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

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

DIVISION A—DEPARTMENT OF DEFENSE AUTHORIZATIONS

TITLE I—PROCUREMENT

Subtitle A—Authorization of Appropriations

SEC. 101. ARMY.

Funds are hereby authorized to be appropriated for fiscal year 2005 for procurement for the Army as follows:

(1) For aircraft, $2,702,640,000.

(2) For missiles, $1,488,321,000.

(3) For weapons and tracked combat vehicles, $1,693,595,000.

(4) For ammunition, $1,598,302,000.

(5) For other procurement, $5,384,296,000.

SEC. 102. NAVY AND MARINE CORPS.

(a) NAVY.—Funds are hereby authorized to be appropriated for fiscal year 2005 for procurement for the Navy as follows:

(1) For aircraft, $8,870,832,000.

(2) For weapons, including missiles and torpedoes, $2,183,829,000.

(3) For shipbuilding and conversion, $10,127,027,000.

(4) For other procurement, $4,904,978,000.

(b) MARINE CORPS.—Funds are hereby authorized to be appropriated for fiscal year 2005 for procurement for the Marine Corps in the amount of $1,303,203,000.

(c) NAVY AND MARINE CORPS AMMUNITION.—Funds are hereby authorized to be appropriated for fiscal year 2005 for procurement of ammunition for the Navy and the Marine Corps in the amount of $873,140,000.

SEC. 103. AIR FORCE.

Funds are hereby authorized to be appropriated for fiscal year 2005 for procurement for the Air Force as follows:

(1) For aircraft, $13,033,674,000.

(2) For missiles, $4,635,613,000.

(3) For ammunition, $1,396,457,000.

(4) For other procurement, $13,298,257,000.

SEC. 104. DEFENSE-WIDE ACTIVITIES.

Funds are hereby authorized to be appropriated for fiscal year 2005 for Defense-wide procurement in the amount of $2,967,402,000.

Subtitle B—Army Programs

SEC. 111. LIGHT UTILITY HELICOPTER PROGRAM.

(a) LIMITATION.—Of the funds authorized to be appropriated under section 101(1) for the procurement of light utility helicopters, $45,000,000 may not be obligated or expended until 30 days after the date on which the Secretary of the Army submits to the congressional defense committees a report that contains—

(1) the Secretary's certification that all required documentation for the acquisition of light utility helicopters has been completed and approved; and

(2) the Army aviation modernization plan required by subsection (b).

(b) ARMY AVIATION MODERNIZATION PLAN.—(1) Not later than March 1, 2005, the Secretary of the Army shall submit to the congressional defense committees an updated modernization plan for Army aviation.

(2) The updated Army aviation modernization plan shall contain, at a minimum, the following matters:

(A) The analysis on which the plan is based.

(B) A discussion of the Secretary's decision to terminate the Comanche helicopter program and to restructure the aviation force of the Army.

(C) The actions taken or to be taken to accelerate the procurement and development of aircraft survivability equipment for Army aircraft, together with a detailed list of aircraft survivability equipment that specifies such equipment by platform and by the related programmatic funding for procurement.

(D) A discussion of the conversion of Apache helicopters to block III configuration, including the rationale for converting only 501 Apache helicopters to that configuration and the costs associated with a conversion of all Apache helicopters to the block III configuration.

(E) A discussion of the procurement of light armed reconnaissance helicopters, including the rationale for the requirement for light armed reconnaissance helicopters and a discussion of the costs associated with upgrading the light armed reconnaissance helicopter to meet Army requirements.

(F) The rationale for the Army's requirement for light utility helicopters, together with a summary and copy of the analysis of the alternative means for

meeting such requirement that the Secretary considered in the determination to procure light utility helicopters, including, at a minimum, the analysis of the alternative of using light armed reconnaissance helicopters and UH–60 Black Hawk helicopters instead of light utility helicopters to meet such requirement.

(G) The rationale for the procurement of cargo fixed-wing aircraft.

(H) The rationale for the initiation of a joint multi-role helicopter program.

(I) A description of the operational employment of the Army's restructured aviation force.

SEC. 112. UP-ARMORED HIGH MOBILITY MULTI-PURPOSE WHEELED VEHICLES OR WHEELED VEHICLE BALLISTIC ADD-ON ARMOR PROTECTION.

(a) AMOUNT.—Of the amount authorized to be appropriated for the Army for fiscal year 2005 for other procurement under section 101(5), $610,000,000 shall be available for both of the purposes described in subsection (b) and may be used for either or both of such purposes.

(b) PURPOSES.—The purposes referred to in subsection (a) are as follows:

(1) The procurement of up-armored high mobility multi-purpose wheeled vehicles at a rate up to 450 such vehicles each month.

(2) The procurement of wheeled vehicle ballistic add-on armor protection.

(c) ALLOCATION BY SECRETARY OF THE ARMY.—(1) The Secretary of the Army shall allocate the amount available under subsection (a) between the two purposes set forth in subsection (b) as the Secretary determines appropriate to meet the requirements of the Army.

(2) Not later than 15 days before making an allocation under paragraph (1), the Secretary shall transmit a notification of the proposed allocation to the congressional defense committees.

(d) PROHIBITION ON USE FOR OTHER PURPOSES.—The amount available under subsection (a) may not be used for any purpose other than a purpose specified in subsection (b).

SEC. 113. COMMAND-AND-CONTROL VEHICLES OR FIELD ARTILLERY AMMUNITION SUPPORT VEHICLES.

(a) INCREASED AMOUNT FOR PROCUREMENT OF WEAPONS AND TRACKED COMBAT VEHICLES.—The amount authorized to be appropriated under section 101(3) is hereby increased by $5,000,000.

(b) AMOUNT FOR COMMAND-AND-CONTROL VEHICLES OR FIELD ARTILLERY AMMUNITION SUPPORT VEHICLES.—Of the amount authorized to be appropriated under section 101(3), $5,000,000 may be used for the procurement of command-and-control vehicles or field artillery ammunition support vehicles.

(c) OFFSET.—The amount authorized to be appropriated by section 421 is hereby reduced by $5,000,000, with the amount of the reduction to be derived from excess amounts provided for military personnel of the Air Force.

Subtitle C—Navy Programs

SEC. 121. LHA(R) AMPHIBIOUS ASSAULT SHIP PROGRAM.

(a) AUTHORIZATION OF SHIP.—The Secretary of the Navy is authorized to procure the first amphibious assault ship of the LHA(R) class, subject to the availability of appropriations for that purpose.

(b) AUTHORIZED AMOUNT.—Of the amount authorized to be appropriated under section 102(a)(3) for fiscal year 2005, $150,000,000 shall be available for the advance procurement and advance construction of components for the first amphibious assault ship of the LHA(R) class. The Secretary of the Navy may enter into a contract or contracts with the shipbuilder and other entities for the advance procurement and advance construction of those components.

SEC. 122. MULTIYEAR PROCUREMENT AUTHORITY FOR THE LIGHT WEIGHT 155-MILLIMETER HOWITZER PROGRAM.

(a) AUTHORITY.—Beginning with the fiscal year 2005 program year, the Secretary of the Navy may, in accordance with section 2306b of title 10, United States Code, enter into a multiyear contract for the procurement of the light weight 155-millimeter howitzer.

(b) LIMITATION.—The Secretary may not enter into a multiyear contract for the procurement of light weight 155 millimeter howitzers under subsection (a) until the Secretary determines on the basis of operational testing that the light weight 155-millimeter howitzer is effective for fleet use.

SEC. 123. PILOT PROGRAM FOR FLEXIBLE FUNDING OF SUBMARINE ENGINEERED REFUELING OVERHAUL AND CONVERSION.

(a) ESTABLISHMENT.—The Secretary of the Navy may carry out a pilot program of flexible funding of engineered refueling overhauls and conversions of submarines in accordance with this section.

(b) AUTHORITY.—Under the pilot program, the Secretary of the Navy may, subject to subsection (d), transfer amounts described in subsection (c) to the authorization of appropriations for the Navy for procurement for shipbuilding and conversion for any fiscal year to continue to

provide authorization of appropriations for any engineered refueling conversion or overhaul of a submarine of the Navy for which funds were initially provided on the basis of the authorization of appropriations to which transferred.

(c) AMOUNTS AVAILABLE FOR TRANSFER.—The amounts available for transfer under this section are amounts authorized to be appropriated to the Navy for any fiscal year after fiscal year 2004 and before fiscal year 2013 for the following purposes:

(1) For procurement as follows:

(A) For shipbuilding and conversion.

(B) For weapons procurement.

(C) For other procurement.

(2) For operation and maintenance.

(d) LIMITATIONS.—(1) A transfer may be made with respect to a submarine under this section only to meet either (or both) of the following requirements:

(A) An increase in the size of the workload for engineered refueling overhaul and conversion to meet existing requirements for the submarine.

(B) A new engineered refueling overhaul and conversion requirement resulting from a revision of the original baseline engineered refueling overhaul and conversion program for the submarine.

(2) A transfer may not be made under this section before the date that is 30 days after the date on which the Secretary of the Navy transmits to the congressional defense committees a written notification of the intended transfer. The notification shall include the following matters:

(A) The purpose of the transfer.

(B) The amounts to be transferred.

(C) Each account from which the funds are to be transferred.

(D) Each program, project, or activity from which the amounts are to be transferred.

(E) Each account to which the amounts are to be transferred.

(F) A discussion of the implications of the transfer for the total cost of the submarine engineered refueling overhaul and conversion program for which the transfer is to be made.

(e) MERGER OF FUNDS.—A transfer made from one account to another with respect to the engineered refueling overhaul and conversion of a submarine under the authority of this section shall be deemed to increase the amount authorized for the account to which the amount is transferred by an amount equal to the amount transferred and shall be available for the engineered refueling

overhaul and conversion of such submarine for the same period as the account to which transferred.

(f) RELATIONSHIP TO OTHER TRANSFER AUTHORITY.—The authority to make transfers under this section is in addition to any other transfer authority provided in this or any other Act and is not subject to any restriction, limitation, or procedure that is applicable to the exercise of any such other authority.

(g) FINAL REPORT.—Not later than October 1, 2011, the Secretary of the Navy shall submit to the congressional defense committees a report containing the Secretary's evaluation of the efficacy of the authority provided under this section.

(h) TERMINATION OF PROGRAM.—No transfer may be made under this section after September 30, 2012.

Subtitle D—Air Force Programs

SEC. 131. PROHIBITION OF RETIREMENT OF KC–135E AIRCRAFT.

The Secretary of the Air Force may not retire any KC–135E aircraft of the Air Force in fiscal year 2005.

SEC. 132. PROHIBITION OF RETIREMENT OF F–117 AIRCRAFT.

No F–117 aircraft in use by the Air Force during fiscal year 2004 may be retired during fiscal year 2005.

SEC. 133. SENIOR SCOUT MISSION BED-DOWN INITIATIVE.

(a) AMOUNT FOR PROGRAM.—The amount authorized to be appropriated by section 103(1) is hereby increased by $2,000,000, with the amount of the increase to be available for a bed-down initiative to enable the C–130 aircraft of the Idaho Air National Guard to be the permanent carrier of the SENIOR SCOUT mission shelters of the 169th Intelligence Squadron of the Utah Air National Guard.

(b) OFFSET.—The amount authorized to be appropriated by section 421 is hereby reduced by $2,000,000, with the amount of the reduction to be derived from excess amounts provided for military personnel of the Air Force.

Subtitle E—Other Matters

SEC. 141. REPORT ON OPTIONS FOR ACQUISITION OF PRECISION-GUIDED MUNITIONS.

(a) REQUIREMENT FOR REPORT.—Not later than March 1, 2005, the Secretary of Defense shall submit a report on options for the acquisition of precision-guided munitions to the congressional defense committees.

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

(1) A list of the precision-guided munitions in the inventory of the Department of Defense.

(2) For each such munition—

(A) the inventory level as of the most recent date that it is feasible to specify when the report is prepared;

(B) the inventory objective that is necessary to execute the current National Military Strategy prescribed by the Chairman of the Joint Chiefs of Staff;

(C) the year in which that inventory objective would be expected to be achieved—

(i) if the munition were procured at the minimum sustained production rate;

(ii) if the munition were procured at the most economic production rate; and

(iii) if the munition were procured at the maximum production rate; and

(D) the procurement cost (in constant fiscal year 2004 dollars) at each of the production rates specified in subparagraph (C).

SEC. 142. REPORT ON MATURITY AND EFFECTIVENESS OF THE GLOBAL INFORMATION GRID BANDWIDTH EXPANSION (GIG–BE) NETWORK.

(a) REPORT REQUIRED.—Not later that 180 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services

of the House of Representatives a report on a test program to demonstrate the maturity and effectiveness of the Global Information Grid-Bandwidth Expansion (GIG–BE) network architecture.

(b) CONTENTS OF REPORT.—The report under subsection (a) shall—

(1) determine whether the results of the test program described in subsection (a) demonstrate compliance of the GIG–BE architecture with the overall goals of the GIG–BE program;

(2) identify—

(A) the extent to which the GIG–BE architecture does not meet the overall goals of the program; and

(B) the components that are not yet sufficiently developed to achieve the overall goals of the program;

(3) include a plan and cost estimates for achieving compliance; and

(4) document the equipment and network configuration used to demonstrate real-world scenarios within the continental United States.

TITLE II—RESEARCH, DEVELOPMENT, TEST AND EVALUATION

Subtitle A—Authorization of Appropriations

SEC. 201. AUTHORIZATION OF APPROPRIATIONS.

Funds are hereby authorized to be appropriated for fiscal year 2005 for the use of the Department of Defense for research, development, test, and evaluation as follows:

(1) For the Army, $9,686,958,000.

(2) For the Navy, $16,679,391,000.

(3) For the Air Force, $21,264,267,000.

(4) For Defense-wide activities, $20,635,937,000, of which $309,135,000 is authorized for the Director of Operational Test and Evaluation.

SEC. 202. AMOUNT FOR SCIENCE AND TECHNOLOGY.

(a) AMOUNT FOR PROJECTS.—Of the total amount authorized to be appropriated by section 201, $10,998,850,000 shall be available for science and technology projects.

(b) SCIENCE AND TECHNOLOGY DEFINED.—In this section, the term ''science and technology project'' means work funded in program elements for defense research, de-

velopment, test, and evaluation under Department of Defense budget activities 1, 2, or 3.

Subtitle B—Program Requirements, Restrictions, and Limitations

SEC. 211. DD(X)-CLASS DESTROYER PROGRAM.

(a) AUTHORIZATION OF SHIP.—For the second destroyer in the DD(X)-class destroyer program, the Secretary of the Navy is authorized to use funds authorized to be appropriated to the Navy under section 201(2).

(b) AMOUNT FOR DETAIL DESIGN.—Of the amount authorized to be appropriated under section 201(2) for fiscal year 2005, $99,400,000 shall be available for the detail design of the second destroyer of the DD(X)-class.

SEC. 212. GLOBAL POSITIONING SYSTEM III SATELLITE.

Not more than 80 percent of the amount authorized to be appropriated by section 201(4) and available for the purpose of research, development, test, and evaluation on the Global Positioning System III satellite may be obligated or expended for that purpose until the Secretary of Defense—

(1) completes an analysis of alternatives for the satellite and ground architectures, satellite technologies, and tactics, techniques, and procedures for

the next generation global positioning system (GPS); and

(2) submits to the congressional defense committees a report on the results of the analysis, including an assessment of the results of the analysis.

SEC. 213. INITIATION OF CONCEPT DEMONSTRATION OF GLOBAL HAWK HIGH ALTITUDE ENDURANCE UNMANNED AERIAL VEHICLE.

Section 221(c) of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106–398; 114 Stat. 1654A–40) is amended by striking ''March 1, 2001'' and inserting ''March 1, 2005''.

SEC. 214. JOINT UNMANNED COMBAT AIR SYSTEMS PROGRAM.

(a) EXECUTIVE COMMITTEE.—(1) The Secretary of Defense shall, subject to subsection (b), establish and require an executive committee to provide guidance and recommendations for the management of the Joint Unmanned Combat Air Systems program to the Director of the Defense Advanced Research Projects Agency and the personnel who are managing the program for such agency.

(2) The executive committee established under paragraph (1) shall be composed of the following members:

(A) The Under Secretary of Defense for Acquisition, Technology, and Logistics, who shall chair the executive committee.

(B) The Assistant Secretary of the Navy for Research, Development, and Acquisition.

(C) The Assistant Secretary of the Air Force for Acquisition.

(D) The Deputy Chief of Naval Operations for Warfare Requirements and Programs.

(E) The Deputy Chief of Staff of the Air Force for Air and Space Operations.

(F) Any additional personnel of the Department of Defense whom the Secretary determines appropriate for membership on the executive committee.

(b) APPLICABILITY ONLY TO DARPA-MANAGED PROGRAM.—The requirements of subsection (a) apply with respect to the Joint Unmanned Combat Air Systems program only while the program is managed by the Defense Advanced Research Projects Agency.

SEC. 215. JOINT STRIKE FIGHTER AIRCRAFT PROGRAM.

(a) REQUIREMENT FOR STUDY.—The Secretary of Defense shall require the Defense Science Board to conduct a study on the Joint Strike Fighter aircraft program.

(b) MATTERS TO BE STUDIED.—The study shall include, for each of the three variants of the Joint Strike Fighter aircraft, the following matters:

(1) The current status.

(2) The extent of the effects of excess aircraft weight on estimated performance.

(3) The validity of the technical approaches being considered to achieve the required performance.

(4) The risks of those technical approaches.

(5) A list of any alternative technical approaches that have the potential to achieve the required performance.

(c) REPORT.—The Secretary shall submit a report on the results of the study to the congressional defense committees at the same time that the President submits the budget for fiscal year 2006 to Congress under section 1105(a) of title 31, United States Code.

SEC. 216. JOINT EXPERIMENTATION.

(a) DEFENSE-WIDE PROGRAM ELEMENT.—The Secretary of Defense shall plan, program, and budget for all joint experimentation of the Armed Forces as a separate, dedicated program element under research, development, test, and evaluation, Defense-wide activities.

(b) APPLICABILITY TO FISCAL YEARS AFTER FISCAL YEAR 2005.—This section shall apply with respect to fiscal years beginning after 2005.

SEC. 217. INFRASTRUCTURE SYSTEM SECURITY ENGINEERING DEVELOPMENT FOR THE NAVY.

(a) INCREASE IN AMOUNT FOR RESEARCH, DEVELOPMENT, TEST AND EVALUATION, NAVY.—The amount authorized to be appropriated by section 201(2) for research, development, test and evaluation, Navy, is hereby increased by $3,000,000.

(b) AVAILABILITY OF AMOUNT FOR INFRASTRUCTURE SYSTEM SECURITY ENGINEERING DEVELOPMENT.—Of the amount authorized to be appropriated by section 201(2) for research, development, test, and evaluation, Navy, as increased by subsection (a), $3,000,000 may be available for infrastructure system security engineering development.

(c) OFFSET.—(1) The amount authorized to be appropriated by section 101(5) for other procurement, Army, is hereby reduced by $1,000,000, with the amount of the reduction to be allocated to Buffalo Landmine Vehicles.

(2) The amount authorized to be appropriated by section 102(b) for procurement for the Marine Corps is hereby reduced by $500,000, with the amount of the reduction to be allocated to Combat Casualty Care.

(3) The amount authorized to be appropriated by section 201(1) for research, development, test, and evaluation, Army, is hereby reduced by $1,000,000, with the amount of the reduction to the allocated to Active Coating Technology.

(4) The amount authorized to be appropriated by section 201(4) for research, development, test, and evaluation, Defense-wide activities, is hereby reduced by $500,000, with the amount of the reduction to be allocated to Radiation Hardened Complementary Metal Oxide Semi-Conductors.

SEC. 218. NEUROTOXIN MITIGATION RESEARCH.

(a) INCREASE IN AMOUNT FOR RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, DEFENSE-WIDE.—The amount authorized to be appropriated by section 201(4) for research, development, test, and evaluation, Defense-wide activities, is hereby increased by $2,000,000.

(b) AVAILABILITY FOR NEUROTOXIN MITIGATION RESEARCH.—Of the amount authorized to be appropriated by section 201(4) for research, development, test, and evaluation, Defense-wide activities, as increased by subsection (a), $2,000,000 may be available in Program Element PE 62384BP for neurotoxin mitigation research.

(c) OFFSET.—The amount authorized to be appropriated by section 301(1) for operation and maintenance for the Army is hereby reduced by $2,000,000, with the amount of the reduction to be allocated to Satellite Communications Language training activity (SCOLA) at the Army Defense Language Institute.

SEC. 219. SPIRAL DEVELOPMENT OF JOINT THREAT WARNING SYSTEM MARITIME VARIANTS.

(a) AMOUNT FOR PROGRAM.—The amount authorized to be appropriated by section 201(4) is hereby increased by $2,000,000, with the amount of the increase to be available in the program element PE 1160405BB for joint threat warning system maritime variants.

(b) OFFSET.—The amount authorized to be appropriated by section 421 is hereby reduced by $2,000,000, with the amount of the reduction to be derived from excess amounts provided for military personnel of the Air Force.

SEC. 220. ADVANCED FERRITE ANTENNA.

(a) AMOUNT FOR DEVELOPMENT AND TESTING.—Of the amount authorized to be appropriated under section 201(2), $3,000,000 may be available for development and testing of the Advanced Ferrite Antenna.

(b) OFFSET.—The amount authorized to be appropriated by section 421 is hereby reduced by $3,000,000,

with the amount of the reduction to be derived from excess amounts provided for military personnel of the Air Force.

SEC. 221. PROTOTYPE LITTORAL ARRAY SYSTEM FOR OPERATING SUBMARINES.

(a) INCREASE IN AMOUNT FOR RESEARCH, DEVELOPMENT, TEST, AND EVALUATION, NAVY.—The amount authorized to be appropriated by section 201(2) for research, development, test, and evaluation for the Navy is hereby increased by $5,000,000.

(b) AVAILABILITY OF AMOUNT.—Of the amount authorized to be appropriated by section 201(2) for research, development, test, and evaluation for the Navy, as increased by subsection (a), $5,000,000 may be available for Program Element PE 0604503N for the design, development, and testing of a prototype littoral array system for operating submarines.

(c) OFFSET.—The amount authorized to be appropriated by section 421 is hereby reduced by $5,000,000, with the amount of the reduction to be derived from excess amounts provided for military personnel of the Air Force.

SEC. 222. ADVANCED MANUFACTURING TECHNOLOGIES AND RADIATION CASUALTY RESEARCH.

(a) ADDITIONAL AMOUNT FOR ADVANCED MANUFACTURING STRATEGIES.—Of the amount authorized to be appropriated by section 201(4) for research, develop-

ment, test, and evaluation, Defense-wide activities, the amount available for Advanced Manufacturing Technologies (PE 0708011S) is hereby increased by $2,000,000.

(b) AMOUNT FOR RADIATION CASUALTY RESEARCH.—Of the amount authorized to be appropriated by section 201(4) for research, development, test, and evaluation, Defense-wide activities, $3,000,000 may be available for Radiation Casualty Research (PE 0603002D8Z).

(c) OFFSET.—The amount authorized to be appropriated by section 421 is hereby reduced by $5,000,000, with the amount of the reduction to be derived from excess amounts provided for military personnel of the Air Force.

Subtitle C—Ballistic Missile Defense

SEC. 231. FIELDING OF BALLISTIC MISSILE DEFENSE CAPABILITIES.

Funds authorized to be appropriated under section 201(4) for the Missile Defense Agency may be used for the development and fielding of an initial set of ballistic missile defense capabilities.

SEC. 232. PATRIOT ADVANCE CAPABILITY-3 AND MEDIUM EXTENDED AIR DEFENSE SYSTEM.

(a) OVERSIGHT.—In the management of the combined program for the acquisition of the Patriot Advanced Capability-3 missile system and the Medium Extended Air Defense System, the Secretary of Defense shall require the Secretary of the Army to obtain the approval of the Director of the Missile Defense Agency before the Secretary of the Army—

(1) either—

(A) changes any system level technical specifications that are in effect under the program as of the date of the enactment of this Act; or

(B) establishes any new system level technical specifications after such date;

(2) makes any significant change in a procurement quantity (including any quantity in any future block procurement) that, as of such date, is planned for—

(A) the Patriot Advanced Capabilities-3 missile system; or

(B) PAC–3 configuration-3 radars, launchers, or fire control units; or

(3) changes the baseline development schedule that is in effect for the program as of the date of the enactment of this Act.

(b) DEFINITIONS.—In this section:

(1) The term ''system level technical specifications'', with respect to a system to which this section applies, means technical specifications expressed in terms of technical performance, including test specifications, that affect the ability of the system to contribute to the capability of the ballistic missile defense system of the United States, as determined by the Director of the Missile Defense Agency.

(2) The term ''significant change'', with respect to a planned procurement quantity, means any change of such quantity that would result in a significant change in the contribution that, as of the date of the enactment of this Act, is planned for the Patriot Advanced Capability-3 system to make to the ballistic missile defense system of the United States.

(3) The term ''baseline development schedule'' means the schedule on which technology upgrades for the combined acquisition program referred to in subsection (a) are planned for development.

(4) The terms ''Patriot Advanced Capability-3'' and ''PAC–3 configuration-3''—

(A) mean the air and missile defense system that, as of June 1, 2004, is referred to by either such name in the management of the combined acquisition program referred to in subsection (a); and

(B) include such system as it is improved with new air and missile defense technologies.

SEC. 233. COMPTROLLER GENERAL ASSESSMENTS OF BALLISTIC MISSILE DEFENSE PROGRAMS.

(a) ANNUAL ASSESSMENTS.—At the conclusion of each of 2004 through 2009, the Comptroller General of the United States shall conduct an assessment of the extent to which each ballistic missile defense program met the cost, scheduling, testing, and performance goals for such program for such year as established pursuant to section 232(c) of the National Defense Authorization Act for Fiscal Year 2002 (10 U.S.C. 2431 note).

(b) REPORTS ON ANNUAL ASSESSMENTS.—Not later than February 15 of each of 2005 through 2010, the Comptroller General shall submit to the congressional defense committees a report on the assessment conducted by the Comptroller General under subsection (a) for the previous year.

SEC. 234. BASELINES AND OPERATIONAL TEST AND EVALUATION FOR BALLISTIC MISSILE DEFENSE SYSTEM.

(a) TESTING CRITERIA.—Not later than February 1, 2005, the Secretary of Defense, in consultation with the Director of Operational Test and Evaluation, shall prescribe appropriate criteria for operationally realistic testing of fieldable prototypes developed under the ballistic missile defense spiral development program. The Secretary shall submit a copy of the prescribed criteria to the congressional defense committees.

(b) USE OF CRITERIA.—(1) The Secretary of Defense shall ensure that, not later than October 1, 2005, a test of the ballistic missile defense system is conducted consistent with the criteria prescribed under subsection (a).

(2) The Secretary of Defense shall ensure that each block configuration of the ballistic missile defense system is tested consistent with the criteria prescribed under subsection (a).

(c) RELATIONSHIP TO OTHER LAW.—Nothing in this section shall be construed to exempt any spiral development program of the Department of Defense, after completion of the spiral development, from the applicability of any provision of chapter 144 of title 10, United States Code, or section 139, 181, 2366, 2399, or 2400 of such

title in accordance with the terms and conditions of such provision.

(d) EVALUATION.—(1) The Director of Operational Test and Evaluation shall evaluate the results of each test conducted under subsection (a) as soon as practicable after the completion of such test.

(2) The Director shall submit to the Secretary of Defense and the congressional defense committees a report on the evaluation of each test conducted under subsection (a) upon completion of the evaluation of such test under paragraph (1).

(e) COST, SCHEDULE, AND PERFORMANCE BASELINES.—(1) The Director of the Missile Defense Agency shall establish cost, schedule, and performance baselines for each block configuration of the Ballistic Missile Defense System being fielded. The cost baseline for a block configuration shall include full life cycle costs for the block configuration.

(2) The Director shall include the baselines established under paragraph (1) in the first Selected Acquisition Report for the Ballistic Missile Defense System that is submitted to Congress under section 2432 of title 10, United States Code, after the establishment of such baselines.

(3) The Director shall also include in the Selected Acquisition Report submitted to Congress under paragraph (2) the significant assumptions used in determining the performance baseline under paragraph (1), including any assumptions regarding threat missile countermeasures and decoys.

(f) VARIATIONS AGAINST BASELINES.—In the event the cost, schedule, or performance of any block configuration of the Ballistic Missile Defense System varies significantly (as determined by the Director of the Ballistic Missile Defense Agency) from the applicable baseline established under subsection (d), the Director shall include such variation, and the reasons for such variation, in the Selected Acquisition Report submitted to Congress under section 2432 of title 10, United States Code.

(g) MODIFICATIONS OF BASELINES.—In the event the Director of the Missile Defense Agency elects to undertake any modification of a baseline established under subsection (d), the Director shall submit to the congressional defense committees a report setting forth the reasons for such modification.

Subtitle D—Other Matters

SEC. 241. ANNUAL REPORT ON SUBMARINE TECHNOLOGY INSERTION.

(a) REPORT REQUIRED.—(1) For each of fiscal years 2006, 2007, 2008, and 2009, the Secretary of Defense shall submit to the congressional defense committees a report on the submarine technologies that are available or potentially available for insertion in submarines of the Navy to reduce the production and operating costs of the submarines while maintaining or improving the effectiveness of the submarines.

(2) The annual report for a fiscal year under paragraph (1) shall be submitted at the same time that the President submits to Congress the budget for that fiscal year under section 1105(a) of title 31, United States Code.

(b) CONTENT.—The report on submarine technologies under subsection (a) shall include, for each class of submarines of the Navy, the following matters:

(1) A list of the technologies that have been demonstrated, together with—

(A) a plan for the insertion of any such technologies that have been determined appropriate for such submarines; and

(B) the estimated cost of such technology insertions.

(2) A list of the technologies that have not been demonstrated, together with a plan for the demonstration of any such technologies that have the potential for being appropriate for such submarines.

SEC. 242. SENSE OF THE SENATE REGARDING FUNDING OF THE ADVANCED SHIPBUILDING ENTERPRISE UNDER THE NATIONAL SHIPBUILDING RESEARCH PROGRAM OF THE NAVY.

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

(1) The budget for fiscal year 2005, as submitted to Congress by the President, provides $10,300,000 for the Advanced Shipbuilding Enterprise under the National Shipbuilding Research Program of the Navy.

(2) The Advanced Shipbuilding Enterprise is an innovative program to encourage greater efficiency in the national technology and industrial base.

(3) The leaders of the United States shipbuilding industry have embraced the Advanced Shipbuilding Enterprise as a method for exploring and collaborating on innovation in shipbuilding and ship

repair that collectively benefits all components of the industry.

(b) SENSE OF THE SENATE.—It is the sense of the Senate—

(1) that the Senate—

(A) strongly supports the innovative Advanced Shipbuilding Enterprise under the National Shipbuilding Research Program as an enterprise between the Navy and industry that has yielded new processes and techniques that reduce the cost of building and repairing ships in the United States; and

(B) is concerned that the future-years defense program of the Department of Defense that was submitted to Congress for fiscal year 2005 does not reflect any funding for the Advanced Shipbuilding Enterprise after fiscal year 2005; and

(2) that the Secretary of Defense should continue to provide in the future-years defense program for funding the Advanced Shipbuilding Enterprise at a sustaining level in order to support additional research to further reduce the cost of designing, building, and repairing ships.

TITLE III—OPERATION AND MAINTENANCE

Subtitle A—Authorization of Appropriations

SEC. 301. OPERATION AND MAINTENANCE FUNDING.

Funds are hereby authorized to be appropriated for fiscal year 2005 for the use of the Armed Forces and other activities and agencies of the Department of Defense for expenses, not otherwise provided for, for operation and maintenance, in amounts as follows:

(1) For the Army, $26,305,611,000.

(2) For the Navy, $29,702,790,000.

(3) For the Marine Corps, $3,682,727,000.

(4) For the Air Force, $27,423,560,000.

(5) For Defense-wide activities, $17,453,576,000.

(6) For the Army Reserve, $1,925,728,000.

(7) For the Naval Reserve, $1,240,038,000.

(8) For the Marine Corps Reserve, $197,496,000.

(9) For the Air Force Reserve, $2,154,790,000.

(10) For the Army National Guard, $4,227,236,000.

(11) For the Air National Guard, $4,366,738,000.

(12) For the United States Court of Appeals for the Armed Forces, $10,825,000.

(13) For Environmental Restoration, Army, $405,598,000.

(14) For Environmental Restoration, Navy, $266,820,000.

(15) For Environmental Restoration, Air Force, $397,368,000.

(16) For Environmental Restoration, Defense-wide, $23,684,000.

(17) For Environmental Restoration, Formerly Used Defense Sites, $256,516,000.

(18) For Overseas Humanitarian, Disaster, and Civic Aid programs, $59,000,000.

(19) For Cooperative Threat Reduction programs, $409,200,000.

SEC. 302. WORKING CAPITAL FUNDS.

Funds are hereby authorized to be appropriated for fiscal year 2005 for the use of the Armed Forces and other activities and agencies of the Department of Defense for providing capital for working capital and revolving funds in amounts as follows:

(1) For the Defense Working Capital Funds, $1,625,686,000.

(2) For the National Defense Sealift Fund, $1,269,252,000.

SEC. 303. OTHER DEPARTMENT OF DEFENSE PROGRAMS.

(a) DEFENSE HEALTH PROGRAM.—Funds are hereby authorized to be appropriated for the Department of Defense for fiscal year 2005 for expenses, not otherwise provided for, for the Defense Health Program, $17,992,211,000, of which—

(1) $17,555,169,000 is for Operation and Maintenance;

(2) $72,407,000 is for Research, Development, Test and Evaluation; and

(3) $364,635,000 is for Procurement.

(b) CHEMICAL AGENTS AND MUNITIONS DESTRUCTION, DEFENSE.—(1) Funds are hereby authorized to be appropriated for the Department of Defense for fiscal year 2005 for expenses, not otherwise provided for, for Chemical Agents and Munitions Destruction, Defense, $1,518,990,000, of which—

(A) $1,138,801,000 is for Operation and Maintenance;

(B) $301,209,000 is for Research, Development, Test and Evaluation; and

(C) $78,980,000 is for Procurement.

(2) Amounts authorized to be appropriated under paragraph (1) are authorized for—

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

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

(c) DRUG INTERDICTION AND COUNTER-DRUG ACTIVITIES, DEFENSE-WIDE.—Funds are hereby authorized to be appropriated for the Department of Defense for fiscal year 2005 for expenses, not otherwise provided for, for Drug Interdiction and Counter-Drug Activities, Defense-Wide, $852,697,000.

(d) DEFENSE INSPECTOR GENERAL.—Funds are hereby authorized to be appropriated for the Department of Defense for fiscal year 2005 for expenses, not otherwise provided for, for the Office of the Inspector General of the Department of Defense, $164,562,000, of which—

(1) $162,362,000 is for Operation and Maintenance;

(2) $100,000 is for Research, Development, Test, and Evaluation; and

(3) $2,100,000 is for Procurement.

SEC. 304. AMOUNT FOR ONE SOURCE MILITARY COUNSELING AND REFERRAL HOTLINE.

(a) AUTHORIZATION OF APPROPRIATION OF ADDITIONAL AMOUNT.—The amount authorized to be appropriated under section 301(5) is hereby increased by $5,000,000, which shall be available (in addition to other amounts available under this Act for the same purpose) only for the Department of Defense One Source counseling and referral hotline.

(b) OFFSET.—The amount authorized to be appropriated by section 421 is hereby reduced by $5,000,000, with the amount of the reduction to be derived from excess amounts provided for military personnel of the Air Force.

Subtitle B—Program Requirements, Restrictions, and Limitations

SEC. 311. COMMANDER'S EMERGENCY RESPONSE PROGRAM.

(a) FUNDING.—Of the amounts authorized to be appropriated for fiscal year 2005 by section 301(5) for operation and maintenance for Defense-wide activities, not more than $300,000,000 may be made available in fiscal year 2005 for the following:

(1) The Commander's Emergency Response Program, which was established by the Administrator of the Coalition Provisional Authority for the

purpose of enabling United States military commanders in Iraq to respond to urgent humanitarian relief and reconstruction needs within their areas of responsibility by carrying out programs to provide immediate assistance to the people of Iraq.

(2) A similar program to enable United States military commanders in Afghanistan to respond in such manner to similar needs in Afghanistan.

(b) QUARTERLY REPORTS REQUIRED.—The Secretary of Defense shall submit to the congressional defense committees on a quarterly basis reports on the use of amounts made available under subsection (a).

SEC. 312. LIMITATION ON TRANSFERS OUT OF WORKING CAPITAL FUNDS.

Section 2208 of title 10, United States Code, is amended by adding at the end the following new subsection:

''(r) LIMITATION ON TRANSFERS.—(1) Notwithstanding any authority for transfer of funds provided in this section, no transfer may be made out of a working capital fund or between or among working capital funds under such authority unless the Secretary of Defense has submitted a notification of the proposed transfer to the congressional defense committees in accordance with customary procedures.

"(2) The amount of a transfer covered by a notification under paragraph (1) that is proposed to be made in a fiscal year does not count for the purpose of any limitation on the total amount of transfers that may be made for that fiscal year under authority provided to the Secretary of Defense in a law authorizing appropriations for a fiscal year for military activities of the Department of Defense or a law making appropriations for the Department of Defense.".

SEC. 313. FAMILY READINESS PROGRAM OF THE NATIONAL GUARD.

(a) AMOUNT FOR PROGRAM.—The amount authorized to be appropriated by section 301(1) for operation and maintenance for the Army is hereby increased by $10,000,000 for the Family Readiness Program of the National Guard.

(b) OFFSET.—The amount authorized to be appropriated by section 421 is hereby reduced by $10,000,000, with the amount of the reduction to be derived from excess amounts provided for military personnel of the Air Force.

Subtitle C—Environmental Provisions

SEC. 321. PAYMENT OF CERTAIN PRIVATE CLEANUP COSTS IN CONNECTION WITH DEFENSE ENVIRONMENTAL RESTORATION PROGRAM.

(a) PAYMENT FOR ACTIVITIES AT FORMER DEFENSE PROPERTY SUBJECT TO COVENANT FOR ADDITIONAL REMEDIAL ACTION.—Section 2701(d) of title 10, United States Code, is amended—

(1) in paragraph (1), by striking ''paragraph (3)'' and inserting ''paragraph (4)'';

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

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

''(2) ACTIVITIES AT CERTAIN FORMER DEFENSE PROPERTY.—In addition to agreements under paragraph (1), the Secretary may also enter into agreements with owners of property subject to a covenant provided by the United States under section 120(h)(3)(A)(ii) of CERCLA (42 U.S.C. 9620(h)(3)(A)(ii)) to reimburse the owners of such property for activities under this section with respect to such property by reason of the covenant.''.

(b) SOURCE OF FUNDS FOR FORMER BRAC PROPERTY SUBJECT TO COVENANT FOR ADDITIONAL REMEDIAL ACTION.—Section 2703 of such title is amended—

(1) in subsection (g)(1), by striking ''The sole source'' and inserting ''Except as provided in subsection (h), the sole source''; and

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

''(h) SOLE SOURCE OF FUNDS FOR ENVIRONMENTAL REMEDIATION AT CERTAIN BASE REALIGNMENT AND CLOSURE SITES.—In the case of property disposed of pursuant to a base closure law and subject to a covenant described in section 2701(d)(2) of this title, the sole source of funds for activities under such section shall be the base closure account established under the applicable base closure law.''.

SEC. 322. REIMBURSEMENT OF ENVIRONMENTAL PROTECTION AGENCY FOR CERTAIN COSTS IN CONNECTION WITH MOSES LAKE WELLFIELD SUPERFUND SITE, MOSES LAKE, WASHINGTON.

(a) AUTHORITY TO REIMBURSE.—(1) Using funds described in subsection (b), the Secretary of Defense may transfer not more than $524,926.54 to the Moses Lake Wellfield Superfund Site 10–6J Special Account.

(2) The payment under paragraph (1) is to reimburse the Environmental Protection Agency for its costs, including interest, incurred in overseeing a remedial investigation/feasibility study performed by the Department of the Army under the Defense Environmental Restoration Program at the former Larson Air Force Base, Moses Lake Superfund Site, Moses Lake, Washington.

(3) The reimbursement described in paragraph (2) is provided for in the interagency agreement entered into by the Department of the Army and the Environmental Protection Agency for the Moses Lake Wellfield Superfund Site in March 1999.

(b) SOURCE OF FUNDS.—Any payment under subsection (a) shall be made using funds authorized to be appropriated by section 301(17) for operation and maintenance for Environmental Restoration, Formerly Used Defense Sites.

(c) USE OF FUNDS.—The Environmental Protection Agency shall use the amount transferred under subsection (a) to pay costs incurred by the Agency at the Moses Lake Wellfield Superfund Site.

SEC. 323. SATISFACTION OF CERTAIN AUDIT REQUIREMENTS BY THE INSPECTOR GENERAL OF THE DEPARTMENT OF DEFENSE.

(a) SATISFACTION OF REQUIREMENTS.—The Inspector General of the Department of Defense shall be deemed to be in compliance with the requirements of subsection (k) of section 111 of Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9611) if the Inspector General conducts periodic audits of the payments, obligations, reimbursements and other uses of the Fund described in that section, even if such audits do not occur on an annual basis.

(b) REPORTS TO CONGRESS ON AUDITS.—The Inspector General shall submit to Congress a report on each audit conducted by the Inspector General as described in subsection (a).

SEC. 324. COMPTROLLER GENERAL STUDY AND REPORT ON DRINKING WATER CONTAMINATION AND RELATED HEALTH EFFECTS AT CAMP LEJEUNE, NORTH CAROLINA.

(a) STUDY.—The Comptroller General of the United States shall conduct a study on drinking water contamination and related health effects at Camp Lejeune, North Carolina. The study shall consist of the following:

(1) A study of the history of drinking water contamination at Camp Lejeune to determine, to the extent practical—

(A) what contamination has been found in the drinking water;

(B) the source of such contamination and when it may have begun;

(C) when Marine Corps officials first became aware of such contamination;

(D) what actions have been taken to address such contamination;

(E) the appropriateness of such actions in light of the state of knowledge regarding contamination of that type, and applicable legal requirements regarding such contamination, as of the time of such actions; and

(F) any other matters that the Comptroller General considers appropriate.

(2) An assessment of the study on the possible health effects associated with the drinking of contaminated drinking water at Camp Lejeune as proposed by the Agency for Toxic Substances and Disease Registry (ATSDR), including whether the proposed study—

(A) will address the appropriate at-risk populations;

(B) will encompass an appropriate timeframe;

(C) will consider all relevant health effects; and

(D) can be completed on an expedited basis without compromising its quality.

(b) AUTHORITY TO USE EXPERTS.—The Comptroller General may use experts in conducting the study required by subsection (a). Any such experts shall be independent, highly qualified, and knowledgeable in the matters covered by the study.

(c) PARTICIPATION BY OTHER INTERESTED PARTIES.—In conducting the study required by subsection (a), the Comptroller General shall ensure that interested parties, including individuals who lived or worked at Camp Lejeune during the period when the drinking water may have been contaminated, have the opportunity to submit information and views on the matters covered by the study.

(d) CONSTRUCTION WITH ATSDR STUDY.—The requirement under subsection (a) that the Comptroller General conduct the study required by paragraph (2) of that subsection may not be construed as a basis for the delay

of the study proposed by Agency for Toxic Substances and Disease Registry as described in that subsection, but is intended to provide an independent review of the appropriateness and credibility of the study proposed by the Agency and to identify possible improvements in the plan or implementation of the study proposed by the Agency.

(e) REPORT.—(1) Not later than one year after the date of the enactment of this Act, the Comptroller General shall submit to the congressional defense committees a report on the study required by subsection (a), including such recommendations as the Comptroller General considers appropriate for further study or for legislative or other action.

(2) Recommendations under paragraph (1) may include recommendations for modifications or additions to the study proposed by the Agency for Toxic Substances and Disease Registry, as described in subsection (a)(2), in order to improve the study.

SEC. 325. INCREASE IN AUTHORIZED AMOUNT OF ENVIRONMENTAL REMEDIATION, FRONT ROYAL, VIRGINIA.

Section 591(a)(2) of the Water Resources Development Act of 1999 (Public Law 106–53; 113 Stat. 378) is amended by striking ''$12,000,000'' and inserting ''$22,000,000''.

SEC. 326. COMPTROLLER GENERAL STUDY AND REPORT ON ALTERNATIVE TECHNOLOGIES TO DECONTAMINATE GROUNDWATER AT DEPARTMENT OF DEFENSE INSTALLATIONS.

(a) COMPTROLLER GENERAL STUDY.—The Comptroller General of the United States shall conduct a study to determine whether or not cost-effective technologies are available to the Department of Defense for the cleanup of groundwater contamination at Department installations in lieu of traditional methods, such as pump and treat, that can be expensive and take many years to complete.

(b) ELEMENTS.—The study under subsection (a) shall include the following:

(1) An identification of current technologies being used or field tested by the Department to treat groundwater at Department installations, including the contaminants being addressed.

(2) An identification of cost-effective technologies described in that subsection that are currently under research, under development by commercial vendors, or available commercially and being used outside the Department and that have potential for use by the Department to address the contaminants identified under paragraph (1).

(3) An evaluation of the potential benefits and limitations of using the technologies identified under paragraphs (1) and (2).

(4) A description of the barriers, such as cost, capability, or legal restrictions, to using the technologies identified under paragraph (2).

(5) Any other matters the Comptroller General considers appropriate.

(c) REPORT.—By April 1, 2005, the Comptroller General shall submit to Congress a report on the study under subsection (a). The report shall include the results of the study and any recommendations, including recommendations for administrative or legislative action, that the Comptroller General considers appropriate.

SEC. 327. SENSE OF SENATE ON PERCHLORATE CONTAMINATION OF GROUND AND SURFACE WATER.

(a) FINDINGS.—The Senate makes the following findings:

(1) Because finite water sources in the United States are stretched by regional drought conditions and increasing demand for water supplies, there is increased need for safe and dependable supplies of fresh water for drinking and use for agricultural purposes.

(2) Perchlorate, a naturally occurring and man-made compound with medical, commercial, and national defense applications, which has been used primarily in military munitions and rocket fuels, has been detected in fresh water sources intended for use as drinking water and water necessary for the production of agricultural commodities.

(3) If ingested in sufficient concentration and in adequate duration, perchlorate may interfere with thyroid metabolism, and this effect may impair the normal development of the brain in fetuses and newborns.

(4) The Federal Government has not yet established a drinking water standard for perchlorate.

(5) The National Academy of Sciences is conducting an assessment of the state of the science regarding the effects on human health of perchlorate ingestion that will aid in understanding the effect of perchlorate exposure on sensitive populations.

(b) SENSE OF SENATE.—It is the sense of the Senate that—

(1) perchlorate has been identified as a contaminant of drinking water sources or in the environment in 34 States and has been used or manufactured in 44 States;

(2) perchlorate exposure at or above a certain level may adversely affect public health, particularly the health of vulnerable and sensitive populations; and

(3) the Department of Defense should—

(A) work to develop a national plan to remediate perchlorate contamination of the environment resulting from Department's activities to ensure the Department is prepared to respond quickly and appropriately once a drinking water standard is established;

(B) in cases in which the Department is already remediating perchlorate contamination, continue that remediation;

(C) prior to the development of a drinking water standard for perchlorate, develop a plan to remediate perchlorate contamination in cases in which such contamination from the Department's activities is present in ground or surface water at levels that pose a hazard to human health; and

(D) continue the process of evaluating and prioritizing sites without waiting for the development of a Federal standard.

SEC. 328. AMOUNT FOR RESEARCH AND DEVELOPMENT FOR IMPROVED PREVENTION OF LEISHMANIASIS.

(a) INCREASE IN AMOUNT FOR DEFENSE HEALTH PROGRAM.—The amount authorized to be appropriated by section 303(a)(2) for the Defense Health Program for research, development, test, and evaluation is hereby increased by $500,000, with the amount of the increase to be available for purposes relating to Leishmaniasis Diagnostics Laboratory.

(b) INCREASE IN AMOUNT FOR RDT&E, ARMY FOR LEISHMANIASIS TOPICAL TREATMENT.—The amount authorized to be appropriated by section 201(1) for research, development, test, and evaluation, Army, as increased by subsection (b), is hereby further increased by $4,500,000, with the amount of the increase to be available in Program Element PE 0604807A for purposes relating to Leishmaniasis Topical Treatment.

(c) OFFSET.—The amount authorized to be appropriated by section 421 is hereby reduced by $5,000,000, with the amount of the reduction to be derived from excess amounts provided for military personnel of the Air Force.

SEC. 329. REPORT REGARDING ENCROACHMENT ISSUES AFFECTING UTAH TEST AND TRAINING RANGE, UTAH.

(a) REPORT REQUIRED.—(1) The Secretary of the Air Force shall prepare a report that outlines current and anticipated encroachments on the use and utility of the special use airspace of the Utah Test and Training Range in the State of Utah, including encroachments brought about through actions of other Federal agencies. The Secretary shall include such recommendations as the Secretary considers appropriate regarding any legislative initiatives necessary to address encroachment problems identified by the Secretary in the report.

(2) It is the sense of the Senate that such recommendations should be carefully considered for future legislative action.

(b) SUBMISSION OF REPORT.—Not later than one year after the date of the enactment of this Act, the Secretary shall submit the report to the Committee on Armed Services of the House of Representatives and the Committee on Armed Services of the Senate.

(c) PROHIBITION ON GROUND MILITARY OPERATIONS.—Nothing in this section shall be construed to permit a military operation to be conducted on the ground in a covered wilderness study area in the Utah Test and Training Range.

(d) COMMUNICATIONS AND TRACKING SYSTEMS.—Nothing in this section shall be construed to prevent any required maintenance of existing communications, instrumentation, or electronic tracking systems (or the infrastructure supporting such systems) necessary for effective testing and training to meet military requirements in the Utah Test and Training Range.

Subtitle D—Depot-Level Maintenance and Repair

SEC. 331. SIMPLIFICATION OF ANNUAL REPORTING REQUIREMENTS CONCERNING FUNDS EXPENDED FOR DEPOT MAINTENANCE AND REPAIR WORKLOADS.

(a) CONSOLIDATION AND REVISION OF DEPARTMENTAL REPORTING REQUIREMENTS.—Section 2466(d) of title 10, United States Code, is amended—

(1) in paragraph (1)—

(A) by striking ''February 1'' and inserting ''April 1''; and

(B) by striking ''the preceding two fiscal years'' and inserting ''the preceding fiscal year and are projected to be expended in the fiscal year in which submitted and ensuing fiscal years''; and

(2) by striking paragraph (2).

(b) TIMING AND CONTENT OF GAO VIEWS.—Paragraph (3) of such section—

(1) is redesignated as paragraph (2); and

(2) is amended—

(A) by striking ''60 days'' and inserting ''90 days''; and

(B) by striking ''whether—'' and all that follows and inserting the following: ''whether the Department of Defense has complied with the requirements of subsection (a) for the fiscal year preceding the fiscal year in which the report is submitted and whether the expenditure projections for the other fiscal years covered by the report are reasonable.''.

SEC. 332. REPEAL OF REQUIREMENT FOR ANNUAL REPORT ON MANAGEMENT OF DEPOT EMPLOYEES.

(a) REPEAL.—Section 2472 of title 10, United States Code, is amended by striking subsection (b).

(b) CONFORMING AMENDMENT.—Subsection (a) of such section is amended by striking ''(a) PROHIBITION ON MANAGEMENT BY END STRENGTH.—''.

SEC. 333. EXTENSION OF SPECIAL TREATMENT FOR CERTAIN EXPENDITURES INCURRED IN THE OPERATION OF CENTERS OF INDUSTRIAL AND TECHNICAL EXCELLENCE.

Section 2474(f)(1) of title 10, United States Code, is amended by striking ''through 2006'' and inserting ''through 2009''.

Subtitle E—Extensions of Program Authorities

SEC. 341. TWO-YEAR EXTENSION OF DEPARTMENT OF DEFENSE TELECOMMUNICATIONS BENEFIT.

Section 344(c) of the National Defense Authorization Act for Fiscal Year 2004 (Public Law 108–136; 117 Stat. 1449) is amended by striking ''September 30, 2004'' and inserting ''September 30, 2006''.

SEC. 342. TWO-YEAR EXTENSION OF ARSENAL SUPPORT PROGRAM INITIATIVE.

Section 343 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (10 U.S.C. 4551 note) is amended—

(1) in subsection (a), by striking ''2004'' and inserting ''2006''; and

(2) in subsection (g)—

(A) in paragraph (1), by striking ''2004'' and inserting ''2006''; and

(B) in paragraph (2), by striking ''2003'' and inserting ''2005''.

SEC. 343. REAUTHORIZATION OF WARRANTY CLAIMS RECOVERY PILOT PROGRAM.

Section 391(f) of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 10 U.S.C. 2304 note) is amended by striking ''September 30, 2004'' and inserting ''September 30, 2006''.

Subtitle F—Defense Dependents Education

SEC. 351. ASSISTANCE TO LOCAL EDUCATIONAL AGENCIES THAT BENEFIT DEPENDENTS OF MEMBERS OF THE ARMED FORCES AND DEPARTMENT OF DEFENSE CIVILIAN EMPLOYEES.

(a) CONTINUATION OF DEPARTMENT OF DEFENSE PROGRAM FOR FISCAL YEAR 2005.—Of the amount authorized to be appropriated pursuant to section 301(5) for operation and maintenance for Defense-wide activities, $30,000,000 shall be available only for the purpose of providing educational agencies assistance to local educational agencies.

(b) NOTIFICATION.—Not later than June 30, 2005, the Secretary of Defense shall notify each local educational agency that is eligible for educational agencies assistance for fiscal year 2005 of—

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

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

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

(d) DEFINITIONS.—In this section:

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

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

(3) The term ''basic support payment'' means a payment authorized under section 8003(b)(1) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7703(b)(1)).

SEC. 352. IMPACT AID FOR CHILDREN WITH SEVERE DISABILITIES.

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

SEC. 353. SENSE OF THE SENATE REGARDING THE IMPACT OF THE PRIVATIZATION OF MILITARY HOUSING ON LOCAL SCHOOLS.

(a) FINDINGS.—The Senate finds the following:

(1) There are approximately 750,000 school-aged children of members of the active duty Armed Forces in the United States.

(2) Approximately 650,000 of those students are currently being served in public schools across the United States.

(3) The Department of Defense has embarked on military housing privatization initiatives using authorities provided in subchapter IV of chapter 169 of part IV of subtitle A of title 10, United States Code, which will result in the improvement or replacement of 120,000 military family housing units in the United States.

(4) The Secretary of each military department is authorized to include the construction of new school facilities in agreements carried out under subchapter IV of chapter 169 of part IV of subtitle A of title 10, United States Code.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the Department of Defense should support the construction of schools in housing privatization agreements that severely impact student populations.

Subtitle G—Other Matters

SEC. 361. CHARGES FOR DEFENSE LOGISTICS INFORMATION SERVICES MATERIALS.

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

"§ 197. Defense Logistics Agency: fees charged for logistics information

''(a) AUTHORITY.—The Secretary of Defense may charge fees for providing information in the Federal Logistics Information System through Defense Logistics Information Services to a department or agency of the executive branch outside the Department of Defense, or to a State, a political subdivision of a State, or any person.

''(b) AMOUNT.—The fee or fees prescribed under subsection (a) shall be such amount or amounts as the Sec-

retary of Defense determines appropriate for recovering the costs of providing information as described in such subsection.

"(c) RETENTION OF FEES.—Fees collected under this section shall be credited to the appropriation available for Defense Logistics Information Services for the fiscal year in which collected, shall be merged with other sums in such appropriation, and shall be available for the same purposes and period as the appropriation with which merged.

"(d) DEFENSE LOGISTICS INFORMATION SERVICES DEFINED.—In this section, the term 'Defense Logistics Information Services' means the organization within the Defense Logistics Agency that is known as Defense Logistics Information Services.".

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

"197. Defense Logistics Agency: fees charged for logistics information.".

SEC. 362. TEMPORARY AUTHORITY FOR CONTRACTOR PERFORMANCE OF SECURITY-GUARD FUNCTIONS.

(a) CONDITIONAL EXTENSION OF AUTHORITY.—Subsection (c) of section 332 of the Bob Stump National Defense Authorization Act for Fiscal Year 2003 (Public Law 107–314; 116 Stat. 2513) is amended—

(1) by inserting ''(1)'' after ''AUTHORITY.—''; and

(2) by striking ''at the end of the three-year period'' and all that follows through the period at the end and inserting ''at the end of September 30, 2006, except that such authority shall not be in effect under this section for any period after December 1, 2004, during which the Secretary has failed to comply with the requirement to submit the plan under subsection (d)(2).

''(2) No security-guard functions may be performed under any contract entered into using the authority provided under this section during any period for which the authority for contractor performance of security-guard functions under this section is not in effect.

''(3) The term of any contract entered into using the authority provided under this section may not extend beyond the date of the expiration of authority under paragraph (1).''.

(b) REAFFIRMATION AND REVISION OF REPORTING REQUIREMENT.—Subsection (d) of such section is amended—

(1) by striking ''180 days after the date of the enactment of this Act,'' and inserting ''December 1, 2004,'';

(2) by redesignating paragraphs (1) and (2) as paragraphs (2) and (4), respectively;

(3) by inserting after ''shall—'' the following new paragraph:

''(1) identify each contract for the performance of security-guard functions entered into pursuant to the authority in subsection (a) on or before September 30, 2004, including information regarding—

''(A) each installation at which such security-guard functions are performed or are to be performed;

''(B) the period and amount of such contract;

''(C) the number of security guards employed or to be employed under such contract; and

''(D) the actions taken or to be taken within the Department of Defense to ensure that the conditions applicable under paragraph (1) of subsection (a) or determined under paragraph (2) of such subsection are satisfied;'';

(4) by striking ''and'' at the end of paragraph (2), as redesignated by paragraph (2); and

(5) by inserting after paragraph (2), as so redesignated, the following new paragraph:

"(3) identify any limitation or constraint on the end strength of the civilian workforce of the Department of Defense that makes it difficult to meet requirements identified under paragraph (2) by hiring personnel as civilian employees of the Department of Defense; and".

SEC. 363. PILOT PROGRAM FOR PURCHASE OF CERTAIN MUNICIPAL SERVICES FOR DEPARTMENT OF DEFENSE INSTALLATIONS.

(a) AUTHORITY.—The Secretary of Defense may carry out a pilot program to provide for the purchase of certain services needed for a Department of Defense installation from a county or municipality where the installation is located.

(b) PURPOSE OF PROGRAM.—The purpose of the pilot program is to provide the Secretary with a basis for evaluating the efficacy of purchasing public works, utility, and other services needed for Department of Defense installations from counties or municipalities where the installations are located.

(c) SERVICES AUTHORIZED FOR PROCUREMENT.—Only the following services may be purchased for a participating installation under the pilot program:

(1) Refuse collection.

(2) Refuse disposal.

(3) Library services.

(4) Recreation services.

(5) Facility maintenance and repair.

(6) Utilities.

(d) PROGRAM INSTALLATIONS.—The Secretary of each military department may designate under this section not more than two installations of such military department for participation in the pilot program. Only installations located in the United States are eligible for designation under this subsection.

(e) REPORT.—Not later than February 1, 2010, the Secretary of Defense shall submit to Congress a report on any pilot program carried out under this section. The report shall include—

(1) the Secretary's evaluation of the efficacy of purchasing public works, utility, and other services for Department of Defense installations from counties or municipalities where the installations are located; and

(2) any recommendations that the Secretary considers appropriate regarding authority to make such purchases.

(f) PERIOD OF PILOT PROGRAM.—The pilot program may be carried out during fiscal years 2005 through 2010.

SEC. 364. CONSOLIDATION AND IMPROVEMENT OF AUTHORITIES FOR ARMY WORKING-CAPITAL FUNDED FACILITIES TO ENGAGE IN PUBLIC-PRIVATE PARTNERSHIPS.

(a) PUBLIC-PRIVATE PARTNERSHIPS AUTHORIZED.—Chapter 433 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 4544. Army industrial facilities: public-private partnerships

''(a) PUBLIC-PRIVATE PARTNERSHIPS AUTHORIZED.—A working-capital funded Army industrial facility may enter into cooperative arrangements with non-Army entities to carry out military or commercial projects with the non-Army entities. A cooperative arrangement under this section shall be known as a 'public-private partnership'.

''(b) AUTHORIZED PARTNERSHIP ACTIVITIES.—A public-private partnership entered into by an Army industrial facility may provide for any of the following activities:

''(1) The sale of articles manufactured by the facility or services performed by the facility to persons outside the Department of Defense.

''(2) The performance of—

''(A) work by a non-Army entity at the facility; or

"(B) work for a non-Army entity by the facility.

"(3) The sharing of work by the facility and one or more non-Army entities.

"(4) The leasing, or use under a facilities use contract or otherwise, of the facility (including excess capacity) or equipment (including excess equipment) of the facility by a non-Army entity.

"(5) The preparation and submission of joint offers by the facility and one or more non-Army entities for competitive procurements entered into with a department or agency of the United States.

"(c) CONDITIONS FOR PUBLIC-PRIVATE PARTNERSHIPS.—An activity described in subsection (b) may be carried out as a public-private partnership at an Army industrial facility only under the following conditions:

"(1) In the case of an article to be manufactured or services to be performed by the facility, the articles can be substantially manufactured, or the services can be substantially performed, by the facility without subcontracting for more than incidental performance.

"(2) The activity does not interfere with performance of—

"(A) work by the facility for the Department of Defense; or

"(B) a military mission of the facility.

"(3) The activity meets one of the following objectives:

"(A) Maximize utilization of the capacity of the facility.

"(B) Reduction or elimination of the cost of ownership of the facility.

"(C) Reduction in the cost of manufacturing or maintaining Department of Defense products at the facility.

"(D) Preservation of skills or equipment related to a core competency of the facility.

"(4) The non-Army entity partner or purchaser agrees to hold harmless and indemnify the United States from any liability or claim for damages or injury to any person or property arising out of the activity, including any damages or injury arising out of a decision by the Secretary of the Army or the Secretary of Defense to suspend or terminate an activity, or any portion thereof, during a war or national emergency or to require the facility to perform other work or provide other services on a priority basis, except—

"(A) in any case of willful misconduct or gross negligence; and

"(B) in the case of a claim by a purchaser of articles or services under this section that damages or injury arose from the failure of the Government to comply with quality, schedule, or cost performance requirements in the contract to carry out the activity.

"(d) METHODS OF PUBLIC-PRIVATE PARTNERSHIPS.—To conduct an activity of a public-private partnership under this section, the approval authority described in subsection (f) for an Army industrial facility may, in the exercise of good business judgment—

"(1) enter into a firm, fixed-price contract (or, if agreed to by the purchaser, a cost reimbursement contract) for a sale of articles or services or use of equipment or facilities;

"(2) enter into a multiyear partnership contract for a period not to exceed five years, unless a longer period is specifically authorized by law;

"(3) charge a partner the amounts necessary to recover the full costs of the articles or services provided, including capital improvement costs, and equipment depreciation costs associated with providing the articles, services, equipment, or facilities;

"(4) authorize a partner to use incremental funding to pay for the articles, services, or use of equipment or facilities; and

"(5) accept payment-in-kind.

"(e) DEPOSIT OF PROCEEDS.—(1) The proceeds of sales of articles and services received in connection with the use of an Army industrial facility under this section shall be credited to the appropriation or working-capital fund that incurs the variable costs of manufacturing the articles or performing the services. Notwithstanding section 3302(b) of title 31, the amount so credited with respect to an Army industrial facility shall be available, without further appropriation, as follows:

"(A) Amounts equal to the amounts of the variable costs so incurred shall be available for the same purposes as the appropriation or working-capital fund to which credited.

"(B) Amounts in excess of the amounts of the variable costs so incurred shall be available for operations, maintenance, and environmental restoration at that Army industrial facility.

"(2) Amounts credited to a working-capital fund under paragraph (1) shall remain available until expended. Amounts credited to an appropriation under paragraph

(1) shall remain available for the same period as the appropriation to which credited.

"(f) APPROVAL OF SALES.—The authority of an Army industrial facility to conduct a public-private partnership under this section shall be exercised at the level of the commander of the major subordinate command of the Army that has responsibility for the facility. The commander may approve such partnership on a case basis or a class basis.

"(g) COMMERCIAL SALES.—Except in the case of work performed for the Department of Defense, for a contract of the Department of Defense, for foreign military sales, or for authorized foreign direct commercial sales (defense articles or defense services sold to a foreign government or international organization under export controls), a sale of articles or services may be made under this section only if the approval authority described in subsection (f) determines that the articles or services are not available from a commercial source located in the United States in the required quantity or quality, or within the time required.

"(h) EXCLUSION FROM DEPOT-LEVEL MAINTENANCE AND REPAIR PERCENTAGE LIMITATION.—Amounts expended for depot-level maintenance and repair workload by non-Federal personnel at an Army industrial

facility shall not be counted for purposes of applying the percentage limitation in section 2466(a) of this title if the personnel are provided by a non-Army entity pursuant to a public-private partnership established under this section.

"(i) RELATIONSHIP TO OTHER LAWS.—Nothing in this section shall be construed to affect the application of—

"(1) foreign military sales and the export controls provided for in sections 30 and 38 of the Arms Export Control Act (22 U.S.C. 2770 and 2778) to activities of a public-private partnership under this section; and

"(2) section 2667 of this title to leases of non-excess property in the administration of a public-private partnership under this section.

"(j) DEFINITIONS.—In this section:

"(1) The term 'Army industrial facility' includes an ammunition plant, an arsenal, a depot, and a manufacturing plant.

"(2) The term 'non-Army entity' includes the following:

"(A) An executive agency.

"(B) An entity in industry or commercial sales.

"(C) A State or political subdivision of a State.

"(D) An institution of higher education or vocational training institution.

"(3) The term 'incremental funding' means a series of partial payments that—

"(A) are made as the work on manufacture or articles is being performed or services are being performed or equipment or facilities are used, as the case may be; and

"(B) result in full payment being completed as the required work is being completed.

"(4) The term 'full costs', with respect to articles or services provided under this section, means the variable costs and the fixed costs that are directly related to the production of the articles or the provision of the services.

"(5) The term 'variable costs' means the costs that are expected to fluctuate directly with the volume of sales or services provided or the use of equipment or facilities.".

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

"4544. Army industrial facilities: public-private partnerships.".

SEC. 365. PROGRAM TO COMMEMORATE 60TH ANNIVERSARY OF WORLD WAR II.

(a) IN GENERAL.—For fiscal year 2005, the Secretary of Defense may conduct a program—

(1) to commemorate the 60th anniversary of World War II; and

(2) to coordinate, support, and facilitate other such commemoration programs and activities of the Federal Government, State and local governments, and other persons.

(b) PROGRAM ACTIVITIES.—The program referred to in subsection (a) may include activities and ceremonies—

(1) to provide the people of the United States with a clear understanding and appreciation of the lessons and history of World War II;

(2) to thank and honor veterans of World War II and their families;

(3) to pay tribute to the sacrifices and contributions made on the home front by the people of the United States;

(4) to foster an awareness in the people of the United States that World War II was the central event of the 20th century that defined the postwar world;

(5) to highlight advances in technology, science, and medicine related to military research conducted during World War II;

(6) to inform wartime and postwar generations of the contributions of the Armed Forces of the United States to the United States;

(7) to recognize the contributions and sacrifices made by World War II allies of the United States; and

(8) to highlight the role of the Armed Forces of the United States, then and now, in maintaining world peace through strength.

(c) ESTABLISHMENT OF ACCOUNT.—(1) There is established in the Treasury of the United States an account to be known as the ''Department of Defense 60th Anniversary of World War II Commemoration Account'' which shall be administered by the Secretary as a single account.

(2) There shall be deposited in the account, from amounts appropriated to the Department of Defense for operation and maintenance of Defense Agencies, such amounts as the Secretary considers appropriate to conduct the program referred to in subsection (a).

(3) The Secretary may use the funds in the account established in paragraph (1) only for the purpose of conducting the program referred to in subsection (a).

(4) Not later than 60 days after the termination of the authority of the Secretary to conduct the program referred to in subsection (a), the Secretary shall transmit to the Committees on Armed Services of the Senate and House of Representatives a report containing an accounting of all the funds deposited into and expended from the account or otherwise expended under this section, and of any amount remaining in the account. Unobligated funds which remain in the account after termination of the authority of the Secretary under this section shall be held in the account until transferred by law after the Committees receive the report.

(d) ACCEPTANCE OF VOLUNTARY SERVICES.—(1) Notwithstanding section 1342 of title 31, United States Code, the Secretary may accept from any person voluntary services to be provided in furtherance of the program referred to in subsection (a).

(2) A person providing voluntary services under this subsection shall be considered to be an employee for the purposes of chapter 81 of title 5, United States Code, relating to compensation for work-related injuries. Such a person who is not otherwise employed by the Federal Government shall not be considered to be a Federal employee for any other purposes by reason of the provision of such service.

(3) The Secretary may reimburse a person providing voluntary services under this subsection for incidental expenses incurred by such person in providing such services. The Secretary shall determine which expenses are eligible for reimbursement under this paragraph.

SEC. 366. MEDIA COVERAGE OF THE RETURN TO THE UNITED STATES OF THE REMAINS OF DECEASED MEMBERS OF THE ARMED FORCES FROM OVERSEAS.

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

(1) The Department of Defense, since 1991, has relied on a policy of no media coverage of the transfers of the remains of members Ramstein Air Force Base, Germany, nor at Dover Air Force Base, Delaware, and the Port Mortuary Facility at Dover Air Force Base, nor at interim stops en route to the point of final destination in the transfer of the remains.

(2) The principal focus and purpose of the policy is to protect the wishes and the privacy of families of deceased members of the Armed Forces during their time of great loss and grief and to give families and friends of the dead the privilege to decide whether to allow media coverage at the mem-

ber's duty or home station, at the interment site, or at or in connection with funeral and memorial services.

(3) In a 1991 legal challenge to the Department of Defense policy, as applied during Operation Desert Storm, the policy was upheld by the United States District Court for the District of Columbia, and on appeal, by the United States Court of Appeals for the District of Columbia in the case of JB Pictures, Inc. v. Department of Defense and Donald B. Rice, Secretary of the Air Force on the basis that denying the media the right to view the return of remains at Dover Air Force Base does not violate the first amendment guarantees of freedom of speech and of the press.

(4) The United States Court of Appeals for the District of Columbia in that case cited the following two key Government interests that are served by the Department of Defense policy:

(A) Reducing the hardship on the families and friends of the war dead, who may feel obligated to travel great distances to attend arrival ceremonies at Dover Air Force Base if such ceremonies were held.

(B) Protecting the privacy of families and friends of the dead, who may not want media coverage of the unloading of caskets at Dover Air Force Base.

(5) The Court also noted, in that case, that the bereaved may be upset at the public display of the caskets of their loved ones and that the policy gives the family the right to grant or deny access to the media at memorial or funeral services at the home base and that the policy is consistent in its concern for families.

(b) SENSE OF CONGRESS.—It is the sense of Congress that the Department of Defense policy regarding no media coverage of the transfer of the remains of deceased members of the Armed Forces appropriately protects the privacy of the members' families and friends of and is consistent with United States constitutional guarantees of freedom of speech and freedom of the press.

SEC. 367. TRACKING AND CARE OF MEMBERS OF THE ARMED FORCES WHO ARE INJURED IN COMBAT.

(a) FINDINGS.—The Senate makes the following findings:

(1) Members of the Armed Forces of the United States place themselves in harm's way in the

defense of democratic values and to keep the United States safe.

(2) This call to duty has resulted in the ultimate sacrifice of members of the Armed Forces of the United States who are killed or critically injured while serving the United States.

(b) SENSE OF SENATE.—It is the sense of the Senate—

(1) to honor the sacrifice of the members of the Armed Forces who have been killed or critically wounded while serving the United States;

(2) to recognize the heroic efforts of the medical personnel of the Armed Forces in treating wounded military personnel and civilians; and

(3) to support advanced medical technologies that assist the medical personnel of the Armed Forces in saving lives and reducing disability rates for members of the Armed Forces.

(c) POLICY ON TRACKING OF WOUNDED FROM COMBAT ZONES.—(1) Not later than 120 days after the date of the enactment of this Act, the Secretary of Defense shall—

(A) prescribe the policy of the Department of Defense for providing timely notification to the next of kin of the status, including health and location,

of members of the Armed Forces who are seriously ill or injured in a combat zone; and

(B) transmit to the Committees on Armed Services of the Senate and House of Representatives a copy of the policy prescribed under subparagraph (A).

(2) The policy prescribed under paragraph (1) shall ensure respect for the expressed desires of individual members of the Armed Forces regarding notification of next of kin under the policy, and shall also include standards of timeliness for the initial and continuing notification of next of kin under the policy.

(d) FUNDING FOR MEDICAL EQUIPMENT AND COMBAT CASUALTY TECHNOLOGIES.—(1) The amount authorized to be appropriated by section 201(4) for research, development, test, and evaluation, Defense-wide activities, is hereby increased by $10,000,000, with the amount of the increase to be allocated to Program Element PE 0603826D8Z.

(2) Of the amount authorized to be appropriated by section 201(4) for research, development, test, and evaluation, Defense-wide activities, and allocated to Program Element PE 0603826D8Z, as provided by paragraph (1), $10,000,000 may be available for medical equipment and combat casualty care technologies.

(e) OFFSET.—The amount authorized to be appropriated by section 421 is hereby reduced by $10,000,000, with the amount of the reduction to be derived from excess amounts provided for military personnel of the Air Force.

TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS

Subtitle A—Active Forces

SEC. 401. END STRENGTHS FOR ACTIVE FORCES.

The Armed Forces are authorized strengths for active duty personnel as of September 30, 2005, as follows:

(1) The Army, 502,400, subject to the condition that costs of active duty personnel of the Army in excess of 482,400 shall be paid out of funds authorized to be appropriated for fiscal year 2005 for a contingent emergency reserve fund or as an emergency supplemental appropriation.

(2) The Navy, 365,900.

(3) The Marine Corps, 175,000.

(4) The Air Force, 359,700.

SEC. 402. ADDITIONAL AUTHORITY FOR INCREASES OF ARMY ACTIVE DUTY PERSONNEL END STRENGTHS FOR FISCAL YEARS 2005 THROUGH 2009.

(a) AUTHORITY.—During fiscal years 2005 through 2009, the Secretary of Defense is authorized to increase

by up to 30,000 the end strength authorized for the Army for such fiscal year under section 115(a)(1)(A) of title 10, United States Code, as necessary to support the operational mission of the Army in Iraq and Afghanistan and to achieve transformational reorganization objectives of the Army, including objectives for increased numbers of combat brigades, unit manning, force stabilization and shaping, and rebalancing of the active and reserve component forces of the Army.

(b) RELATIONSHIP TO PRESIDENTIAL WAIVER AUTHORITY.—Nothing in this section shall be construed to limit the President's authority under section 123a of title 10, United States Code, to waive any statutory end strength in a time of war or national emergency.

(c) RELATIONSHIP TO OTHER VARIANCE AUTHORITY.—The authority under subsection (a) is in addition to the authority to vary authorized end strengths that is provided in subsections (e) and (f) of section 115 of title 10, United States Code.

(d) BUDGET TREATMENT.—If the Secretary of Defense plans to increase the Army active duty end strength for a fiscal year under subsection (a) of this section or pursuant to a suspension of end-strength limitation under section 123a of title 10, United States Code, then the budget for the Department of Defense for such fiscal year

as submitted to Congress shall specify the amounts necessary for funding the active duty end strength of the Army in excess of 482,400 (the end strength authorized for active duty personnel of the Army for fiscal year 2004 in section 401(1) of the National Defense Authorization Act for Fiscal Year 2004 (Public Law 108–136; 117 Stat. 1450)).

SEC. 403. EXCLUSION OF SERVICE ACADEMY PERMANENT AND CAREER PROFESSORS FROM A LIMITATION ON CERTAIN OFFICER GRADE STRENGTHS.

Section 523(b) of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(8) Up to 50 permanent professors of each of the United States Military Academy and the United States Air Force Academy, and up to 50 professors of the United States Naval Academy who are career military professors (as defined in regulations prescribed by the Secretary of the Navy).".

Subtitle B—Reserve Forces

SEC. 411. END STRENGTHS FOR SELECTED RESERVE.

(a) IN GENERAL.—The Armed Forces are authorized strengths for Selected Reserve personnel of the reserve components as of September 30, 2005, as follows:

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

(2) The Army Reserve, 205,000.

(3) The Naval Reserve, 83,400.

(4) The Marine Corps Reserve, 39,600.

(5) The Air National Guard of the United States, 106,800.

(6) The Air Force Reserve, 76,100.

(7) The Coast Guard Reserve, 10,000.

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

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

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

Whenever such units or such individual members are released from active duty during any fiscal year, the end strength prescribed for such fiscal year for the Selected

Reserve of such reserve component shall be proportionately increased by the total authorized strengths of such units and by the total number of such individual members.

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

Within the end strengths prescribed in section 411(a), the reserve components of the Armed Forces are authorized, as of September 30, 2005, the following number of Reserves to be serving on full-time active duty or full-time duty, in the case of members of the National Guard, for the purpose of organizing, administering, recruiting, instructing, or training the reserve components:

(1) The Army National Guard of the United States, 26,602.

(2) The Army Reserve, 14,970.

(3) The Naval Reserve, 14,152.

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

(5) The Air National Guard of the United States, 12,253.

(6) The Air Force Reserve, 1,900.

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

The minimum number of military technicians (dual status) as of the last day of fiscal year 2005 for the reserve components of the Army and the Air Force (notwith-

standing section 129 of title 10, United States Code) shall be the following:

(1) For the Army Reserve, 7,299.

(2) For the Army National Guard of the United States, 25,076.

(3) For the Air Force Reserve, 9,954.

(4) For the Air National Guard of the United States, 22,956.

SEC. 414. FISCAL YEAR 2005 LIMITATIONS ON NON-DUAL STATUS TECHNICIANS.

(a) LIMITATIONS.—(1) Within the limitation provided in section 10217(c)(2) of title 10, United States Code, the number of non-dual status technicians employed by the National Guard as of September 30, 2005, may not exceed the following:

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

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

(2) The number of non-dual status technicians employed by the Army Reserve as of September 30, 2005, may not exceed 795.

(3) The number of non-dual status technicians employed by the Air Force Reserve as of September 30, 2005, may not exceed 90.

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

SEC. 415. AUTHORIZED STRENGTHS FOR MARINE CORPS RESERVE OFFICERS IN ACTIVE STATUS IN GRADES BELOW GENERAL OFFICER.

(a) INCREASED STRENGTHS FOR FIELD GRADE AND COMPANY GRADE OFFICERS.—Section 12005(c)(1), of title 10, United States Code, is amended by amending the table to read as follows:

''Colonel	2 percent
''Lieutenant colonel	8 percent
''Major	16 percent
''Captain	39 percent
''First lieutenant and second lieutenant (when combined with the number authorized for general officer grades under section 12004 of this title)	35 percent.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on October 1, 2004.

Subtitle C—Authorizations of Appropriations

SEC. 421. AUTHORIZATION OF APPROPRIATIONS FOR MILITARY PERSONNEL.

There is hereby authorized to be appropriated to the Department of Defense for military personnel for fiscal year 2005 a total of $104,535,458,000. The authorization in the preceding sentence supersedes any other authoriza-

tion of appropriations (definite or indefinite) for such purpose for fiscal year 2005.

SEC. 422. ARMED FORCES RETIREMENT HOME.

There is hereby authorized to be appropriated for fiscal year 2005 from the Armed Forces Retirement Home Trust Fund the sum of $61,195,000 for the operation of the Armed Forces Retirement Home.

TITLE V—MILITARY PERSONNEL POLICY

Subtitle A—Joint Officer Personnel Management

SEC. 501. MODIFICATION OF CONDITIONS OF ELIGIBILITY FOR WAIVER OF JOINT DUTY CREDIT REQUIREMENT FOR PROMOTION TO GENERAL OR FLAG OFFICER.

(a) CAREER FIELD SPECIALTIES WITH NO JOINT REQUIREMENTS.—Paragraph (2) of section 619a(b) of title 10, United States Code, is amended by striking ''scientific and technical qualifications'' and inserting ''career field specialty qualifications''.

(b) OFFICERS SELECTED FOR PROMOTION WHILE IN JOINT DUTY ASSIGNMENT.—Paragraph (4) of such section is amended by striking ''if—'' and all that follows and inserting ''if the officer's total consecutive service in joint duty assignments meets the requirements of section

664 of this title for credit for having completed a full tour of duty in a joint duty assignment.''.

SEC. 502. MANAGEMENT OF JOINT SPECIALTY OFFICERS.

(a) EDUCATION AND EXPERIENCE REQUIREMENTS.—(1) Subsection (c) of section 661 of title 10, United States Code, is amended by striking paragraph (1) and inserting the following: ''(1) An officer shall have the joint specialty (and shall be designated with a joint specialty officer identifier) upon—

''(A) successfully completing (in any sequence)—

''(i) a program accredited by Chairman of the Joint Chiefs of Staff that is presented by a joint professional military education institution; and

''(ii) a full tour of duty in a joint duty assignment; or

''(B) completing two full tours of duty in joint duty assignments.''.

(2) Subsection (c) of such section is further amended—

(A) by striking paragraphs (2) and (3); and

(B) by redesignating paragraph (4) as paragraph (2).

(b) DESIGNATION OF JOINT SPECIALTY GENERAL AND FLAG OFFICER POSITIONS.—Section 661 of such title is further amended—

(1) by redesignating subsection (f) as subsection (g); and

(2) by inserting after subsection (e) the following new subsection (f):

''(f) JOINT SPECIALTY OFFICER DESIGNATION FOR GENERAL AND FLAG POSITIONS.—(1) The Secretary of Defense shall ensure that the general and flag officer positions required to be filled by officers with the joint specialty as joint duty assignments are designated as such.

''(2) An officer without the joint specialty may be assigned to a position designated under paragraph (1) only if the Secretary of Defense determines that the assignment of that officer to such position is necessary and waives the requirement to assign an officer with the joint specialty to that position.''.

SEC. 503. REVISED PROMOTION POLICY OBJECTIVES FOR JOINT OFFICERS.

(a) QUALIFICATIONS.—Subsection (a) of section 662 of title 10, United States Code, is amended to read as follows:

''(a) QUALIFICATIONS.—(1) The Secretary of a military department shall prescribe for the officers in each of

the armed forces under the jurisdiction of such Secretary policies and procedures to ensure that an adequate number of senior colonels, or in the case of the Navy, senior captains, who are serving in or have served in joint duty assignments meet the requirements of section 619a of this title for eligibility for promotion to brigadier general and rear admiral (lower half).

''(2) The Secretary of Defense shall ensure that the qualifications of officers assigned to joint duty assignments are such that—

''(A) officers who are serving on or have served on the Joint Staff are expected, as a group, to be promoted to the next higher grade at a rate not less than the rate for officers of the same armed force in the same grade and competitive category who are serving on the headquarters staff of their armed force; and

''(B) officers who are serving in or have served in joint duty assignments are expected, as a group, to be promoted to the next higher grade at a rate not less than the rate for all officers of the same armed force in the same grade and competitive category.

''(3) The Secretary of Defense shall prescribe policies to ensure that the Secretaries of the military departments

provide for promotion selection boards to give appropriate consideration to officers who are serving in or have served in joint duty assignments and are eligible for consideration by such boards.''.

(b) CONFORMING AMENDMENT.—Subsection (b) of such section is amended by striking ''paragraphs (1), (2), and (3) of subsection (a)'' and inserting ''subparagraphs (A) and (B) of subsection (a)(2)''.

SEC. 504. LENGTH OF JOINT DUTY ASSIGNMENTS.

Section 664 of title 10, United States Code, is amended by striking subsection (b) and all that follows and inserting the following new subsections:

''(b) FULL CREDIT FOR JOINT DUTY.—An officer shall be credited with having completed a full tour of duty in a joint duty assignment upon the completion of any of the following:

''(1) Service in a joint duty assignment that meets the standards of subsection (a).

''(2) Service in a joint duty assignment for a period that equals or exceeds the standard length of the joint duty assignments that is prescribed under subsection (c) for the installation or other location of the officer's joint duty assignment.

"(3) Cumulative service of at least one year on one or more headquarters staffs within a United States or multinational joint task force.

"(4) Service in a second joint duty assignment for not less than 24 months, without regard to how much of the officer's service in the first joint duty assignment has been credited as service in a joint duty assignment.

"(5) Any service in a joint duty assignment if the Secretary of Defense has granted a waiver for such officer under subsection (d).

"(c) STANDARD LENGTH OF JOINT DUTY ASSIGNMENTS.—The Secretary of Defense shall prescribe in regulations, for each installation and other location authorized joint duty assignment positions, the standard length of the joint duty assignments in such positions at that installation or other location, as the case may be.

"(d) WAIVER AUTHORITY.—The Secretary of Defense may waive the applicability of this section in the case of any particular officer if the Secretary determines that it is in the national security interests of the United States to do so.".

SEC. 505. REPEAL OF MINIMUM PERIOD REQUIREMENT FOR PHASE II JOINT PROFESSIONAL MILITARY EDUCATION.

Section 663 of title 10, United States Code, is amended by striking subsection (e).

SEC. 506. REVISED DEFINITIONS APPLICABLE TO JOINT DUTY.

(a) JOINT DUTY ASSIGNMENT.—Subsection (b)(2) of section 668 of title 10, United States Code, is amended by striking ''a list'' in the matter preceding subparagraph (A) and inserting ''a joint duty assignment list''.

(b) TOUR OF DUTY.—Subsection (c) of such section is amended to read as follows:

''(c) TOUR OF DUTY.—In this chapter, the term 'tour of duty' includes two or more consecutive tours of duty in joint duty assignment positions that is credited as service in a joint duty assignment under this chapter.''.

Subtitle B—Other Officer Personnel Policy

SEC. 511. TRANSITION OF ACTIVE-DUTY LIST OFFICER FORCE TO A FORCE OF ALL REGULAR OFFICERS.

(a) ORIGINAL APPOINTMENTS AS COMMISSIONED OFFICERS.—(1) Section 532 of title 10, United States Code, is amended by striking subsection (e).

(2) Subsection (a)(2) of such section is amended by striking ''fifty-fifth birthday'' and inserting ''sixty-second birthday''.

(3)(A) Such section 532, as amended by paragraph (1), is further amended by adding at the end the following new subsection (e):

''(e) For an original appointment in a grade below major or, in the case of the Navy, a grade below lieutenant commander under subsection (a), the Secretary of Defense may waive the applicability of the requirement of subsection (a)(1) to an alien lawfully admitted to permanent residence in the United States when the Secretary determines that it is the national security interests of the United States to do so.''.

(B) Section 619(d) of title 10, United States Code, is amended by adding at the end the following new paragraph:

''(5) An officer in the grade of captain or, in the case of the Navy, lieutenant who is not a citizen of the United States.''.

(4) Section 531(a) of such title is amended to read as follows:

''(a)(1) Original appointments in the grades of second lieutenant through captain in the Regular Army, Regular Air Force, and Regular Marine Corps and in the

grades of ensign through lieutenant in the Regular Navy shall be made by the President. The President may delegate to the Secretary of Defense authority to make such appointments.

''(2) Original appointments in the grades of major, lieutenant colonel, and colonel in the Regular Army, Regular Air Force, and Regular Marine Corps and in the grades of lieutenant commander, commander, and captain in the Regular Navy shall be made by the President, by and with the advice and consent of the Senate.''.

(b) REPEAL OF TOTAL STRENGTH LIMITATION FOR ACTIVE DUTY REGULAR COMMISSIONED OFFICERS.—(1) Section 522 of title 10, United States Code, is repealed.

(2) The table of sections at the beginning of chapter 32 of such title is amended by striking the item relating to section 522.

(c) FORCE SHAPING AUTHORITY.—(1)(A) Subchapter V of chapter 36 of such title is amended by adding at the end the following new section:

''§ 647. Force shaping authority

''(a) AUTHORITY.—The Secretary concerned may, solely for the purpose of restructuring an armed force under the jurisdiction of that Secretary—

''(1) discharge an officer described in subsection (b); or

"(2) transfer such an officer from the active-duty list of that armed force to the reserve active-status list of a reserve component of that armed force.

"(b) COVERED OFFICERS.—(1) The authority under this section may be exercised in the case of an officer who—

"(A) has completed not more than 5 years of service as a commissioned officer in the armed forces; or

"(B) has completed more than 5 years of service as a commissioned officer in the armed forces, but has not completed a minimum service obligation applicable to that member.

"(2) In this subsection, the term 'minimum service obligation' means the initial period of required active duty service together with any additional period of required active duty service incurred during the initial period of required active duty service.

"(c) APPOINTMENT OF TRANSFERRED OFFICERS.—An officer of the Regular Army, Regular Air Force, Regular Navy, or Regular Marine Corps who is transferred to a reserve active-status list under this section shall be discharged from the regular component concerned and ap-

pointed as a reserve commissioned officer under section 12203 of this title.

"(d) REGULATIONS.—The Secretary concerned shall prescribe regulations for the exercise of the Secretary's authority under this section.".

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

"647. Force shaping authority.".

(2) Section 1174(e)(2)(B) of such title is amended by inserting after "obligated service" the following: ", unless the member is an officer discharged or released under the authority of section 647 of this title".

(3) Section 12201(a) of such title is amended—

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

(B) in the first sentence, by inserting ", except as provided in paragraph (2)," after "the armed force concerned and"; and

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

"(2) An officer transferred from the active-duty list of an armed force to a reserve active-status list of an armed force under section 647 of this title is not required to subscribe to the oath referred to in paragraph (1) in order to qualify for an appointment under that paragraph.".

(4) Section 12203 of such title is amended—

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

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

''(b) Subject to the authority, direction, and control of the President, the Secretary concerned may appoint as a reserve commissioned officer any regular officer transferred from the active-duty list of an armed force to the reserve active-status list of a reserve component under section 647 of this title, notwithstanding the requirements of subsection (a).''.

(5) Section 531 of such title is amended by adding at the end the following new subsection:

''(c) Subject to the authority, direction, and control of the President, an original appointment as a commissioned officer in the Regular Army, Regular Air Force, Regular Navy, or Regular Marine Corps may be made by the Secretary concerned in the case of a reserve commissioned officer upon the transfer of such officer from the reserve active-status list of a reserve component of the armed forces to the active-duty list of an armed force, notwithstanding the requirements of subsection (a).''.

(d) ACTIVE-DUTY READY RESERVE OFFICERS NOT ON ACTIVE-DUTY LIST.—Section 641(1)(F) of such title

is amended by striking ''section 12304'' and inserting ''sections 12302 and 12304''.

(e) ALL REGULAR OFFICER APPOINTMENTS FOR STUDENTS ATTENDING THE UNIVERSITY OF HEALTH SCIENCES.—Section 2114(b) of such title is amended by striking ''Notwithstanding any other provision of law, they shall serve'' and all that follows through ''if qualified,'' and inserting ''Notwithstanding any other provision of law, they shall be appointed as regular officers in the grade of O–1 and shall serve on active duty in that grade. Upon graduation they shall be required to serve on active duty''.

(f) EFFECTIVE DATE.—This section and the amendments made by this section shall take effect 180 days after the date of the enactment of this Act.

SEC. 512. ELIGIBILITY OF NAVY STAFF CORPS OFFICERS TO SERVE AS DEPUTY CHIEFS OF NAVAL OPERATIONS AND ASSISTANT CHIEFS OF NAVAL OPERATIONS.

(a) DEPUTY CHIEFS OF NAVAL OPERATIONS.—Section 5036(a) of title 10, United States Code, is amended by striking ''in the line''.

(b) ASSISTANT CHIEFS OF NAVAL OPERATIONS.—Section 5037(a) of such title is amended by striking ''in the line''.

SEC. 513. ONE-YEAR EXTENSION OF AUTHORITY TO WAIVE JOINT DUTY EXPERIENCE AS ELIGIBILITY REQUIREMENT FOR APPOINTMENT OF CHIEFS OF RESERVE COMPONENTS.

Sections 3038(b)(4), 5143(b)(4), 5144(b)(4), and 8038(b)(4) of title 10, United States Code, are amended by striking ''December 31, 2004'' and inserting ''December 31, 2005''.

SEC. 514. LIMITATION ON NUMBER OF OFFICERS FROCKED TO MAJOR GENERAL AND REAR ADMIRAL (UPPER HALF).

Section 777(d) of title 10, United States Code, is amended—

(1) by redesignating paragraphs (1) and (2) as paragraphs (2) and (3), respectively; and

(2) by striking ''(d) LIMITATION ON NUMBER OF OFFICERS FROCKED TO SPECIFIED GRADES.—'' and inserting the following:

''(d) LIMITATION ON NUMBER OF OFFICERS FROCKED TO SPECIFIED GRADES.—(1) The total number of brigadier generals and Navy rear admirals (lower half) on the active-duty list who are authorized as described in subsection (a) to wear the insignia for the grade of major general or rear admiral (upper half), as the case may be, may not exceed 30.''.

SEC. 515. STUDY REGARDING PROMOTION ELIGIBILITY OF RETIRED WARRANT OFFICERS RECALLED TO ACTIVE DUTY.

(a) REQUIREMENT FOR STUDY.—The Secretary of Defense shall carry out a study to determine whether it would be equitable for retired warrant officers on active duty, but not on the active-duty list by reason of section 582(2) of title 10, United States Code, to be eligible for consideration for promotion under section 573 of such title.

(b) REPORT.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report on the results of the study under subsection (a). The report shall include a discussion of the Secretary's determination regarding the issue covered by the study, the rationale for the Secretary's determination, and any recommended legislation that the Secretary considers appropriate regarding that issue.

Subtitle C—Reserve Component Personnel Policy

SEC. 521. REPEAL OF EXCLUSION OF ACTIVE DUTY FOR TRAINING FROM AUTHORITY TO ORDER RESERVES TO ACTIVE DUTY.

(a) GENERAL AUTHORITY TO ORDER RESERVES TO ACTIVE DUTY.—Section 12301 of title 10, United States Code, is amended—

(1) in the first sentence of subsection (a), by striking ''(other than for training)'';

(2) in subsection (c)—

(A) by striking ''(other than for training)'' and inserting ''as described in subsection (a)'' in the first sentence; and

(B) by striking ''(other than for training)'' in the second sentence; and

(3) in subsection (e), by striking ''(other than for training)'' and inserting ''as described in subsection (a)''.

(b) READY RESERVE 24-MONTH CALLUP AUTHORITY.—Section 12302 of such title is amended by striking ''(other than for training)'' in subsections (a) and (c).

(c) SELECTED RESERVE AND INDIVIDUAL READY RESERVE 270-DAY CALLUP AUTHORITY.—Section

12304(a) of such title is amended by striking ''(other than for training)''.

(d) STANDBY RESERVE CALLUP AUTHORITY.—Section 12306 of such title is amended—

(1) in subsection (a), by striking ''active duty (other than for training) only as provided in section 12301 of this title'' and inserting ''active duty only as provided in section 12301 of this title, but subject to the limitations in subsection (b)''; and

(2) in subsection (b)—

(A) in paragraph (1), by striking ''(other than for training)'' and inserting ''under section 12301(a) of this title''; and

(B) in paragraph (2), by striking ''no other member'' and all that follows through ''without his consent'' and inserting ''notwithstanding section 12301(a) of this title, no other member in the Standby Reserve may be ordered to active duty as an individual under such section without his consent''.

SEC. 522. EXCEPTION TO MANDATORY RETENTION OF RESERVES ON ACTIVE DUTY TO QUALIFY FOR RETIREMENT PAY.

Section 12686(a) of title 10, United States Code, is amended by inserting ''(other than retired pay for non-

regular service under chapter 1223 of this title)'' after ''a purely military retirement system''.

Subtitle D—Education and Training

SEC. 531. ONE-YEAR EXTENSION OF ARMY COLLEGE FIRST PILOT PROGRAM.

Section 573(h) of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 10 U.S.C. 513 note), is amended by striking ''September 30, 2004'' and inserting ''December 31, 2005''.

SEC. 532. MILITARY RECRUITER EQUAL ACCESS TO CAMPUS.

Subsection (b)(1) of section 983 of title 10, United States Code, is amended—

(1) by striking ''entry to campuses'' and inserting ''access to campuses''; and

(2) by inserting before the semicolon at the end the following: ''in a manner that is at least equal in quality and scope to the degree of access to campuses and to students that is provided to any other employer''.

SEC. 533. EXCLUSION FROM DENIAL OF FUNDS FOR PREVENTING ROTC ACCESS TO CAMPUS OF AMOUNTS TO COVER INDIVIDUAL COSTS OF ATTENDANCE AT INSTITUTIONS OF HIGHER EDUCATION.

(a) CODIFICATION AND EXTENSION OF EXCLUSION.—Subsection (d) of section 983 of title 10, United States Code, is amended—

(1) by striking ''The'' after ''(1)'' and inserting ''Except as provided in paragraph (3), the''; and

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

''(3) Any Federal funding specified in paragraph (1) that is provided to an institution of higher education, or to an individual, to be available solely for student financial assistance, related administrative costs, or costs associated with attendance, may be used for the purpose for which the funding is provided.''.

(b) CONFORMING AMENDMENTS.—Subsections (a) and (b) of such section are amended by striking ''(including a grant of funds to be available for student aid)''.

(c) CONFORMING REPEAL OF CODIFIED PROVISION.—Section 8120 of the Department of Defense Appropriations Act, 2000 (Public Law 106–79; 10 U.S.C. 983 note), is repealed.

SEC. 534. TRANSFER OF AUTHORITY TO CONFER DEGREES UPON GRADUATES OF THE COMMUNITY COLLEGE OF THE AIR FORCE.

(a) AUTHORITY OF AIR UNIVERSITY COMMANDER.—Subsection (a) of section 9317 of title 10, United States Code, is amended—

(1) by striking ''and'' at the end of paragraph (2);

(2) by striking the period at the end of paragraph (3) and inserting ''; and''; and

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

''(4) an associate level degree upon graduates of the Community College of the Air Force who fulfill the requirements for that degree.''.

(b) TERMINATION OF EXISTING AUTHORITY.—(1) Paragraph (1) of section 9315(c) of such title is amended by striking ''the commander'' and all that follows through ''at the level of associate'' and inserting ''an academic degree at the level of associate may be conferred under section 9317 of this title''.

(2) Paragraph (2) of such section is amended by striking ''Air Education and Training Command of the Air Force'' and inserting ''Air University''.

(c) CONFORMING AND CLERICAL AMENDMENTS.—(1) The heading of section 9317 of title 10, United States

Code, is amended by striking "**graduate-level degrees**" and inserting "**conferral of degrees**".

(2) The item relating to such section in the table of sections at the beginning of chapter 901 of such title is amended to read as follows:

"9317. Air University: conferral of degrees.".

SEC. 535. REPEAL OF REQUIREMENT FOR OFFICER TO RETIRE UPON TERMINATION OF SERVICE AS SUPERINTENDENT OF THE AIR FORCE ACADEMY.

(a) REPEALS.—Sections 8921 and 9333a of title 10, United States Code, are repealed.

(b) CLERICAL AMENDMENTS.—Subtitle D of title 10, United States Code, is amended—

(1) in the table of sections at the beginning of chapter 867, by striking the item relating to section 8921; and

(2) in the table of sections at the beginning of chapter 903, by striking the item relating to section 9333a.

Subtitle E—Decorations, Awards, and Commendations

SEC. 541. AWARD OF MEDAL OF HONOR TO INDIVIDUAL INTERRED IN THE TOMB OF THE UNKNOWNS AS REPRESENTATIVE OF CASUALTIES OF A WAR.

(a) AWARD TO INDIVIDUAL AS REPRESENTATIVE.—Chapter 57 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 1134. Medal of honor: award to individual interred in Tomb of the Unknowns as representative of casualties of a war

''The medal of honor awarded posthumously to a deceased member of the armed forces who, as an unidentified casualty of a particular war or other armed conflict, is interred in the Tomb of the Unknowns at Arlington National Cemetery, Virginia, is awarded to the member as the representative of the members of the armed forces who died in such war or other armed conflict and whose remains have not been identified, and not to the individual personally.''.

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

''1134. Medal of honor: award to individual interred in Tomb of the Unknowns as representative of casualties of a war.''.

SEC. 542. SEPARATE CAMPAIGN MEDALS FOR OPERATION ENDURING FREEDOM AND FOR OPERATION IRAQI FREEDOM.

(a) REQUIREMENT.—The President shall establish a campaign medal specifically to recognize service by members of the uniformed services in Operation Enduring Freedom and a separate campaign medal specifically to recognize service by members of the uniformed services in Operation Iraqi Freedom.

(b) ELIGIBILITY.—Subject to such limitations as may be prescribed by the President, eligibility for a campaign medal established pursuant to subsection (a) shall be set forth in regulations to be prescribed by the Secretary concerned (as defined in section 101 of title 10, United States Code). In the case of regulations prescribed by the Secretaries of the military departments, the regulations shall be subject to approval by the Secretary of Defense and shall be uniform throughout the Department of Defense.

SEC. 543. PLAN FOR REVISED CRITERIA AND ELIGIBILITY REQUIREMENTS FOR AWARD OF COMBAT INFANTRYMAN BADGE AND COMBAT MEDICAL BADGE FOR SERVICE IN KOREA AFTER JULY 28, 1953.

(a) REQUIREMENT FOR PLAN.—Not later than 90 days after the date of the enactment of this Act, the Secretary of the Army shall submit to the Committees on

Armed Services of the Senate and the House of Representatives a plan for revising the Army's criteria and eligibility requirements for award of the Combat Infantryman Badge and the Combat Medical Badge for service in the Republic of Korea after July 28, 1953, to fulfill the purpose stated in subsection (b).

(b) PURPOSE OF REVISED CRITERIA AND ELIGIBILITY REQUIREMENTS.—The purpose for revising the criteria and eligibility requirements for award of the Combat Infantryman Badge and the Combat Medical Badge for service in the Republic of Korea after July 28, 1953, is to ensure fairness in the standards applied to Army personnel in the awarding of such badges for Army service in the Republic of Korea in comparison to the standards applied to Army personnel in the awarding of such badges for Army service in other areas of operations.

Subtitle F—Military Justice

SEC. 551. REDUCED BLOOD ALCOHOL CONTENT LIMIT FOR OFFENSE OF DRUNKEN OPERATION OF A VEHICLE, AIRCRAFT, OR VESSEL.

Section 911(b)(3) of title 10, United States Code (article 111(b)(3) of the Uniform Code of Military Justice), is amended by striking "0.10 grams" in both places it appears and inserting "0.08 grams".

SEC. 552. WAIVER OF RECOUPMENT OF TIME LOST FOR CONFINEMENT IN CONNECTION WITH A TRIAL.

Section 972 of title 10, United States Code, is amended by adding at the end the following new subsection:

''(c) WAIVER OF RECOUPMENT OF TIME LOST FOR CONFINEMENT.—The Secretary concerned shall waive liability for a period of confinement in connection with a trial under subsection (a)(3), or exclusion of a period of confinement in connection with a trial under subsection (b)(3), in a case upon the occurrence of any of the following events:

''(1) For each charge—

''(A) the charge is dismissed before or during trial in a final disposition of the charge; or

''(B) the trial results in an acquittal of the charge.

''(2) For each charge resulting in a conviction in such trial—

''(A) the conviction is set aside in a final disposition of such charge, other than in a grant of clemency; or

''(B) a judgment of acquittal or a dismissal is entered upon a reversal of the conviction on appeal.''.

SEC. 553. DEPARTMENT OF DEFENSE POLICY AND PROCEDURES ON PREVENTION AND RESPONSE TO SEXUAL ASSAULTS INVOLVING MEMBERS OF THE ARMED FORCES.

(a) COMPREHENSIVE POLICY ON PREVENTION AND RESPONSE TO SEXUAL ASSAULTS.—(1) Not later than January 1, 2005, the Secretary of Defense shall develop a comprehensive policy for the Department of Defense on the prevention of and response to sexual assaults involving members of the Armed Forces.

(2) The policy shall be based on the recommendations of the Department of Defense Task Force on Care for Victims of Sexual Assaults and on such other matters as the Secretary considers appropriate.

(b) ELEMENTS OF COMPREHENSIVE POLICY.—The policy developed under subsection (a) shall address the following matters:

(1) Prevention measures.

(2) Education and training on prevention and response.

(3) Investigation of complaints by command and law enforcement personnel.

(4) Medical treatment of victims.

(5) Confidential reporting of incidents.

(6) Victim advocacy and intervention.

(7) Oversight by commanders of administrative and disciplinary actions in response to substantiated incidents of sexual assault.

(8) Disposition of victims of sexual assault, including review by appropriate authority of administrative separation actions involving victims of sexual assault.

(9) Disposition of members of the Armed Forces accused of sexual assault.

(10) Liaison and collaboration with civilian agencies on the provision of services to victims of sexual assault.

(11) Uniform collection of data on the incidence of sexual assaults and on disciplinary actions taken in substantiated cases of sexual assault.

(c) REPORT ON IMPROVEMENT OF CAPABILITY TO RESPOND TO SEXUAL ASSAULTS.—Not later than March 1, 2005, the Secretary of Defense shall submit to Congress a proposal for such legislation as the Secretary considers necessary to enhance the capability of the Department of Defense to address matters relating to sexual assaults involving members of the Armed Forces.

(d) APPLICATION OF COMPREHENSIVE POLICY TO MILITARY DEPARTMENTS.—The Secretary shall ensure that, to the maximum extent practicable, the policy devel-

oped under subsection (a) is implemented uniformly by the military departments.

(e) POLICIES AND PROCEDURES OF MILITARY DEPARTMENTS.—(1) Not later than March 1, 2005, the Secretaries of the military departments shall prescribe regulations, or modify current regulations, on the policies and procedures of the military departments on the prevention of and response to sexual assaults involving members of the Armed Forces in order—

(A) to conform such policies and procedures to the policy developed under subsection (a); and

(B) to ensure that such policies and procedures include the elements specified in paragraph (2).

(2) The elements specified in this paragraph are as follows:

(A) A program to promote awareness of the incidence of sexual assaults involving members of the Armed Forces.

(B) A program to provide victim advocacy and intervention for members of the Armed Force concerned who are victims of sexual assault, which program shall make available, at home stations and in deployed locations, trained advocates who are readily available to intervene on behalf of such victims.

(C) Procedures for members of the Armed Force concerned to follow in the case of an incident of sexual assault involving a member of such Armed Force, including—

(i) specification of the person or persons to whom the alleged offense should be reported;

(ii) specification of any other person whom the victim should contact;

(iii) procedures for the preservation of evidence; and

(iv) procedures for confidential reporting and for contacting victim advocates.

(D) Procedures for disciplinary action in cases of sexual assault by members of the Armed Force concerned.

(E) Other sanctions authorized to be imposed in substantiated cases of sexual assault, whether forcible or nonforcible, by members of the Armed Force concerned.

(F) Training on the policies and procedures for all members of the Armed Force concerned, including specific training for members of the Armed Force concerned who process allegations of sexual assault against members of such Armed Force.

(G) Any other matters that the Secretary of Defense considers appropriate.

(f) ANNUAL ASSESSMENT OF POLICIES AND PROCEDURES.—Not later than January 15, 2006, and each year thereafter, each Secretary of a military department shall conduct an assessment of the implementation during the preceding fiscal year of the policies and procedures of such department on the prevention of and response to sexual assaults involving members of the Armed Forces in order to determine the effectiveness of such policies and procedures during such fiscal year in providing an appropriate response to such sexual assaults.

(g) ANNUAL REPORTS.—(1) Not later than April 1, 2005, and January 15 of each year thereafter, each Secretary of a military department shall submit to the Secretary of Defense a report on the sexual assaults involving members of the Armed Force concerned during the preceding year.

(2) Each report on an Armed Force under paragraph (1) shall contain the following:

(A) The number of sexual assaults against members of the Armed Force, and the number of sexual assaults by members of the Armed Force, that were reported to military officials during the

year covered by such report, and the number of the cases so reported cases that were substantiated.

(B) A synopsis of and the disciplinary action taken in each substantiated case.

(C) The policies, procedures, and processes implemented by the Secretary concerned during the year covered by such report in response to incidents of sexual assault involving members of the Armed Force concerned.

(D) A plan for the actions that are to be taken in the year following the year covered by such report on the prevention of and response to sexual assault involving members of the Armed Forces concerned.

(3) Each report under paragraph (1) in 2006, 2007, and 2008 shall also include the assessment conducted by the Secretary concerned under subsection (f).

(4) The Secretary of Defense shall transmit to the Committees on Armed Services of the Senate and the House of Representatives each report submitted to the Secretary under this subsection, together with the comments of the Secretary on each such report. The Secretary shall transmit the report on 2004 not later than May 1, 2005, and shall transmit the report on any year after 2004 not later than March 15 of the year following such year.

(h) SEXUAL ASSAULT DEFINED.—In this section, the term ''sexual assault'' includes rape, acquaintance rape, sexual assault, and other criminal sexual offenses.

Subtitle G—Scope of Duties of Ready Reserve Personnel in Inactive Duty Status

SEC. 561. REDESIGNATION OF INACTIVE-DUTY TRAINING TO ENCOMPASS OPERATIONAL AND OTHER DUTIES PERFORMED BY RESERVES WHILE IN INACTIVE DUTY STATUS.

(a) REDESIGNATION OF DUTY STATUS.—(1) The duty status applicable to members of the reserve components of the Armed Forces that is known as ''inactive-duty training'' is redesignated as ''inactive duty''.

(2) Any reference that is made in any law, regulation, document, paper, or other record of the United States to inactive-duty training, as such term applies to members of the reserve components of the Armed Forces, shall be deemed to be a reference to inactive duty.

(b) TITLE 10 CONFORMING AND CLERICAL AMENDMENTS.—(1) The following provisions of title 10, United States Code, are amended by striking ''inactive-duty training'' each place it appears and inserting ''inactive duty'': sections 101(d)(7), 802(a)(3), 802(d)(2)(B), 802(d)(5)(B), 803(d), 936(a), 936(b), 976(a)(1)(C),

1061(b), 1074a(a), 1076(a)(2)(B), 1076(a)(2)(C), 1204(2), 1448(f)(1)(B), 1476(a)(1)(B), 1476(a)(2)(A), 1481(a)(2), 9446(a)(3), 12602(a)(3), 12602(b)(3), and 18505(a).

(2) The following provisions of such title are amended by striking ''inactive duty training'' each place it appears and inserting ''inactive duty'': sections 1086(c)(2)(B), 1175(e)(2), 1475(a)(2), 1475(a)(3), 2031(d)(2), and 10204(b).

(3) Section 1206(2) of such title is amended by striking ''in line of duty—'' and all that follows through ''residence; or'' and inserting the following: ''in line of duty while—

''(A) performing active duty or inactive duty;

''(B) traveling directly to or from the place at which such duty is performed; or

''(C) remaining overnight immediately before the commencement of inactive duty, or while remaining overnight between successive periods of inactive-duty training, at or in the vicinity of the site of the inactive duty, if the site is outside reasonable commuting distance of the member's residence;''.

(4) Section 1471(b)(3)(A) of such title is amended by striking ''for training'' in clauses (ii) and (iii).

(5) Section 1478(a) of such title is amended—

(A) in paragraph (3)—

(i) by striking ''from inactive duty training'' and inserting ''from the location of inactive duty''; and

(ii) by striking ''on inactive duty training'' and inserting ''on inactive duty'';

(B) in paragraph (7)—

(i) by striking ''inactive duty training'' and inserting ''inactive duty''; and

(ii) by striking ''or training''; and

(C) in paragraph (8), by striking ''inactive duty training'' both places it appears and inserting ''inactive duty''.

(6) Section 12317 of such title is amended by striking '', or to participate in inactive duty training,'' and inserting ''inactive duty''.

(7) Section 12319(c) of such title is amended—

(A) by striking ''inactive-duty training'' both places it appears and inserting ''inactive duty''; and

(B) by striking ''that training)'' and inserting ''that duty)''.

(8) Section 12603(a) of such title is amended—

(A) by striking ''inactive duty training'' and inserting ''inactive duty''; and

(B) by striking ''the training'' and inserting ''such duty''.

(9) Section 12604(a) of such title is amended by striking ''to inactive-duty training'' and inserting ''to perform inactive duty''.

(10)(A) The headings for sections 1204, 1206, 12603, and 18505 of such title are amended by striking ''**inactive-duty training**'' and inserting ''**inactive duty**''.

(B) The heading for section 1475 of such title is amended by striking ''**training**''.

(C) The heading for section 1476 of such title is amended by striking ''**or training**''.

(D) The heading for section 12604 of such title is amended by striking ''**attending inactive-duty training**'' and inserting ''**performing inactive duty**''.

(11)(A) The table of sections at the beginning of chapter 61 of such title is amended—

(i) by striking the item relating to section 1204 and inserting the following:

''1204. Members on active duty for 30 days or less or on inactive duty: retirement.'';

and

(ii) by striking the item relating to section 1206 and inserting the following:

"1206. Members on active duty for 30 days or less or on inactive duty: separation.".

(B) The table of sections at the beginning of subchapter II of chapter 75 of such title is amended by striking the items relating to sections 1475 and 1476 and inserting the following:

"1475. Death gratuity: death of members on active duty or inactive duty and of certain other persons.
"1476. Death gratuity: death after discharge or release from duty.".

(C) The table of sections at the beginning of chapter 1217 of such title is amended by striking the items relating to sections 12603 and 12604 and inserting the following:

"12603. Attendance of inactive duty assemblies: commercial travel at Federal supply schedule rates.
"12604. Billeting in Department of Defense facilities: Reserves performing inactive duty.".

(D) The item relating to section 18505 in the table of sections at the beginning of chapter 1805 of such title is amended to read as follows:

"18505. Reserves traveling for inactive duty: space-required travel on military aircraft.".

(c) TITLE 14 CONFORMING AMENDMENT.—Sections 704 and 705(a) of title 14, United States Code, are amended by striking "inactive-duty training" and inserting "inactive duty".

(d) TITLE 37 CONFORMING AND CLERICAL AMENDMENTS.—(1) Sections 101(22), 205(e)(2)(A), and 433(d)

of title 37, United States Code, are amended by striking ''inactive-duty training'' each place it appears and inserting ''inactive duty''.

(2) Section 204 of such title is amended—

(A) in subsection (g)(1)—

(i) in subparagraphs (B) and (D), by striking ''inactive-duty training'' each place it appears and inserting ''inactive duty'' and

(ii) in subparagraph (C), by striking ''or training''; and

(B) in subsection (h)(1)—

(i) in subparagraphs (B) and (D), by striking ''inactive-duty training'' each place it appears and inserting ''inactive duty''; and

(ii) in subparagraph (C), by striking ''or training''; and

(3) Section 206 of such title is amended—

(A) in subsection (a)(3)—

(i) by striking clause (ii) of subparagraph (A) and inserting the following:

''(ii) inactive duty;'';

(ii) in subparagraph (B), by striking ''or training''; and

(iii) in subparagraph (C), by striking ''inactive-duty training'' each place it appears and inserting ''inactive duty''; and

(B) in subsection (b)(1), by inserting ''or duty'' after ''kind of training''.

(4) Section 308d(a) of such title is amended by striking ''for training''.

(5) Section 415 of such title is amended—

(A) in subsection (a)(3), by striking ''inactive-duty training'' and inserting ''inactive duty''; and

(B) in subsection (c)(1), by striking ''on inactive duty training status'' and inserting ''inactive duty''.

(6) Section 552 of such title is amended—

(A) in subsection (a)—

(i) by striking ''performing inactive-duty training,'' in the matter preceding paragraph (1), and inserting ''inactive duty,''; and

(ii) by striking ''or inactive-duty training'' in the second sentence and inserting ''or inactive duty''; and

(B) in subsection (d), by striking ''inactive-duty training'' and inserting ''on inactive duty''.

(7)(A) The heading for section 206 of such title is amended by striking "**inactive-duty training**" and inserting "**inactive duty**".

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

"206. Reserves; members of National Guard: inactive duty.".

(8) The heading for subsection (c) of section 305b of such title is amended by striking "DUTY TRAINING.—" and inserting "DUTY.—".

(9) The heading for subsection (e) of section 320 of such title is amended by striking "DUTY TRAINING.—" and inserting "DUTY.—".

(e) PUBLIC LAW 108–136.—Section 644(c) of the National Defense Authorization Act for Fiscal Year 2004 (Public Law 108–136; 117 Stat. 1518) is amended by striking "inactive-duty training" and inserting "inactive duty".

SEC. 562. REPEAL OF UNNECESSARY DUTY STATUS DISTINCTION FOR FUNERAL HONORS DUTY.

(a) TITLE 10 DUTY.—(1) Section 12503 of title 10, United States Code, is repealed.

(2) Section 12552 of such title is repealed.

(b) TITLE 32 DUTY.—(1) Section 115 of title 32, United States Code, is repealed.

(2) Section 114 of such title is amended by striking the second sentence.

(c) TITLE 10 CONFORMING AND CLERICAL AMENDMENTS.—Title 10, United States Code, is amended as follows:

(1) Section 1074a(a) is amended—

(A) in paragraph (1)—

(i) by inserting ''or'' at the end of subparagraph (A);

(ii) by striking ''; or'' at the end of subparagraph (B) and inserting a period; and

(iii) by striking subparagraph (C);

(B) in paragraph (2)—

(i) by inserting ''or'' at the end of subparagraph (A);

(ii) by striking ''; or'' at the end of subparagraph (B) and inserting a period; and

(iii) by striking subparagraph (C); and

(C) by striking paragraph (4).

(2) Section 1076(a)(2) is amended by striking subparagraph (E).

(3) Section 1204(2) is amended—

(A) by inserting ''or'' at the end of subparagraph (A)(iii);

(B) by striking ''or'' at the end of subparagraph (B)(iii) and inserting a period; and

(C) by striking subparagraph (C).

(4) Section 1206(2) is amended by striking ''(B) while the member—'' and all that follows through ''immediately before so serving;''.

(5) Section 1481(a)(2) is amended—

(A) by inserting ''or'' at the end of subparagraph (D);

(B) by striking ''; or'' at the end of subparagraph (E) and inserting a period; and

(C) by striking subparagraph (F).

(6) Section 12732(a)(2)(E) is amended by inserting ''(as such section 12503 or 115, respectively, was in effect before the date of the enactment of the National Defense Authorization Act for Fiscal Year 2005)'' after ''section 115 of title 32''.

(7)(A) The table of sections at the beginning of chapter 1213 is amended by striking the item relating to section 12503.

(B) The table of sections at the beginning of chapter 1215 is amended by striking the item relating to 12552.

(c) TITLE 32 CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 1 of title 32, United States Code, is amended by striking the item relating to section 115.

(d) TITLE 37 CONFORMING AMENDMENTS.—Section 204 of title 37, United States Code, is amended—

(1) in subsection (g)(1)—

(A) by inserting ''or'' at the end of subparagraph (C);

(B) by striking ''; or'' at the end of subparagraph (D) and inserting a period; and

(C) by striking subparagraph (E); and

(2) in subsection (h)(1)—

(A) by inserting ''or'' at the end of subparagraph (C);

(B) by striking ''; or'' at the end of subparagraph (D) and inserting a period; and

(C) by striking subparagraph (E).

SEC. 563. CONFORMING AMENDMENTS TO OTHER LAWS REFERRING TO INACTIVE-DUTY TRAINING.

(a) TITLE 5.—Section 6323(a)(1) of title 5, United States Code, is amended by striking ''inactive-duty training'' and inserting ''inactive duty''.

(b) TITLE 38.—(1) The following provisions of title 38, United States Code, are amended by striking ''inactive

duty training'' each place it appears and inserting ''inactive duty'': sections 106(d)(1), 1112(c)(3)(A)(ii), 1302(b)(2), 1312(a)(2)(A), 1965(3), 1965(4), 1965(5), 1967(a)(1)(B), 1967(b), 1969(a)(3), 1977(e), 2402(2), 4303(13), and 4303(16).

(2) Section 1968 of such title is amended—

(A) by striking ''inactive duty training'' and inserting ''inactive duty''—

(i) in subsection (a), in the matter preceding paragraph (1);

(ii) in subsection (a)(3); and

(iii) in subsection (b)(2); and

(B) in subsection (a)(3)—

(i) by striking ''such scheduled training period'' and inserting ''such period of scheduled duty'';

(ii) by striking ''the date of such training'' and inserting ''the date on which such duty period ends''; and

(iii) by striking ''such training terminated'' and inserting ''on which such duty period ends''.

SEC. 564. CONFORMING AMENDMENTS TO OTHER LAWS REFERRING TO FUNERAL HONORS DUTY.

(a) TITLE 5.—Section 6323(a)(1) of title 5, United States Code, is amended by striking ''funeral honors duty (as described in section 12503 of title 10 and section 115 of title 32),''.

(b) TITLE 38.—Section 4303(13) of title 38, United States Code, is amended—

(1) by inserting ''and'' after ''full-time National Guard duty,''; and

(2) by striking '', and a period for which a person is absent from employment for the purpose of performing funeral honors duty as authorized by section 12503 of title 10 or section 115 of title 32.''.

Subtitle H—Other Matters

SEC. 571. ACCESSION OF PERSONS WITH SPECIALIZED SKILLS.

(a) INITIAL SERVICE OBLIGATION.—Subsection (a) of section 651 of title 10, United States Code, is amended—

(1) by inserting ''(1)'' after ''(a)'';

(2) by striking ''deferred under the next to the last sentence of section 6(d)(1) of the Military Selective Service Act (50 U.S.C. App. 456(d)(1))'' and inserting ''described in paragraph (3)''; and

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

''(2) The Secretary concerned may—

''(A) waive the applicability of paragraph (1) to a person who, as determined by the Secretary concerned, is accessed into an armed force under the jurisdiction of that Secretary based on unique skills acquired in a civilian occupation and is to serve in that armed force in a specialty requiring those skills; and

''(B) require any alternative period of obligated service that the Secretary considers appropriate to meet the needs of the armed force that such person is entering.

''(3) The requirement under paragraph (1) does not apply to a person who is deferred under the next to the last sentence of section 6(d)(1) of the Military Selective Service Act (50 U.S.C. App. 456(d)(1)).

(b) BASIC TRAINING PERIOD.—Subsection (c) of section 671 of such title is amended—

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

(2) by striking ''(c)(1)'' and all that follows through ''Any such period'' in the second sentence of paragraph (1) and inserting the following:

"(c)(1) A period of basic training (or equivalent training) shorter than 12 weeks may be established by the Secretary concerned for members of the armed forces who, as determined by the Secretary under regulations prescribed under paragraph (3)—

"(A) have been credentialed in a medical profession or occupation and are serving in a health-care occupational specialty; or

"(B) have unique skills acquired in a civilian occupation and are to serve in a military specialty or position requiring those skills.

"(2) Any period of basic training under paragraph (1)".

SEC. 572. FEDERAL WRITE-IN BALLOTS FOR ABSENTEE MILITARY VOTERS LOCATED IN THE UNITED STATES.

(a) DUTIES OF PRESIDENTIAL DESIGNEE.—Section 101(b)(3) of the Uniformed and Overseas Citizens Absentee Voting Act (42 U.S.C. 1973ff(b)(3)) is amended by striking "overseas voters" and inserting "absent uniformed services voters and overseas voters".

(b) FEDERAL WRITE-IN ABSENTEE BALLOT.—Section 103 of such Act (42 U.S.C. 1973ff–2) is amended—

(1) in subsection (a), by striking ''overseas voters'' and inserting ''absent uniformed services voters and overseas voters'';

(2) in subsection (b), by striking the second sentence and inserting the following new sentence: ''A Federal write-in absentee ballot of an absent uniformed services voter or overseas voter shall not be counted—

''(1) if the application of the absent uniformed services voter or overseas voter for a State absentee ballot is received by the appropriate State election official after the later of—

''(A) the deadline of the State for receipt of such application; or

''(B) the date that is 30 days before the general election; or

''(2) if a State absentee ballot of the absent uniformed services voter or overseas voter is received by the appropriate State election official not later than the deadline for receipt of the State absentee ballot under State law.'';

(3) in subsection (c)(1), by striking ''overseas voter'' and inserting ''absent uniformed services voter or overseas voter'';

(4) in subsection (d), by striking ''overseas voter'' both places it appears and inserting ''absent uniformed services voter or overseas voter''; and

(5) in subsection (e)(2), by striking ''overseas voters'' and inserting ''absent uniformed services voters and overseas voters''.

(c) CONFORMING AMENDMENTS.—(1) The heading of section 103 of such Act is amended to read as follows:

''SEC. 103. FEDERAL WRITE-IN ABSENTEE BALLOT IN GENERAL ELECTIONS FOR FEDERAL OFFICE FOR ABSENT UNIFORMED SERVICES VOTERS AND OVERSEAS VOTERS.''.

(2) The subsection caption for subsection (d) of such section is amended by striking ''OVERSEAS VOTER'' and inserting ''ABSENT UNIFORMED SERVICES VOTER OR OVERSEAS VOTER''.

SEC. 573. RENAMING OF NATIONAL GUARD CHALLENGE PROGRAM AND INCREASE IN MAXIMUM FEDERAL SHARE OF COST OF STATE PROGRAMS UNDER THE PROGRAM.

(a) RENAMING.—The text of section 509 of title 32, United States Code, is amended by striking ''National Guard Challenge Program'' each place it appears and inserting ''National Guard Youth Challenge Program''.

(b) INCREASE IN MAXIMUM FEDERAL SHARE OF COST OF STATE PROGRAMS.—Subsection (d) of such section is amended by striking paragraphs (1), (2), (3), and (4), and inserting the following new paragraphs:

"(1) for fiscal year 2004, 60 percent of the costs of operating the State program during that year;

"(2) for fiscal year 2005, 65 percent of the costs of operating the State program during that year;

"(3) for fiscal year 2006, 70 percent of the costs of operating the State program during that year; and

"(4) for fiscal year 2007 and each subsequent fiscal year, 75 percent of the costs of operating the State program during such year.".

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

"§ 509. National Guard Youth Challenge Program of opportunities for civilian youth".

(2) The table of sections at the beginning of chapter 5 of such title is amended by striking the item relating to section 509 and inserting the following new item:

"509. National Guard Youth Challenge Program of opportunities for civilian youth.".

SEC. 574. APPEARANCE OF VETERANS SERVICE ORGANIZATIONS AT PRESEPARATION COUNSELING PROVIDED BY THE DEPARTMENT OF DEFENSE.

(a) APPEARANCE TO COUNSELING FOR DISCHARGE OR RELEASE FROM ACTIVE DUTY.—Section 1142 of title 10, United States Code, is amended by adding at the end the following new subsection:

''(d) APPEARANCE BY VETERANS SERVICE ORGANIZATIONS.—(1) The Secretary concerned may permit a representative of a veterans service organization to appear at and participate in any preseparation counseling provided to a member of the armed forces under this section.

''(2) For purposes of this subsection, a veterans service organization is any organization recognized by the Secretary of Veterans Affairs for the representation of veterans under section 5902 of title 38.''.

(b) MEETING WITH RESERVES RELEASED FROM ACTIVE DUTY FOR FURTHER SERVICE IN THE RESERVES.—(1) A unit of a reserve component on active duty in the Armed Forces may, upon release from active duty in the Armed Forces for further service in the reserve components, meet with a veterans service organization for information and assistance relating to such release if the commander of the unit authorizes the meeting.

(2) The time of a meeting for a unit under paragraph (1) may be scheduled by the commander of the unit for such time after the release of the unit as described in that paragraph as the commander of the unit determines appropriate to maximize the benefit of the meeting to the members of the unit.

(3) For purposes of this subsection, a veterans service organization is any organization recognized by the Secretary of Veterans Affairs for the representation of veterans under section 5902 of title 38, United States Code.

SEC. 575. SENSE OF THE SENATE REGARDING RETURN OF MEMBERS TO ACTIVE DUTY SERVICE UPON REHABILITATION FROM SERVICE-RELATED INJURIES.

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

(1) The generation of young men and women currently serving on active duty in the Armed Forces, which history will record as being among the greatest, has shown in remarkable numbers an individual resolve to recover from injuries incurred in such service and to return to active service in the Armed Forces.

(2) Since September 11, 2001, numerous brave soldiers, sailors, airmen, and Marines have incurred

serious combat injuries, including (as of June 2004) approximately 100 members of the Armed Forces who have been fitted with artificial limbs as a result of devastating injuries sustained in combat overseas.

(3) In cases involving combat-related injuries and other service-related injuries it is possible, as a result of advances in technology and extensive rehabilitative services, to restore to members of the Armed Forces sustaining such injuries the capability to resume the performance of active military service, including, in a few cases, the capability to participate directly in the performance of combat missions.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) members of the Armed Forces who on their own initiative are highly motivated to return to active duty service following rehabilitation from injuries incurred in their service in the Armed Forces, after appropriate medical review should be given the opportunity to present their cases for continuing to serve on active duty in varied military capacities;

(2) other than appropriate medical review, there should be no barrier in policy or law to such a member having the option to return to military service on active duty; and

(3) the Secretary of Defense should develop specific protocols that expand options for such members to return to active duty service and to be retrained to perform military missions for which they are fully capable.

TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

Subtitle A—Pay and Allowances

SEC. 601. GEOGRAPHIC BASIS FOR HOUSING ALLOWANCE DURING SHORT-ASSIGNMENT PERMANENT CHANGES OF STATION FOR EDUCATION OR TRAINING.

(a) AUTHORITY.—Paragraph (3) of subsection (d) of section 403 of title 37, United States Code, is amended by adding at the end the following new subparagraph:

"(C) In the case of a member who is reassigned for a permanent change of station or permanent change of assignment from a duty station within the continental United States to another duty station within the continental United States for a period of not more than one year for the purpose of participating in professional military education or training classes, the amount of the basic allowance for housing for the member may be based on whichever of the following areas the Secretary concerned deter-

mines to provide the more equitable basis for the allowance:

"(i) The area of the duty station to which the member is reassigned.

"(ii) The area of the member's last duty station, but only if, and for the period that, the member's dependents reside in that area on and after the date of the member's departure for the duty station to which the member is reassigned.".

(b) CONFORMING AMENDMENT.—The heading of such subsection is amended by striking "ARE UNABLE TO" and inserting "DO NOT".

SEC. 602. IMMEDIATE LUMP-SUM REIMBURSEMENT FOR UNUSUAL NONRECURRING EXPENSES INCURRED FOR DUTY OUTSIDE THE CONTINENTAL UNITED STATES.

Section 405 of title 37, United States Code, is amended by adding at the end the following new subsection:

"(d) NONRECURRING EXPENSES.—(1) The Secretary concerned may pay a member of the uniformed services on duty as described in subsection (a) a reimbursement for a nonrecurring expense incurred by the member incident to such duty that—

"(A) is directly related to the conditions or location of the duty;

"(B) is of a nature or a magnitude not normally incurred by members of the uniformed services on duty inside the continental United States; and

"(C) is not included in the per diem determined under subsection (b) as payable to the member under subsection (a).

"(2) Any reimbursement payable to a member under paragraph (1) is in addition to a per diem payable to that member under subsection (a).".

SEC. 603. PERMANENT INCREASE IN AUTHORIZED AMOUNT OF FAMILY SEPARATION ALLOWANCE.

(a) PERMANENT AMOUNT.—Subsection (a)(1) of section 427 of title 37, United States Code, is amended by striking "$100" and inserting "$250".

(b) REPEAL OF TEMPORARY AUTHORITY.—Subsection (e) of such section is repealed.

(c) EFFECTIVE DATE.—This section and the amendments made by this section shall take effect on the earlier of—

(1) the first day of the first month that begins after the date of the enactment of this Act; or

(2) January 1, 2005.

Subtitle B—Bonuses and Special and Incentive Pays

SEC. 611. ONE-YEAR EXTENSION OF CERTAIN BONUS AND SPECIAL PAY AUTHORITIES FOR RESERVE FORCES.

(a) SELECTED RESERVE REENLISTMENT BONUS.—Section 308b(g) of title 37, United States Code, is amended by striking ''December 31, 2004'' and inserting ''December 31, 2005''.

(b) SELECTED RESERVE ENLISTMENT BONUS.—Section 308c(e) of such title is amended by striking ''December 31, 2004'' and inserting ''December 31, 2005''.

(c) SPECIAL PAY FOR ENLISTED MEMBERS ASSIGNED TO CERTAIN HIGH PRIORITY UNITS.—Section 308d(c) of such title is amended by striking ''December 31, 2004'' and inserting ''December 31, 2005''.

(d) SELECTED RESERVE AFFILIATION BONUS.—Section 308e(e) of such title is amended by striking ''December 31, 2004'' and inserting ''December 31, 2005''.

(e) READY RESERVE ENLISTMENT AND REENLISTMENT BONUS.—Section 308h(g) of such title is amended by striking ''December 31, 2004'' and inserting ''December 31, 2005''.

(f) PRIOR SERVICE ENLISTMENT BONUS.—Section 308i(f) of such title is amended by striking ''December 31, 2004'' and inserting ''December 31, 2005''.

SEC. 612. ONE-YEAR EXTENSION OF CERTAIN BONUS AND SPECIAL PAY AUTHORITIES FOR CERTAIN HEALTH CARE PROFESSIONALS.

(a) NURSE OFFICER CANDIDATE ACCESSION PROGRAM.—Section 2130a(a)(1) of title 10, United States Code, is amended by striking ''December 31, 2004'' and inserting ''December 31, 2005''.

(b) REPAYMENT OF EDUCATION LOANS FOR CERTAIN HEALTH PROFESSIONALS WHO SERVE IN THE SELECTED RESERVE.—Section 16302(d) of such title is amended by striking ''January 1, 2005'' and inserting ''January 1, 2006''.

(c) ACCESSION BONUS FOR REGISTERED NURSES.—Section 302d(a)(1) of title 37, United States Code, is amended by striking ''December 31, 2004'' and inserting ''December 31, 2005''.

(d) INCENTIVE SPECIAL PAY FOR NURSE ANESTHETISTS.—Section 302e(a)(1) of such title is amended by striking ''December 31, 2004'' and inserting ''December 31, 2005''.

(e) SPECIAL PAY FOR SELECTED RESERVE HEALTH PROFESSIONALS IN CRITICALLY SHORT WARTIME SPE-

CIALTIES.—Section 302g(f) of such title is amended by striking "December 31, 2004" and inserting "December 31, 2005".

(f) ACCESSION BONUS FOR DENTAL OFFICERS.—Section 302h(a)(1) of such title is amended by striking "December 31, 2004" and inserting "December 31, 2005".

SEC. 613. ONE-YEAR EXTENSION OF SPECIAL PAY AND BONUS AUTHORITIES FOR NUCLEAR OFFICERS.

(a) SPECIAL PAY FOR NUCLEAR-QUALIFIED OFFICERS EXTENDING PERIOD OF ACTIVE SERVICE.—Section 312(e) of title 37, United States Code, is amended by striking "December 31, 2004" and inserting "December 31, 2005".

(b) NUCLEAR CAREER ACCESSION BONUS.—Section 312b(c) of such title is amended by striking "December 31, 2004" and inserting "December 31, 2005".

(c) NUCLEAR CAREER ANNUAL INCENTIVE BONUS.—Section 312c(d) of such title is amended by striking "December 31, 2004" and inserting "December 31, 2005".

SEC. 614. ONE-YEAR EXTENSION OF OTHER BONUS AND SPECIAL PAY AUTHORITIES.

(a) AVIATION OFFICER RETENTION BONUS.—Section 301b(a) of title 37, United States Code, is amended by striking ''December 31, 2004'' and inserting ''December 31, 2005''.

(b) ASSIGNMENT INCENTIVE PAY.—Section 307a(f) of such title is amended by striking ''December 31, 2005'' and inserting ''December 31, 2006''.

(c) REENLISTMENT BONUS FOR ACTIVE MEMBERS.—Section 308(g) of such title is amended by striking ''December 31, 2004'' and inserting ''December 31, 2005''.

(d) ENLISTMENT BONUS FOR ACTIVE MEMBERS.—Section 309(e) of such title is amended by striking ''December 31, 2004'' and inserting ''December 31, 2005''.

(e) RETENTION BONUS FOR MEMBERS WITH CRITICAL MILITARY SKILLS.—Section 323(i) of such title is amended by striking ''December 31, 2004'' and inserting ''December 31, 2005''.

(f) ACCESSION BONUS FOR NEW OFFICERS IN CRITICAL SKILLS.—Section 324(g) of such title is amended by striking ''December 31, 2004'' and inserting ''December 31, 2005''.

SEC. 615. REDUCED SERVICE OBLIGATION FOR NURSES RECEIVING NURSE ACCESSION BONUS.

(a) PERIOD OF OBLIGATED SERVICE.—Section 302d(a)(1) of title 37, United States Code, is amended by striking ''four years'' and inserting ''three years''.

(b) EFFECTIVE DATE AND APPLICABILITY.—The amendment made by subsection (a) shall take effect on October 1, 2004, and shall apply with respect to agreements entered into under section 302d of title 37, United States Code, on or after such date.

SEC. 616. ASSIGNMENT INCENTIVE PAY.

(a) DISCONTINUATION UPON COMMENCEMENT OF TERMINAL LEAVE.—(1) Subsection (e) of section 307a of title 37, United States Code, is amended by striking ''absence of the member for authorized leave.'' and inserting the following:

> ''(2) absence of the member for authorized leave, other than leave authorized for a period ending upon the discharge of the member or the release of the member from active duty.''.

(2) Such subsection is further amended by striking ''by reason of'' and all that follows through ''pursuant to orders or'' and inserting ''by reason of—

> ''(1) temporary duty performed by the member pursuant to orders; or''.

(b) DISCRETIONARY WRITTEN AGREEMENTS.—Subsection (b) of such section is amended to read as follows:

''(b) WRITTEN AGREEMENT.—The Secretary concerned may require a member to enter into a written agreement with the Secretary in order to qualify for the incentive pay under this section. A written agreement under this subsection shall set forth the period for which the incentive pay is to be provided and the monthly rate at which the incentive pay is to be paid.''.

(c) EFFECTIVE DATE AND APPLICABILITY.—(1) The amendments made by subsection (a) shall take effect on October 1, 2004.

(2) Paragraph (2) of section 307a(e) of title 37, United States Code, shall apply with respect to authorized leave for days after September 30, 2004.

SEC. 617. PERMANENT INCREASE IN AUTHORIZED AMOUNT OF HOSTILE FIRE AND IMMINENT DANGER SPECIAL PAY.

(a) PERMANENT AMOUNT.—Subsection (a) of section 310 of title 37, United States Code, is amended by striking ''$150'' in the matter preceding paragraph (1) and inserting ''$225''.

(b) REPEAL OF TEMPORARY AUTHORITY.—Subsection (e) of such section is repealed.

(c) EFFECTIVE DATE.—This section and the amendments made by this section shall take effect on the earlier of—

(1) the first day of the first month that begins after the date of the enactment of this Act; or

(2) January 1, 2005.

SEC. 618. ELIGIBILITY OF ENLISTED MEMBERS TO QUALIFY FOR CRITICAL SKILLS RETENTION BONUS WHILE SERVING ON INDEFINITE REENLISTMENT.

Paragraph (2) of section 323(a) of title 37, United States Code, is amended to read as follows:

''(2) in the case of an enlisted member—

''(A) the member, if serving under an enlistment for a definite period—

''(i) reenlists for a period of at least one year; or

''(ii) voluntarily extends the member's enlistment for a period of at least one year; or

''(B) the member, if serving under an enlistment for an indefinite period, enters into a written agreement with the Secretary concerned to remain on active duty for at least one year under such enlistment.''.

SEC. 619. CLARIFICATION OF EDUCATIONAL PURSUITS QUALIFYING FOR SELECTED RESERVE EDUCATION LOAN REPAYMENT PROGRAM FOR HEALTH PROFESSIONS OFFICERS.

Section 16302(a)(5) of title 10, United States Code, is amended by striking ''regarding'' and inserting ''for a basic professional qualifying degree (as determined under regulations prescribed by the Secretary), or graduate education, in''.

SEC. 620. BONUS FOR CERTAIN INITIAL SERVICE OF COMMISSIONED OFFICERS IN THE SELECTED RESERVE.

(a) AUTHORITY.—Chapter 5 of title 37, United States Code, is amended by inserting after section 308i the following new section:

''§ 308j. Special pay: bonus for certain initial service of commissioned officers in the Selected Reserve

''(a) AFFILIATION BONUS.—(1) The Secretary concerned may pay an affiliation bonus under this section to an eligible commissioned officer in any of the armed forces who enters into an agreement with the Secretary to serve, for the period specified in the agreement, in the Selected Reserve of the Ready Reserve of an armed force under the Secretary's jurisdiction—

"(A) in a critical officer skill designated under paragraph (3); or

"(B) to meet a manpower shortage in—

"(i) a unit of that Selected Reserve; or

"(ii) a particular pay grade in that armed force.

"(2) A commissioned officer is eligible for an affiliation bonus under this section if the officer—

"(A) either—

"(i) is serving on active duty for a period of more than 30 days; or

"(ii) is a member of a reserve component not on active duty and, if the member formerly served on active duty, was released from active duty under honorable conditions;

"(B) has not previously served in the Selected Reserve of the Ready Reserve; and

"(C) is not entitled to receive retired or retainer pay.

"(3)(A) The Secretary concerned shall designate for an armed force under the Secretary's jurisdiction the critical officer skills to which the bonus authority under this subsection is to be applied.

"(B) A skill may be designated as a critical officer skill for an armed force under subparagraph (A) if, to

meet requirements of that armed force, it is critical for that armed force to have a sufficient number of officers who are qualified in that skill.

"(4) An affiliation bonus payable pursuant to an agreement under this section to an eligible officer accrues on the date on which the person is assigned to a unit or position in the Selected Reserve pursuant to such agreement.

"(b) ACCESSION BONUS.—(1) The Secretary concerned may pay an accession bonus under this section to an eligible person who enters into an agreement with the Secretary—

"(A) to accept an appointment as a commissioned officer in the armed forces; and

"(B) to serve in the Selected Reserve of the Ready Reserve in a skill designated under paragraph (2) for a period specified in the agreement.

"(2)(A) The Secretary concerned shall designate for an armed force under the Secretary's jurisdiction the officer skills to which the authority under this subsection is to be applied.

"(B) A skill may be designated for an armed force under subparagraph (A) if, to mitigate a current or projected significant shortage of personnel in that armed force who are qualified in that skill, it is critical to in-

crease the number of persons accessed into that armed force who are qualified in that skill or are to be trained in that skill.

"(3) An accession bonus payable to a person pursuant to an agreement under this section accrues on the date on which that agreement is accepted by the Secretary concerned.

"(c) PERIOD OF OBLIGATED SERVICE.—An agreement entered into with the Secretary concerned under this section shall require the person entering into that agreement to serve in the Selected Reserve for a specified period. The period specified in the agreement shall be any period not less than three years that the Secretary concerned determines appropriate to meet the needs of the reserve component in which the service is to be performed.

"(d) AMOUNT.—The amount of a bonus under this section may be any amount not in excess of $6,000 that the Secretary concerned determines appropriate.

"(e) PAYMENT.—Upon acceptance of a written agreement by the Secretary concerned under this section, the total amount of the bonus payable under the agreement becomes fixed. The agreement shall specify whether the bonus is to be paid in one lump sum or in installments.

"(f) RELATION TO OTHER ACCESSION BONUS AUTHORITY.—No person may receive an affiliation bonus or

accession bonus under this section and financial assistance under chapter 1608, 1609, or 1611 of title 10, or under section 302g of this title, for the same period of service.

"(g) REPAYMENT FOR FAILURE TO COMMENCE OR COMPLETE OBLIGATED SERVICE.—(1) A person who, after receiving all or part of the bonus under an agreement entered into by that person under this section, does not accept a commission as an officer or does not commence to participate or does not satisfactorily participate in the Selected Reserve for the total period of service specified in the agreement shall repay to the United States such compensation or benefit, except under conditions prescribed by the Secretary concerned.

"(2) The Secretary concerned shall include in each agreement entered into by the Secretary under this section the requirements that apply for any repayment under this subsection, including the method for computing the amount of the repayment and any exceptions.

"(3) An obligation to repay the United States imposed under paragraph (1) is for all purposes a debt owed to the United States. A discharge in bankruptcy under title 11 that is entered less than five years after the termination of an agreement entered into under this section does not discharge a person from a debt arising under an

agreement entered into under this subsection or a debt arising under paragraph (1).''.

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

''308j. Special pay: bonus for certain initial service of commissioned officers in the Selected Reserve.''.

SEC. 621. RELATIONSHIP BETWEEN ELIGIBILITY TO RECEIVE SUPPLEMENTAL SUBSISTENCE ALLOWANCE AND ELIGIBILITY TO RECEIVE IMMINENT DANGER PAY, FAMILY SEPARATION ALLOWANCE, AND CERTAIN FEDERAL ASSISTANCE.

(a) ENTITLEMENT NOT AFFECTED BY RECEIPT OF IMMINENT DANGER PAY AND FAMILY SEPARATION ALLOWANCE.—Subsection (b)(2) of section 402a of title 37, United States Code, is amended by striking subparagraph (A) and inserting the following:

''(A) shall not take into consideration—

''(i) the amount of the supplemental subsistence allowance that is payable under this section;

''(ii) the amount of special pay (if any) that is payable under section 310 of this section, relating to duty subject to hostile fire or imminent danger; or

"(iii) the amount of family separation allowance (if any) that is payable under section 427 of this title; but".

(b) ELIGIBILITY FOR OTHER FEDERAL ASSISTANCE.—Section 402a of such title is amended—

(1) by redesignating subsections (g) and (h) as subsections (h) and (i), respectively; and

(2) by inserting after subsection (f) the following new subsection (g):

"(g) ELIGIBILITY FOR OTHER FEDERAL ASSISTANCE.—(1)(A) A child or spouse of a member of the armed forces receiving the supplemental subsistence allowance under this section who, except for the receipt of such allowance, would otherwise be eligible to receive a benefit described in subparagraph (B) shall be considered to be eligible for that benefit.

"(B) The benefits referred to in subparagraph (A) are as follows:

"(i) Assistance provided under the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.).

"(ii) Assistance provided under the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.).

"(iii) A service under the Head Start Act (42 U.S.C. 9831 et seq.).

"(iv) Assistance under the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858 et seq.).

"(2) A household that includes a member of the armed forces receiving the supplemental subsistence allowance under this section and, except for the receipt of such allowance, would otherwise be eligible to receive a benefit under the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8621 et seq.) shall be considered to be eligible for that benefit.".

(c) REQUIREMENT FOR REPORT.—(1) Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the committees of Congress named in paragraph (2) a report on the accessibility of social services to members of the Armed Forces and their families. The report shall include the following matters:

(A) The social services for which members of the Armed Forces and their families are eligible under social services programs generally available to citizens and other nationals of the United States.

(B) The extent to which members of the Armed Forces and their families utilize the social services for which they are eligible under the programs identified under subparagraph (A).

(C) The efforts made by each of the military departments—

(i) to ensure that members of the Armed Forces and their families are aware of the social services for which they are eligible under the programs identified under subparagraph (A); and

(ii) to assist members and their families in applying for and obtaining such social services.

(2) The committees of Congress referred to in paragraph (1) are as follows:

(A) The Committee on Armed Services and the Committee on Health, Education, Labor, and Pensions of the Senate.

(B) The Committee on Armed Services of the House of Representatives.

(d) EFFECTIVE DATE.—(1) Except as provided in paragraph (2), this section and the amendments made by this section shall take effect on October 1, 2004.

(2) Subsection (c) shall take effect on the date of the enactment of this Act.

Subtitle C—Travel and Transportation Allowances

SEC. 631. TRAVEL AND TRANSPORTATION ALLOWANCES FOR FAMILY MEMBERS TO ATTEND BURIAL CEREMONIES OF MEMBERS WHO DIE ON DUTY.

(a) AUTHORIZED TRAVEL DESTINATION.—Subsection (a)(1) of section 411f of title 37, United States Code, is amended by inserting before the period at the end the following: ''at the location determined under subsection (a)(8) or (d)(2) of section 1482 of title 10''.

(b) LIMITATION ON AMOUNT.—Subsection (b) of such section is amended to read as follows:

''(b) LIMITATION ON AMOUNT.—Allowances for travel under subsection (a) may not exceed the rates for two days and the time necessary for such travel.''.

(c) UNCONDITIONAL ELIGIBILITY OF DECEASED'S PARENTS.—Subsection (c)(1)(C) of such section is amended by striking ''If no person described in subparagraph (A) or (B) is provided travel and transportation allowances under subsection (a)(1), the'' and inserting ''The''.

SEC. 632. LODGING COSTS INCURRED IN CONNECTION WITH DEPENDENT STUDENT TRAVEL.

(a) AUTHORITY.—Section 430(b)(1) of title 37, United States Code, is amended—

(1) by inserting ''(A)'' after ''(b) ALLOWANCE AUTHORIZED.—(1)''; and

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

''(B) The allowance authorized under subparagraph (A) for an eligible dependent's travel may include reimbursement for costs that are incurred by or for the dependent for lodging of the dependent that is necessitated by an interruption in the travel caused by extraordinary circumstances prescribed in the regulations under subsection (a). The amount of a reimbursement payable under this subparagraph shall be a rate that is applicable to the circumstances under regulations prescribed by the Secretaries concerned.''.

(b) EFFECTIVE DATE AND APPLICABILITY.—The amendments made by subsection (a) shall take effect on October 1, 2004, and shall apply with respect to lodging that commences on or after such date.

Subtitle D—Retired Pay and Survivor Benefits

SEC. 641. SPECIAL RULE FOR COMPUTING THE HIGH-36 MONTH AVERAGE FOR DISABLED MEMBERS OF RESERVE COMPONENTS.

(a) COMPUTATION OF HIGH 36-MONTH AVERAGE.—Subsection (c) of section 1407 of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(3) SPECIAL RULE FOR RESERVE COMPONENT MEMBERS.—In the application of paragraphs (1) and (2) to a member of a reserve component of a uniformed service who is entitled to retired pay under section 1201 or 1202 of this title, each month during which the member performed duty for which basic pay is paid under section 203 of title 37 or compensation is paid under section 206 of such title shall be treated as if it were one month of active service.".

(b) EFFECTIVE DATES AND APPLICABILITY.—(1) Paragraph (3) of section 1407(c) of title 10, United States Code (as added by subsection (a)), shall take effect on October 1, 2004, and shall apply with respect to months beginning on or after such date, except as provided in paragraph (2).

(2) For the computation of survivor annuities under subparagraph (A)(i) or (B) of section 1451(c)(1) of title 10, United States Code (as amended by section 642(b) of Public Law 107–107; 115 Stat. 1152)), paragraph (3) of section 1407(c) of title 10, United States Code (as added by subsection (a)), shall take effect as of September 10, 2001, and shall apply with respect to deaths of members of the uniformed services occurring on or after that date.

SEC. 642. DEATH BENEFITS ENHANCEMENT.

(a) FINAL ACTIONS ON FISCAL YEAR 2004 DEATH BENEFITS STUDY.—(1) Congress finds that the study of the Federal death benefits for survivors of deceased members of the Armed Forces under section 647 of the National Defense Authorization Act for Fiscal Year 2004 (Public Law 108–136; 117 Stat. 1520) has given Congress sufficient insight to initiate action to provide for the enhancement of the current set of death benefits that are provided under law for the survivors.

(2) The Secretary of Defense shall expedite the completion and submission of the final report, which was due on March 1, 2004, under section 647 of the National Defense Authorization Act for Fiscal Year 2004.

(3) It is the sense of Congress that the President should promptly submit to Congress any recommendation

for legislation, together with a request for appropriations, that the President determines necessary to implement the death benefits enhancements that are recommended in the final report under section 647 of the National Defense Authorization Act for Fiscal Year 2004.

(b) INCREASES OF DEATH GRATUITY CONSISTENT WITH INCREASES OF RATES OF BASIC PAY.—Section 1478 of title 10, United States Code, is amended—

(1) in subsection (a), by inserting ''(as adjusted under subsection (c)'' before the period at the end of the first sentence; and

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

''(c) Effective on the date on which rates of basic pay under section 204 of this title are increased under section 1009 of title 37 or any other provision of law, the amount of the death gratuity provided under subsection (a) shall be increased by the same overall average percentage of the increase in the rates of basic pay taking effect on that date.''.

(c) FISCAL YEAR 2005 ACTIONS.—At the same time that the President submits to Congress the budget for fiscal year 2006 under section 1105(a) of title 31, United States Code, the President shall submit to the appropriate committees of Congress referred to in subsection (g) a

draft or drafts of legislation to provide enhanced death benefits for survivors of deceased members of the uniformed services. The draft legislation shall include provisions for the following:

(1) Revision of the Servicemembers' Group Life Insurance program to provide for—

(A) an increase of the maximum benefit provided under Servicemembers' Group Life Insurance to $350,000, together with an increase, each fiscal year, by the same overall average percentage increase that takes effect during such fiscal year in the rates of basic pay under section 204 of title 37, United States Code; and

(B) a minimum benefit of $100,000 at no cost to the insured members of the uniformed services who elect the maximum coverage, together with an increase in such minimum benefit each fiscal year by the same percentage increase as is described in subparagraph (A).

(2) An additional set of death benefits for each member of the uniformed services who dies in the line of duty while on active duty that includes, at a minimum, an additional death gratuity in the amount that—

(A) in the case of a member not described in subparagraph (B), is equal to the sum of—

(i) the total amount of the basic pay to which the deceased member would have been entitled under section 204 of title 37, United States Code, if the member had not died and had continued to serve on active duty for an additional year; and

(ii) the total amount of all allowances and special pays that the member would have been entitled to receive under title 37, United States Code, over the one-year period beginning on the member's date of death if the member had not died and had continued to serve on active duty for an additional year with the unit to which the member was assigned or detailed on such date; and

(B) in the case of a member who dies as a result of an injury caused by or incurred while exposed to hostile action (including any hostile fire or explosion and any hostile action from a terrorist source), is equal to twice the amount calculated under subparagraph (A).

(3) Any other new death benefits or enhancement of existing death benefits that the President recommends.

(4) Retroactive applicability of the benefits referred to in paragraph (2) and, as appropriate, the benefits recommended under paragraph (3) so as to provide the benefits—

(A) for members of the uniformed services who die in line of duty on or after October 7, 2001, of a cause incurred or aggravated while deployed in support of Operation Enduring Freedom; and

(B) for members of the uniformed services who die in line of duty on or after March 19, 2003, of a cause incurred or aggravated while deployed in support of Operation Iraqi Freedom.

(d) CONSULTATION.—The President shall consult with the Secretary of Defense and the Secretary of Veterans Affairs in developing the draft legislation required under subsection (c).

(e) FISCAL YEAR 2006 BUDGET SUBMISSION.—The budget for fiscal year 2006 that is submitted to Congress under section 1105(a) of title 31, United States Code, shall include draft legislation (other than draft appropria-

tions) that includes provisions that, on the basis of the assumption that the draft legislation submitted under subsection (c) would be enacted and would take effect in fiscal year 2006—

(1) would offset fully the increased outlays that would result from enactment of the provisions of the draft legislation submitted under subsection (c), for fiscal year 2006 and each of the ensuing nine fiscal years;

(2) expressly state that they are proposed for the purpose of the offset described in paragraph (1); and

(3) are included in full in the estimates that are made by the Director of the Congressional Budget Office and the Director of the Office of Management and Budget under section 252(d) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 902(d)) with respect to the fiscal years referred to in paragraph (1).

(f) EARLY SUBMISSION OF PROPOSAL FOR ADDITIONAL DEATH BENEFITS.—Congress urges the President to submit the draft of legislation for the additional set of death benefits under paragraph (2) of subsection (c) before the time for submission required under that

subsection and as soon as is practicable after the date of the enactment of this Act.

(g) APPROPRIATE COMMITTEES OF CONGRESS.—For the purposes of subsection (c), the appropriate committees of Congress are as follows:

(1) The Committees on Armed Services of the Senate and the House of Representatives, with respect to draft legislation that is within the jurisdiction of such committees.

(2) The Committees on Veterans Affairs of the Senate and the House of Representatives, with respect to draft legislation within the jurisdiction of such committees.

SEC. 643. REPEAL OF PHASE-IN OF CONCURRENT RECEIPT OF RETIRED PAY AND VETERANS' DISABILITY COMPENSATION FOR VETERANS WITH SERVICE-CONNECTED DISABILITIES RATED AS 100 PERCENT.

Section 1414 of title 10, United States Code, is amended—

(1) in subsection (a)(1)—

(A) by inserting after the first sentence the following new sentence: "During the period beginning on January 1, 2004, and ending on December 31, 2004, payment of retired pay to

such a qualified retiree described in subsection (c)(1)(B) is subject to subsection (c).''; and

(B) in the last sentence, by inserting ''(other than a qualified retiree covered by the preceding sentence)'' after ''such a qualified retiree''; and

(2) in subsection (c)—

(A) in paragraph (1)—

(i) in subparagraph (A), by inserting ''(other than a retiree described by subparagraph (B))'' after ''the retiree'';

(ii) by redesignating subparagraphs (B) through (F) as subparagraphs (C) through (G), respectively; and

(iii) by inserting after subparagraph (A) the following new subparagraph (B):

''(B) For a month for which the retiree receives veterans' disability compensation for a disability rated as 100 percent, $750.'';

(B) by redesignating paragraph (11) as paragraph (12); and

(C) by inserting after paragraph (10) the following new paragraph (11):

''(11) INAPPLICABILITY TO VETERANS WITH DISABILITIES RATED AS 100 PERCENT AFTER CAL-

ENDAR YEAR 2004.—This subsection shall not apply to a qualified retiree described by paragraph (1)(B) after calendar year 2004.''.

SEC. 644. FULL SBP SURVIVOR BENEFITS FOR SURVIVING SPOUSES OVER AGE 62.

(a) PHASED INCREASE IN BASIC ANNUITY.—

(1) INCREASE TO 55 PERCENT.—Subsection (a)(1)(B)(i) of section 1451 of title 10, United States Code, is amended by striking ''35 percent of the base amount.'' and inserting ''the product of the base amount and the percent applicable for the month. The percent applicable for a month is 35 percent for months beginning before October 2005, 40 percent for months beginning after September 2005 and before October 2008, 45 percent for months beginning after September 2008, and 55 percent for months beginning after September 2014.''.

(2) RESERVE-COMPONENT ANNUITY.—Subsection (a)(2)(B)(i)(I) of such section is amended by striking ''35 percent'' and inserting ''the percent specified under paragraph (1)(B)(i) as being applicable for the month''.

(3) SPECIAL-ELIGIBILITY ANNUITY.—Subsection (c)(1)(B)(i) of such section is amended—

(A) by striking ''35 percent'' and inserting ''the applicable percent''; and

(B) by adding at the end the following: ''The percent applicable for a month under the preceding sentence is the percent specified under subsection (a)(1)(B)(i) as being applicable for the month.''.

(4) CONFORMING AMENDMENT.—The heading for subsection (d)(2)(A) of such section is amended to read as follows: ''COMPUTATION OF ANNUITY.—''.

(b) PHASED ELIMINATION OF SUPPLEMENTAL ANNUITY.—

(1) DECREASING PERCENTAGES.—Section 1457(b) of title 10, United States Code, is amended—

(A) by striking ''5, 10, 15, or 20 percent'' and inserting ''the applicable percent''; and

(B) by inserting after the first sentence the following: ''The percent used for the computation shall be an even multiple of 5 percent and, whatever the percent specified in the election, may not exceed 20 percent for months beginning before October 2005, 15 percent for months beginning after September 2005 and

before October 2008, and 10 percent for months beginning after September 2008.''.

(2) REPEAL OF PROGRAM IN 2014.—Effective on October 1, 2014, chapter 73 of such title is amended—

(A) by striking subchapter III; and

(B) by striking the item relating to subchapter III in the table of subchapters at the beginning of that chapter.

(c) RECOMPUTATION OF ANNUITIES.—

(1) REQUIREMENT FOR RECOMPUTATION.—Effective on the first day of each month referred to in paragraph (2)—

(A) each annuity under section 1450 of title 10, United States Code, that commenced before that month, is computed under a provision of section 1451 of that title amended by subsection (a), and is payable for that month shall be recomputed so as to be equal to the amount that would be in effect if the percent applicable for that month under that provision, as so amended, had been used for the initial computation of the annuity; and

(B) each supplemental survivor annuity under section 1457 of such title that com-

menced before that month and is payable for that month shall be recomputed so as to be equal to the amount that would be in effect if the percent applicable for that month under that section, as amended by this section, had been used for the initial computation of the supplemental survivor annuity.

(2) TIMES FOR RECOMPUTATION.—The requirements for recomputation of annuities under paragraph (1) apply with respect to the following months:

(A) October 2005.

(B) October 2008.

(C) October 2014.

(d) RECOMPUTATION OF RETIRED PAY REDUCTIONS FOR SUPPLEMENTAL SURVIVOR ANNUITIES.—The Secretary of Defense shall take such actions as are necessitated by the amendments made by subsection (b) and the requirements of subsection (c)(1)(B) to ensure that the reductions in retired pay under section 1460 of title 10, United States Code, are adjusted to achieve the objectives set forth in subsection (b) of that section.

SEC. 645. OPEN ENROLLMENT PERIOD FOR SURVIVOR BENEFIT PLAN COMMENCING OCTOBER 1, 2005.

(a) PERSONS NOT CURRENTLY PARTICIPATING IN SURVIVOR BENEFIT PLAN.—

(1) ELECTION OF SBP COVERAGE.—An eligible retired or former member may elect to participate in the Survivor Benefit Plan under subchapter II of chapter 73 of title 10, United States Code, during the open enrollment period specified in subsection (f).

(2) ELECTION OF SUPPLEMENTAL ANNUITY COVERAGE.—An eligible retired or former member who elects under paragraph (1) to participate in the Survivor Benefit Plan at the maximum level may also elect during the open enrollment period to participate in the Supplemental Survivor Benefit Plan established under subchapter III of chapter 73 of title 10, United States Code.

(3) ELIGIBLE RETIRED OR FORMER MEMBER.—For purposes of paragraphs (1) and (2), an eligible retired or former member is a member or former member of the uniformed services who on the day before the first day of the open enrollment period is not a participant in the Survivor Benefit Plan and—

(A) is entitled to retired pay; or

(B) would be entitled to retired pay under chapter 1223 of title 10, United States Code, but for the fact that such member or former member is under 60 years of age.

(4) STATUS UNDER SBP OF PERSONS MAKING ELECTIONS.—

(A) STANDARD ANNUITY.—A person making an election under paragraph (1) by reason of eligibility under paragraph (3)(A) shall be treated for all purposes as providing a standard annuity under the Survivor Benefit Plan.

(B) RESERVE-COMPONENT ANNUITY.—A person making an election under paragraph (1) by reason of eligibility under paragraph (3)(B) shall be treated for all purposes as providing a reserve-component annuity under the Survivor Benefit Plan.

(b) ELECTION TO INCREASE COVERAGE UNDER SBP.—A person who on the day before the first day of the open enrollment period is a participant in the Survivor Benefit Plan but is not participating at the maximum base amount or is providing coverage under the Plan for a dependent child and not for the person's spouse or former spouse may, during the open enrollment period, elect to—

(1) participate in the Plan at a higher base amount (not in excess of the participant's retired pay); or

(2) provide annuity coverage under the Plan for the person's spouse or former spouse at a base amount not less than the base amount provided for the dependent child.

(c) ELECTION FOR CURRENT SBP PARTICIPANTS TO PARTICIPATE IN SUPPLEMENTAL SBP.—

(1) ELECTION.—A person who is eligible to make an election under this paragraph may elect during the open enrollment period to participate in the Supplemental Survivor Benefit Plan established under subchapter III of chapter 73 of title 10, United States Code.

(2) PERSONS ELIGIBLE.—Except as provided in paragraph (3), a person is eligible to make an election under paragraph (1) if on the day before the first day of the open enrollment period the person is a participant in the Survivor Benefit Plan at the maximum level, or during the open enrollment period the person increases the level of such participation to the maximum level under subsection (b) of this section, and under that Plan is providing annu-

ity coverage for the person's spouse or a former spouse.

(3) LIMITATION ON ELIGIBILITY FOR CERTAIN SBP PARTICIPANTS NOT AFFECTED BY TWO-TIER ANNUITY COMPUTATION.—A person is not eligible to make an election under paragraph (1) if (as determined by the Secretary concerned) the annuity of a spouse or former spouse beneficiary of that person under the Survivor Benefit Plan is to be computed under section 1451(e) of title 10, United States Code. However, such a person may during the open enrollment period waive the right to have that annuity computed under such section 1451(e). Any such election is irrevocable. A person making such a waiver may make an election under paragraph (1) as in the case of any other participant in the Survivor Benefit Plan.

(d) MANNER OF MAKING ELECTIONS.—An election under this section shall be made in writing, signed by the person making the election, and received by the Secretary concerned before the end of the open enrollment period. Any such election shall be made subject to the same conditions, and with the same opportunities for designation of beneficiaries and specification of base amount, that apply under the Survivor Benefit Plan or the Supplemental Sur-

vivor Benefit Plan, as the case may be. A person making an election under subsection (a) to provide a reserve-component annuity shall make a designation described in section 1448(e) of title 10, United States Code.

(e) EFFECTIVE DATE FOR ELECTIONS.—Any such election shall be effective as of the first day of the first calendar month following the month in which the election is received by the Secretary concerned.

(f) OPEN ENROLLMENT PERIOD.—The open enrollment period under this section shall be the one-year period beginning on October 1, 2005.

(g) EFFECT OF DEATH OF PERSON MAKING ELECTION WITHIN TWO YEARS OF MAKING ELECTION.—If a person making an election under this section dies before the end of the two-year period beginning on the effective date of the election, the election is void and the amount of any reduction in retired pay of the person that is attributable to the election shall be paid in a lump sum to the person who would have been the deceased person's beneficiary under the voided election if the deceased person had died after the end of such two-year period.

(h) APPLICABILITY OF CERTAIN PROVISIONS OF LAW.—The provisions of sections 1449, 1453, and 1454 of title 10, United States Code, are applicable to a person making an election, and to an election, under this section

in the same manner as if the election were made under the Survivor Benefit Plan or the Supplemental Survivor Benefit Plan, as the case may be.

(i) ADDITIONAL PREMIUM.—The Secretary of Defense shall prescribe in regulations premiums which a person electing under this section shall be required to pay for participating in the Survivor Benefit Plan pursuant to the election. The total amount of the premiums to be paid by a person under the regulations shall be equal to the sum of—

(i) the total amount by which the retired pay of the person would have been reduced before the effective date of the election if the person had elected to participate in the Survivor Benefit Plan (for the same base amount specified in the election) at the first opportunity that was afforded the member to participate under chapter 73 of title 10, United States Code;

(ii) interest on the amounts by which the retired pay of the person would have been so reduced, computed from the dates on which the retired pay would have been so reduced at such rate or rates and according to such methodology as the Secretary of Defense determines reasonable; and

(iii) any additional amount that the Secretary determines necessary to protect the actuarial soundness of the Department of Defense Military Retirement Fund against any increased risk for the fund that is associated with the election.

(A) Premiums paid under the regulations shall be credited to the Department of Defense Military Retirement Fund.

(B) In this paragraph, the term ''Department of Defense Military Retirement Fund'' means the Department of Defense Military Retirement Fund established under section 1461(a) of title 10, United States Code.

Subtitle E—Other Matters

SEC. 651. INCREASED MAXIMUM PERIOD FOR LEAVE OF ABSENCE FOR PURSUIT OF A PROGRAM OF EDUCATION IN A HEALTH CARE PROFESSION.

Section 708(a) of title 10, United States Code, is amended—

(1) by striking ''for a period not to exceed two years''; and

(2) by adding at the end the following: ''The period of a leave of absence granted under this section may not exceed two years, except that the period may exceed two years but may not exceed three

years in the case of an eligible member pursuing a program of education in a health care profession.''.

SEC. 652. ELIGIBILITY OF MEMBERS FOR REIMBURSEMENT OF EXPENSES INCURRED FOR ADOPTION PLACEMENTS MADE BY FOREIGN GOVERNMENTS.

Section 1052(g)(3) of title 10, United States Code, is amended by adding at the end the following new subparagraph:

''(D) A foreign government or an agency authorized by a foreign government to place children for adoption, in any case in which—

''(i) the adopted child is entitled to automatic citizenship under section 320 of the Immigration and Nationality Act (8 U.S.C. 1431); or

''(ii) a certificate of citizenship has been issued for such child under section 322 of that Act (8 U.S.C. 1433).''.

SEC. 653. ACCEPTANCE OF FREQUENT TRAVELER MILES, CREDITS, AND TICKETS TO FACILITATE THE AIR OR SURFACE TRAVEL OF CERTAIN MEMBERS OF THE ARMED FORCES AND THEIR FAMILIES.

Section 2608 of title 10, United States Code, is amended—

(1) by redesignating subsections (g) through (k) as subsections (h) through (l), respectively; and

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

''(g) OPERATION HERO MILES.—(1) The Secretary of Defense may use the authority of subsection (a) to accept the donation of frequent traveler miles, credits, and tickets for air or surface transportation issued by any air carrier or surface carrier that serves the public and that consents to such donation, and under such terms and conditions as the air or surface carrier may specify. The Secretary shall designate a single office in the Department of Defense to carry out this subsection, including the establishment of such rules and procedures as may be necessary to facilitate the acceptance of such frequent traveler miles, credits, and tickets.

''(2) Frequent traveler miles, credits, and tickets accepted under this subsection shall be used only in accordance with the rules established by the air carrier or surface

carrier that is the source of the miles, credits, or tickets and shall be used only for the following purposes:

"(A) To facilitate the travel of a member of the armed forces who—

"(i) is deployed on active duty outside the United States away from the permanent duty station of the member in support of a contingency operation; and

"(ii) is granted, during such deployment, rest and recuperative leave, emergency leave, convalescent leave, or another form of leave authorized for the member.

"(B) In the case of a member of the armed forces recuperating from an injury or illness incurred or aggravated in the line of duty during such deployment, to facilitate the travel of family members of the member to be reunited with the member.

"(3) For the use of miles, credits, or tickets under paragraph (2)(B) by family members of a member of the armed forces, the Secretary may, as the Secretary determines appropriate, limit—

"(A) eligibility to family members who, by reason of affinity, degree of consanguinity, or otherwise, are sufficiently close in relationship to the

member of the armed forces to justify the travel assistance;

"(B) the number of family members who may travel; and

"(C) the number of trips that family members may take.

"(4) Notwithstanding paragraph (2), the Secretary of Defense may, in an exceptional case, authorize a person not described in subparagraph (B) of that paragraph to use frequent traveler miles, credits, or a ticket accepted under this subsection to visit a member of the armed forces described in such subparagraph if that person has a notably close relationship with the member. The frequent traveler miles, credits, or ticket may be used by such person only in accordance with such conditions and restrictions as the Secretary determines appropriate and the rules established by the air carrier or surface carrier that is the source of the miles, credits, or ticket.

"(5) The Secretary of Defense shall encourage air carriers and surface carriers to participate in, and to facilitate through minimization of restrictions and otherwise, the donation, acceptance, and use of frequent traveler miles, credits, and tickets under this section.

"(6) The Secretary of Defense may enter into an agreement with a nonprofit organization to use the services of the organization—

"(A) to promote the donation of frequent traveler miles, credits, and tickets under paragraph (1), except that amounts appropriated to the Department of Defense may not be expended for this purpose; and

"(B) to assist in administering the collection, distribution, and use of donated frequent traveler miles, credits, and tickets.

"(7) Members of the armed forces, family members, and other persons who receive air or surface transportation using frequent traveler miles, credits, or tickets donated under this subsection are deemed to recognize no income from such use. Donors of frequent traveler miles, credits, or tickets under this subsection are deemed to obtain no tax benefit from such donation.

"(8) In this subsection, the term 'family member' has the meaning given that term in section 411h(b)(1) of title 37.".

SEC. 654. CHILD CARE FOR CHILDREN OF MEMBERS OF ARMED FORCES ON ACTIVE DUTY FOR OPERATION ENDURING FREEDOM OR OPERATION IRAQI FREEDOM.

(a) CHILD CARE FOR CHILDREN WITHOUT ACCESS TO MILITARY CHILD CARE.—(1) In any case where the children of a covered member of the Armed Forces are geographically dispersed and do not have practical access to a military child development center, the Secretary of Defense may, to the extent funds are available for such purpose, provide such funds as are necessary permit the member's family to secure access for such children to State licensed child care and development programs and activities in the private sector that are similar in scope and quality to the child care and development programs and activities the Secretary would otherwise provide access to under subchapter II of chapter 88 of title 10, United States Code, and other applicable provisions of law.

(2) Funds may be provided under paragraph (1) in accordance with the provisions of section 1798 of title 10, United States Code, or by such other mechanism as the Secretary considers appropriate.

(3) The Secretary shall prescribe in regulations priorities for the allocation of funds for the provision of access to child care under paragraph (1) in circumstances where funds are inadequate to provide all children described in

that paragraph with access to child care as described in that paragraph.

(b) PRESERVATION OF SERVICES AND PROGRAMS.—The Secretary shall provide for the attendance and participation of children in military child development centers and child care and development programs and activities under subsection (a) in a manner that preserves the scope and quality of child care and development programs and activities otherwise provided by the Secretary.

(c) FUNDING.—Amounts otherwise available to the Department of Defense and the military departments under this Act may be available for purposes of providing access to child care under subsection (a).

(d) DEFINITIONS.—In this section:

(1) The term ''covered members of the Armed Forces'' means members of the Armed Forces on active duty, including members of the Reserves who are called or ordered to active duty under a provision of law referred to in section 101(a)(13)(B) of title 10, United States Code, for Operation Enduring Freedom or Operation Iraqi Freedom.

(2) The term ''military child development center'' has the meaning given such term in section 1800(1) of title 10, United States Code.

SEC. 655. RELIEF FOR MOBILIZED MILITARY RESERVISTS FROM CERTAIN FEDERAL AGRICULTURAL LOAN OBLIGATIONS.

The Consolidated Farm and Rural Development Act is amended by inserting after section 331F (7 U.S.C. 1981f) the following:

"SEC. 332. RELIEF FOR MOBILIZED MILITARY RESERVISTS FROM CERTAIN AGRICULTURAL LOAN OBLIGATIONS.

"(a) DEFINITION OF MOBILIZED MILITARY RESERVIST.—In this section, the term 'mobilized military reservist' means an individual who—

"(1) is on active duty under section 688, 12301(a), 12301(g), 12302, 12304, 12306, or 12406, or chapter 15 of title 10, United States Code, or any other provision of law during a war or during a national emergency declared by the President or Congress, regardless of the location at which the active duty service is performed; or

"(2) in the case of a member of the National Guard, is on full-time National Guard duty (as defined in section 101(d)(5) of title 10, United States Code) under a call to active service authorized by the President or the Secretary of Defense for a period of more than 30 consecutive days under section 502(f) of title 32, United States Code, for purposes

of responding to a national emergency declared by the President and supported by Federal funds.

"(b) FORGIVENESS OF INTEREST PAYMENTS DUE WHILE BORROWER IS A MOBILIZED MILITARY RESERVIST.—Any requirement that a borrower of a direct loan made under this title make any interest payment on the loan that would otherwise be required to be made while the borrower is a mobilized military reservist is rescinded.

"(c) DEFERRAL OF PRINCIPAL PAYMENTS DUE WHILE OR AFTER BORROWER IS A MOBILIZED MILITARY RESERVIST.—The due date of any payment of principal on a direct loan made to a borrower under this title that would otherwise be required to be made while or after the borrower is a mobilized military reservist is deferred for a period equal in length to the period for which the borrower is a mobilized military reservist.

"(d) NONACCRUAL OF INTEREST.—Interest on a direct loan made to a borrower described in this section shall not accrue during the period the borrower is a mobilized military reservist.

"(e) BORROWER NOT CONSIDERED TO BE DELINQUENT OR RECEIVING DEBT FORGIVENESS.—Notwithstanding section 373 or any other provision of this title, a borrower who receives assistance under this section shall not, as a result of the assistance, be considered to be delin-

quent or receiving debt forgiveness for purposes of receiving a direct or guaranteed loan under this title.''.

TITLE VII—HEALTH CARE

Subtitle A—Enhanced Benefits for Reserves

SEC. 701. DEMONSTRATION PROJECT ON HEALTH BENEFITS FOR RESERVES.

(a) DEMONSTRATION PROJECT REQUIRED.—The Secretary of Defense shall carry out a demonstration project under section 1092 of title 10, United States Code, to assess the need for, and feasibility of, providing benefits under the TRICARE program to members of the Ready Reserve of the Armed Forces who are (1) eligible unemployment compensation recipients, (2) in a period of continuous unemployment from the end of their last month as eligible unemployment compensation recipients, or (3) ineligible for coverage by employer-sponsored health benefits plans for employees.

(b) DEFINITION.—In this section, the term ''eligible unemployment compensation recipient'' has the meaning given such term in section 1076b(j) of title 10, United States Code.

SEC. 702. PERMANENT EARLIER ELIGIBILITY DATE FOR TRICARE BENEFITS FOR MEMBERS OF RESERVE COMPONENTS.

Section 1074(d) of title 10, United States Code, is amended by striking paragraph (3).

SEC. 703. WAIVER OF CERTAIN DEDUCTIBLES FOR MEMBERS ON ACTIVE DUTY FOR A PERIOD OF MORE THAN 30 DAYS.

Section 1095d(a) of title 10, United States Code, is amended by striking ''a period of less than one year'' both places that it appears and inserting ''a period of more than 30 days''.

SEC. 704. PROTECTION OF DEPENDENTS FROM BALANCE BILLING.

Section 1079(h)(4) of title 10, United States Code, is amended by adding at the end the following new subparagraph:

''(C) In the case of a member of the reserve components serving on active duty for a period of more than 30 days in support of a contingency operation under a provision of law referred to in section 101(a)(13)(B) of this title, the Secretary may pay the amount applicable under subparagraph (B) to a dependent of such member who is referred to in subparagraph (A).''.

SEC. 705. PERMANENT EXTENSION OF TRANSITIONAL HEALTH CARE BENEFITS AND ADDITION OF REQUIREMENT FOR PRESEPARATION PHYSICAL EXAMINATION.

(a) PERMANENT REQUIREMENT.—(1) Paragraph (3) of section 1145(a) of title 10, United States Code, is amended to read as follows:

''(3) Transitional health care for a member under subsection (a) shall be available for 180 days beginning on the date on which the member is separated from active duty.''.

(2) The following provisions of law are repealed:

(A) Section 704 of the National Defense Authorization Act for Fiscal Year 2004 (Public Law 108–136; 117 Stat. 1527; 10 U.S.C. 1145 note).

(B) Section 1117 of the Emergency Supplemental Appropriations Act for Defense and for the Reconstruction of Iraq and Afghanistan, 2004 (Public Law 108–106; 117 Stat. 1218; 10 U.S.C. 1145 note).

(b) REQUIREMENT FOR PHYSICAL EXAMINATION.—Such section 1145(a), as amended by subsection (a), is further amended by adding at the end the following new paragraph:

''(4) The Secretary concerned shall require each member referred to in paragraph (1) to undergo a com-

prehensive physical examination immediately before the member is separated from active duty as described in paragraph (2).''.

SEC. 706. EXPANDED ELIGIBILITY OF READY RESERVE MEMBERS UNDER TRICARE PROGRAM.

(a) UNCONDITIONAL ELIGIBILITY.—Subsection (a) of section 1076b of title 10, United States Code, is amended by striking ''is eligible, subject to subsection (h), to enroll in TRICARE'' and all that follows through ''an employer-sponsored health benefits plan'' and inserting '', except for a member who is enrolled or is eligible to enroll in a health benefits plan under chapter 89 of title 5, is eligible to enroll in TRICARE, subject to subsection (h)''.

(b) PERMANENT AUTHORITY.—Subsection (l) of such section is repealed.

(c) CONFORMING REPEAL OF OBSOLETE PROVISIONS.—Such section is further amended—

(1) by striking subsections (i) and (j); and

(2) by redesignating subsection (k) as subsection (i).

SEC. 707. CONTINUATION OF NON-TRICARE HEALTH BENEFITS PLAN COVERAGE FOR CERTAIN RESERVES CALLED OR ORDERED TO ACTIVE DUTY AND THEIR DEPENDENTS.

(a) REQUIRED CONTINUATION.—(1) Chapter 55 of title 10, United States Code, is amended by inserting after section 1078a the following new section:

"§ 1078b. Continuation of non-TRICARE health benefits plan coverage for dependents of certain Reserves called or ordered to active duty

''(a) PAYMENT OF PREMIUMS.—The Secretary concerned shall pay the applicable premium to continue in force any qualified health benefits plan coverage for the members of the family of an eligible reserve component member for the benefits coverage continuation period if timely elected by the member in accordance with regulations prescribed under subsection (j).

''(b) ELIGIBLE MEMBER; FAMILY MEMBERS.—(1) A member of a reserve component is eligible for payment of the applicable premium for continuation of qualified health benefits plan coverage under subsection (a) while serving on active duty pursuant to a call or order issued under a provision of law referred to in section 101(a)(13)(B) of this title during a war or national emergency declared by the President or Congress.

"(2) For the purposes of this section, the members of the family of an eligible reserve component member include only the member's dependents described in subparagraphs (A), (D), and (I) of section 1072(2) of this title.

"(c) QUALIFIED HEALTH BENEFITS PLAN COVERAGE.—For the purposes of this section, health benefits plan coverage for the members of the family of a reserve component member called or ordered to active duty is qualified health benefits plan coverage if—

"(1) the coverage was in force on the date on which the Secretary notified the reserve component member that issuance of the call or order was pending or, if no such notification was provided, the date of the call or order;

"(2) on such date, the coverage applied to the reserve component member and members of the family of the reserve component member; and

"(3) the coverage has not lapsed.

"(d) APPLICABLE PREMIUM.—The applicable premium payable under this section for continuation of health benefits plan coverage for the family members of a reserve component member is the amount of the premium payable by the member for the coverage of the family members.

"(e) MAXIMUM AMOUNT.—The total amount that the Department of Defense may pay for the applicable pre-

mium of a health benefits plan for the family members of a reserve component member under this section in a fiscal year may not exceed the amount determined by multiplying—

"(1) the sum of one plus the number of the family members covered by the health benefits plan, by

"(2) the per capita cost of providing TRICARE coverage and benefits for dependents under this chapter for such fiscal year, as determined by the Secretary of Defense.

"(f) BENEFITS COVERAGE CONTINUATION PERIOD.—The benefits coverage continuation period under this section for qualified health benefits plan coverage for the family members of an eligible reserve component member called or ordered to active duty is the period that—

"(1) begins on the date of the call or order; and

"(2) ends on the earlier of—

"(A) the date on which the reserve component member's eligibility for transitional health care under section 1145(a) of this title terminates under paragraph (3) of such section; or

"(B) the date on which the reserve component member elects to terminate the continued

1 qualified health benefits plan coverage of the
2 member's family members.
3 "(g) EXTENSION OF PERIOD OF COBRA COV-
4 ERAGE.—Notwithstanding any other provision of law—
5 "(1) any period of coverage under a COBRA
6 continuation provision (as defined in section
7 9832(d)(1) of the Internal Revenue Code of 1986)
8 for an eligible reserve component member under this
9 section shall be deemed to be equal to the benefits
10 coverage continuation period for such member under
11 this section; and
12 "(2) with respect to the election of any period
13 of coverage under a COBRA continuation provision
14 (as so defined), rules similar to the rules under sec-
15 tion 4980B(f)(5)(C) of such Code shall apply.
16 "(h) NONDUPLICATION OF BENEFITS.—A member of
17 the family of a reserve component member who is eligible
18 for benefits under qualified health benefits plan coverage
19 paid on behalf of the reserve component member by the
20 Secretary concerned under this section is not eligible for
21 benefits under the TRICARE program during a period of
22 the coverage for which so paid.
23 "(i) REVOCABILITY OF ELECTION.—A reserve com-
24 ponent member who makes an election under subsection
25 (a) may revoke the election. Upon such a revocation, the

member's family members shall become eligible for benefits under the TRICARE program as provided for under this chapter.

"(j) REGULATIONS.—The Secretary of Defense shall prescribe regulations for carrying out this section. The regulations shall include such requirements for making an election of payment of applicable premiums as the Secretary considers appropriate.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1078a the following new item:

"1078b. Continuation of non-TRICARE health benefits plan coverage for dependents of certain Reserves called or ordered to active duty.".

(b) APPLICABILITY.—Section 1078b of title 10, United States Code (as added by subsection (a)), shall apply with respect to calls or orders of members of reserve components of the Armed Forces to active duty as described in subsection (b) of such section, that are issued by the Secretary of a military department before, on, or after the date of the enactment of this Act, but only with respect to qualified health benefits plan coverage (as described in subsection (c) of such section) that is in effect on or after the date of the enactment of this Act.

Subtitle B—Other Matters

SEC. 711. REPEAL OF REQUIREMENT FOR PAYMENT OF SUBSISTENCE CHARGES WHILE HOSPITALIZED.

(a) REPEAL.—Section 1075 of title 10, United States Code, is repealed.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 55 of such title is amended by striking the item relating to section 1075.

SEC. 712. OPPORTUNITY FOR YOUNG CHILD DEPENDENT OF DECEASED MEMBER TO BECOME ELIGIBLE FOR ENROLLMENT IN A TRICARE DENTAL PLAN.

Section 1076a(k)(2) of title 10, United States Code, is amended—

(1) by striking ''under subsection (a) or'' and inserting ''under subsection (a),''; and

(2) by inserting after ''under subsection (f),'' the following: ''or is not enrolled because the dependent is a child under the minimum age for enrollment,''.

SEC. 713. PEDIATRIC DENTAL PRACTICE NECESSARY FOR PROFESSIONAL ACCREDITATION.

Section 1077(c) of title 10, United States Code, is amended—

(1) by striking "A dependent" and inserting "(1) Except as specified in paragraph (2), a dependent"; and

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

"(2)(A) Dependents 12 years of age or younger who are covered by a dental plan under section 1076a of this title may be treated by postgraduate dental students in a dental treatment facility of the uniformed services accredited by the American Dental Association under a graduate dental education program accredited by the American Dental Association if—

"(i) treatment of pediatric dental patients is necessary in order to satisfy an accreditation standard of the American Dental Association that is applicable to such facility or program, or training in pediatric dental care is necessary for the students to be professionally qualified to provide dental care for dependent children accompanying members of the uniformed services outside the United States; and

"(ii) the caseload of pediatric patients at such facility is insufficient to support satisfaction of the accreditation or professional requirements in pediatric dental care that apply to such facility, program, or students.

"(B) The total number of dependents treated in all facilities of the uniformed services under subparagraph (A) in a fiscal year may not exceed 2,000.".

SEC. 714. SERVICES OF MARRIAGE AND FAMILY THERAPISTS.

(a) AUTHORITY TO ENTER INTO PERSONAL SERVICES CONTRACTS.—Section 704(c)(2) of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 108 Stat. 2799; 10 U.S.C. 1091 note) is amended by inserting "marriage and family therapists certified as such by a certification recognized by the Secretary of Defense," after "psychologists,".

(b) APPLICABILITY OF LICENSURE REQUIREMENT FOR HEALTH-CARE PROFESSIONALS.—Section 1094(e)(2) of title 10, United States Code, is amended by inserting "marriage and family therapist certified as such by a certification recognized by the Secretary of Defense," after "psychologist,".

SEC. 715. CHIROPRACTIC HEALTH CARE BENEFITS ADVISORY COMMITTEE.

(a) ESTABLISHMENT.—Not later than 30 days after the date of the enactment of this Act, the Secretary of Defense shall establish an oversight advisory committee to provide the Secretary with advice and recommendations regarding the continued development and implementation

of an effective program of chiropractic health care benefits for members of the uniformed services on active duty.

(b) MEMBERSHIP.—The advisory committee shall be composed of members selected from among persons who, by reason of education, training, and experience, are experts in chiropractic health care, as follows:

(1) Members appointed by the Secretary of Defense in such number as the Secretary determines appropriate for carrying out the duties of the advisory committee effectively.

(2) A representative of each of the Armed Forces, as designated by the Secretary of the military department concerned.

(c) CHAIRMAN.—The Secretary of Defense shall designate one member of the advisory committee to serve as the Chairman of the advisory committee.

(d) MEETINGS.—The advisory committee shall meet at the call of the Chairman, but not fewer than three times each fiscal year, beginning in fiscal year 2005.

(e) DUTIES.—The advisory committee shall have the following duties:

(1) Review and evaluate the program of chiropractic health care benefits provided to members of the uniformed services on active duty under chapter 55 of title 10, United States Code.

(2) Provide the Secretary of Defense with advice and recommendations as described in subsection (a).

(3) Upon the Secretary's determination that the program of chiropractic health care benefits referred to in paragraph (1) has been fully implemented, prepare and submit to the Secretary a report containing the advisory committee's evaluation of such program as implemented.

(f) APPLICABILITY OF TEMPORARY ORGANIZATIONS LAW.—(1) Section 3161 of title 5, United States Code, shall apply to the advisory committee under this section.

(2) The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the oversight advisory committee under this section.

(g) TERMINATION.—The advisory committee shall terminate 90 days after the date on which the committee submits the report to the Secretary of Defense under subsection (e)(3).

SEC. 716. GROUNDS FOR PRESIDENTIAL WAIVER OF REQUIREMENT FOR INFORMED CONSENT OR OPTION TO REFUSE REGARDING ADMINISTRATION OF DRUGS NOT APPROVED FOR GENERAL USE.

(a) INVESTIGATIONAL NEW DRUGS.—Section 1107(f) of title 10, United States Code, is amended—

(1) in paragraph (1), by striking ''obtaining consent—'' and all that follows through ''(C) is'' and inserting ''obtaining consent is''; and

(2) by striking paragraph (2) and inserting the following new paragraph:

''(2) The waiver authority provided in paragraph (1) shall not be construed to apply to any case other than a case in which prior consent for administration of a particular drug is required by reason of a determination by the Secretary of Health and Human Services that such drug is subject to the investigational new drug requirements of section 505(i) of the Federal Food, Drug, and Cosmetic Act.''.

(b) EMERGENCY USE DRUGS.—Section 1107a(a) of such title is amended—

(1) by inserting ''(A)'' after ''PRESIDENT.—(1)'';

(2) by striking ''is not feasible,'' and all that follows through ''members affected, or''; and

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

''(B) The waiver authority provided in subparagraph (A) shall not be construed to apply to any case other than a case in which an individual is required to be informed of an option to accept or refuse administration of a particular product by reason of a determination by the Secretary of Health and Human Services that emergency use of such product is authorized under section 564 of the Federal Food, Drug, and Cosmetic Act.''.

SEC. 717. ELIGIBILITY OF CADETS AND MIDSHIPMEN FOR MEDICAL AND DENTAL CARE AND DISABILITY BENEFITS.

(a) MEDICAL AND DENTAL CARE.—(1) Chapter 55 of title 10, United States Code, is amended by inserting after section 1074a the following new section:

''§ 1074b. Medical and dental care: cadets and midshipmen

''(a) ELIGIBILITY.—Under joint regulations prescribed by the administering Secretaries, the following persons are, except as provided in subsection (c), entitled to the benefits described in subsection (b):

''(1) A cadet at the United States Military Academy, the United States Air Force Academy, or the Coast Guard Academy, and a midshipman at the

United States Naval Academy, who incurs or aggravates an injury, illness, or disease in the line of duty.

"(2) Each member of, and each designated applicant for membership in, the Senior Reserve Officers' Training Corps who incurs or aggravates an injury, illness, or disease in the line of duty while performing duties under section 2109 of this title.

"(b) BENEFITS.—A person eligible for benefits in subsection (a) for an injury, illness, or disease is entitled to—

"(1) the medical and dental care under this chapter that is appropriate for the treatment of the injury, illness, or disease until the injury, illness, disease, or any resulting disability cannot be materially improved by further hospitalization or treatment; and

"(2) meals during hospitalization.

"(c) EXCEPTION.—A person is not entitled to benefits under subsection (b) for an injury, illness, or disease, or the aggravation of an injury, illness, or disease that is a result of the gross negligence or the misconduct of that person.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1074a the following new item:

"1074b. Medical and dental care: cadets and midshipmen of the service academies.".

(b) ELIGIBILITY OF ACADEMY CADETS AND MIDSHIPMEN FOR DISABILITY RETIRED PAY.—(1)(A) Section 1217 of title 10, United States Code, is amended to read as follows:

"§ 1217. Cadets, midshipmen, and aviation cadets: applicability of chapter

"(a) This chapter applies to cadets at the United States Military Academy, the United States Air Force Academy, and the United States Coast Guard Academy and midshipmen of the United States Naval Academy.

"(b) Monthly cadet pay and monthly midshipman pay under section 203(c) of title 37 shall be considered to be basic pay for purposes of this chapter and the computation of retired pay and severance and separation pay to which entitlement is established under this chapter.".

(B) The item related to section 1217 in the table of sections at the beginning of chapter 61 of such title is amended to read as follows:

"1217. Cadets, midshipmen, and aviation cadets: applicability of chapter.".

(2) The amendments made by paragraph (1) shall take effect on October 1, 2004.

SEC. 718. CONTINUATION OF SUB-ACUTE CARE FOR TRANSITION PERIOD.

Section 1074j(b) of title 10, United States Code, is amended by adding at the end the following new paragraph:

''(4) The Secretary of Defense may take such actions as are necessary to ensure that there is an effective transition in the furnishing of part-time or intermittent home health care benefits for covered beneficiaries who were receiving such benefits before the establishment of the program under this section. The actions taken under this paragraph may include the continuation of such benefits on an extended basis for such time as the Secretary determines appropriate.''.

SEC. 719. TEMPORARY AUTHORITY FOR WAIVER OF COLLECTION OF PAYMENTS DUE FOR CHAMPUS BENEFITS RECEIVED BY DISABLED PERSONS UNAWARE OF LOSS OF CHAMPUS ELIGIBILITY.

(a) AUTHORITY TO WAIVE DEBT.—(1) The Secretary of Defense, in consultation with the other administering Secretaries, may waive (in whole or in part) the collection of payments otherwise due from a person described in subsection (b) for health benefits received by such person under section 1086 of title 10, United States

Code, after the termination of that person's eligibility for such benefits.

(2) If the Secretary of Defense waives collection of payments from a person under paragraph (1), the Secretary may also authorize a continuation of benefits for such person under such section 1086 for a period ending not later than the end of the period specified in subsection (c) of this section.

(b) ELIGIBLE PERSONS.—A person is eligible for relief under subsection (a)(1) if—

(1) the person is described in paragraph (1) of subsection (d) of section 1086 of title 10, United States Code;

(2) except for such paragraph, the person would have been eligible for the health benefits under such section; and

(3) at the time of the receipt of such benefits—

(A) the person satisfied the criteria specified in paragraph (2)(B) of such subsection (d); and

(B) the person was unaware of the loss of eligibility to receive the health benefits.

(c) PERIOD OF APPLICABILITY.—The authority provided under this section to waive collection of payments and to continue benefits shall apply, under terms and con-

ditions prescribed by the Secretary of Defense, to health benefits provided under section 1086 of title 10, United States Code, during the period beginning on July 1, 1999, and ending at the end of December 31, 2004.

(d) CONSULTATION WITH OTHER ADMINISTERING SECRETARIES.—(1) The Secretary of Defense shall consult with the other administering Secretaries in exercising the authority provided in this section.

(2) In this subsection, the term ''administering Secretaries'' has the meaning given such term in section 1072(3) of title 10, United States Code.

SEC. 720. VACCINE HEALTHCARE CENTERS NETWORK.

Section 1110 of title 10, United States Code, is amended by adding at the end the following:

''(c) VACCINE HEALTHCARE CENTERS NETWORK.—(1) The Secretary shall carry out this section through the Vaccine Healthcare Centers Network as established by the Secretary in collaboration with the Director of the Centers for Disease Control and Prevention.

''(2) In addition to conducting the activities described in subsection (b), it shall be the purpose of the Vaccine Healthcare Centers Network to improve—

''(A) the safety and quality of vaccine administration for the protection of members of the armed forces;

"(B) the submission of data to the Vaccine-related Adverse Events Reporting System to include comprehensive content and follow-up data;

"(C) the access to clinical management services to members of the armed forces who experience vaccine adverse events;

"(D) the knowledge and understanding by members of the armed forces and vaccine-providers of immunization benefits and risks.

"(E) networking between the Department of Defense, the Department of Health and Human Services, the Department of Veterans Affairs, and private advocacy and coalition groups with regard to immunization benefits and risks; and

"(F) clinical research on the safety and efficacy of vaccines.

"(3) To achieve the purposes described in paragraph (2), the Vaccine Healthcare Centers Network, in collaboration with the medical departments of the armed forces, shall carry out the following:

"(A)(i) Establish a network of centers of excellence in clinical immunization safety assessment that provides for outreach, education, and confidential consultative and direct patient care services for vaccine related adverse events prevention, diagnosis,

1 treatment and follow-up with respect to members of
2 the armed services.
3 ''(ii) Such centers shall provide expert second
4 opinions for such members regarding medical exemp-
5 tions under this section and for additional care that
6 is not available at the local medical facilities of such
7 members.
8 ''(B) Develop standardized educational outreach
9 activities to support the initial and ongoing provision
10 of training and education for providers and nursing
11 personnel who are engaged in delivering immuniza-
12 tion services to the members of the armed forces.
13 ''(C) Develop a program for quality improve-
14 ment in the submission and understanding of data
15 that is provided to the Vaccine-related Adverse
16 Events Reporting System, particularly among pro-
17 viders and members of the armed forces.
18 ''(D) Develop and standardize a quality im-
19 provement program for the Department of Defense
20 relating to immunization services.
21 ''(E) Develop an effective network system, with
22 appropriate internal and external collaborative ef-
23 forts, to facilitate integration, educational outreach,
24 research, and clinical management of adverse vac-
25 cine events.

1 ''(F) Provide education and advocacy for vac-
2 cine recipients to include access to vaccine safety
3 programs, medical exemptions, and quality treat-
4 ment.
5 ''(G) Support clinical studies with respect to the
6 safety and efficacy of vaccines, including outcomes
7 studies on the implementation of recommendations
8 contained in the clinical guidelines for vaccine-re-
9 lated adverse events.
10 ''(H) Develop implementation recommendations
11 for vaccine exemptions or alternative vaccine strate-
12 gies for members of the armed forces who have had
13 prior, or who are susceptible to, serious adverse
14 events, including those with genetic risk factors, and
15 the discovery of treatments for adverse events that
16 are most effective.
17 ''(4) It is the sense of the Senate—
18 ''(A) to recognize the important work being
19 done by the Vaccine Healthcare Center Network for
20 the members of the armed forces; and
21 ''(B) that each of the military departments (as
22 defined in section 102 of title 5, United States
23 Code) is strongly encouraged to fund the Vaccine
24 Healthcare Center Network.''.

SEC. 721. USE OF DEPARTMENT OF DEFENSE FUNDS FOR ABORTIONS IN CASES OF RAPE AND INCEST.

Section 1093(a) of title 10, United States Code, is amended by inserting before the period at the end the following: " or in a case in which the pregnancy is the result of an act of rape or incest".

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

Subtitle A—Acquisition Policy and Management

SEC. 801. RESPONSIBILITIES OF ACQUISITION EXECUTIVES AND CHIEF INFORMATION OFFICERS UNDER THE CLINGER-COHEN ACT.

(a) ACQUISITIONS OF INFORMATION TECHNOLOGY EQUIPMENT INTEGRAL TO A WEAPON OR WEAPON SYSTEM.—(1) Chapter 131 of title 10, United States Code, is amended by inserting after section 2223 the following:

"§ 2223a. Acquisition of information technology equipment integral to a weapon or a weapon system

"(a) RESPONSIBILITIES OF ACQUISITION EXECUTIVES.—The acquisition executive of each military department shall be responsible for ensuring that, with regard

to a weapon or weapon system acquired or to be acquired by or for that military department—

"(1) the acquisition of information technology equipment that is integral to the weapon or a weapon system is conducted in a manner that is consistent with the capital planning, investment control, and performance and results-based management processes and requirements provided under sections 11302, 11303, 11312, and 11313 of title 40, to the extent that such processes requirements are applicable to the acquisition of such equipment;

"(2) issues of spectrum availability, interoperability, and information security are appropriately addressed in the development of the weapon or weapon system; and

"(3) in the case of information technology equipment that is to be incorporated into a weapon or a weapon system under a major defense acquisition program, the information technology equipment is incorporated in a manner that is consistent with—

"(A) the planned approach to applying certain provisions of law to major defense acquisition programs following the evolutionary acquisition process that the Secretary of Defense re-

ported to Congress under section 802 of the Bob Stump National Defense Authorization Act for Fiscal Year 2003 (Public Law 107–314; 116 Stat. 2602);

"(B) the acquisition policies that apply to spiral development programs under section 803 of such Act (116 Stat. 2603; 10 U.S.C. 2430 note); and

"(C) the software acquisition processes of the military department or Defense Agency concerned under section 804 of such Act (116 Stat. 2604; 10 U.S.C. 2430 note).

"(b) BOARD OF SENIOR ACQUISITION OFFICIALS.—(1) The Secretary of Defense shall establish a board of senior acquisition officials to develop policy and provide oversight on the implementation of the requirements of this section and chapter 113 of title 40 in procurements of information technology equipment that is integral to a weapon or a weapon system.

"(2) The board shall be composed of the following officials:

"(A) The Under Secretary of Defense for Acquisition, Technology, and Logistics, who shall be the Chairman.

"(B) The acquisition executives of the military departments.

"(C) The Chief Information Officer of the Department of Defense.

"(3) Any question regarding whether information technology equipment is integral to a weapon or weapon system shall be resolved by the board in accordance with policies established by the board.

"(c) INAPPLICABILITY OF OTHER LAWS.—The following provisions of law do not apply to information technology equipment that is integral to a weapon or a weapon system:

"(1) Section 11315 of title 40.

"(2) The policies and procedures established under section 11316 of title 40.

"(3) Subsections (d) and (e) of section 811 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106–398; 114 Stat. 1654A–211), and the requirements and prohibitions that are imposed by Department of Defense Directive 5000.1 pursuant to subsections (b) and (c) of such section.

"(4) Section 351 of the Bob Stump National Defense Authorization Act for Fiscal Year 2003

(Public Law 107–314; 116 Stat. 2516; 10 U.S.C. 221 note).

"(d) DEFINITIONS.—In this section:

"(1) The term 'acquisition executive', with respect to a military department, means the official who is designated as the senior procurement executive of the military department under section 16(3) of the Office of Federal Procurement Policy Act (41 U.S.C. 414(3)).

"(2) The term 'information technology' has the meaning given such term in section 11101 of title 40.

"(3) The term 'major defense acquisition program' has the meaning given such term in section 2430 of this title.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2223 the following new item:

"2223a. Acquisition of information technology equipment integral to a weapon or a weapon system.".

(b) CONFORMING AMENDMENTS.—Section 2223 of such title is amended—

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

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

"(c) EQUIPMENT INTEGRAL TO A WEAPON OR WEAPON SYSTEM.—(1) In the case of information technology equipment that is integral to a weapon or weapon system acquired or to be acquired by or for a military department, the responsibilities under this section shall be performed by the acquisition executive of that military department pursuant to the guidance and oversight of the board of senior acquisition officials established under section 2223a(b) of this title.

"(2) In this subsection, the term 'acquisition executive' has the meaning given said term in section 2223a(d) of this title.".

SEC. 802. SOFTWARE-RELATED PROGRAM COSTS UNDER MAJOR DEFENSE ACQUISITION PROGRAMS.

(a) CONTENT OF QUARTERLY UNIT COST REPORT.—Subsection (b) of section 2433 of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(5) Any significant changes in the total program cost for development and procurement of the software component of the program, schedule milestones for the software component of the program, or expected performance for the software component of the program that are known, expected, or anticipated by the program manager.".

(b) CONTENT OF SELECTED ACQUISITION REPORT.—(1) Subsection (g)(1) of such section is amended by adding at the end the following new subparagraph:

"(Q) In any case in which one or more problems with the software component of the program significantly contributed to the increase in program unit costs, the action taken and proposed to be taken to solve such problems.".

(2) Section 2432(e) of title 10, United States Code, is amended—

(A) by redesignating paragraphs (7), (8), and (9), as paragraphs (8), (9) and (10), respectively; and

(B) by inserting after paragraph (6) the following new paragraph (7):

"(7) The reasons for any significant changes (from the previous Selected Acquisition Report) in the total program cost for development and procurement of the software component of the program, schedule milestones for the software component of the program, or expected performance for the software component of the program that are known, expected, or anticipated by the program manager.".

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 2004, and shall

apply with respect to reports due to be submitted to Congress on or after such date.

SEC. 803. INTERNAL CONTROLS FOR DEPARTMENT OF DEFENSE PURCHASES THROUGH GSA CLIENT SUPPORT CENTERS.

(a) LIMITATION.—No official of the Department of Defense may place an order for, make a purchase of, or otherwise procure property or services in an amount in excess of $100,000 through any particular GSA Client Support Center until the Inspector General of the Department of Defense has, after the date of the enactment of this Act—

(1) reviewed the policies, procedures, and internal controls of such Client Support Center in consultation with the Inspector General of the General Services Administration; and

(2) certified in writing to the Secretary of Defense and the Administrator of General Services that such policies, procedures, and internal controls are adequate to ensure the compliance of such Client Support Center with the requirements of law and regulations that are applicable to orders, purchases, and other procurements of property and services.

(b) GSA CLIENT SUPPORT CENTER DEFINED.—In this section, the term ''GSA Client Support Center''

means a Client Support Center of the Federal Technology Service of the General Services Administration.

(c) EFFECTIVE DATE AND APPLICABILITY.—This section shall take effect on the date of the enactment of this Act and shall apply with respect to orders, purchases, and other procurements that are initiated by the Department of Defense with a GSA Client Support Center on or after such date.

SEC. 804. DEFENSE COMMERCIAL SATELLITE SERVICES PROCUREMENT PROCESS.

(a) REQUIREMENT FOR DETERMINATION.—The Secretary of Defense shall review alternative mechanisms for procuring commercial satellite services and provide guidance to the Director of the Defense Information Systems Agency and the Secretaries of the military departments on how such procurements should be conducted. The alternative procurement mechanisms reviewed by the Secretary of Defense shall, at a minimum, include the following:

(1) Procurement under indefinite delivery, indefinite quantity contracts of the Federal Technology Service of the General Services Administration.

(2) Procurement directly from commercial sources that are qualified as described in subsection (b), using full and open competition (as defined in

section 4(6) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(6))).

(3) Procurement by any other means that has been used by the Director of the Defense Information Systems Agency or the Secretary of a military department to enter into a contract for the procurement of commercial satellite services that is in force on the date of the enactment of this Act.

(b) QUALIFIED SOURCES.—A source of commercial satellite services referred to in paragraph (2) of subsection (a) is a qualified source if the source is incorporated under the laws of a State of the United States and is either—

(1) a source of commercial satellite services under a Federal Technology Service contract for the procurement of commercial satellite services described in paragraph (1) of such subsection that is in force on the date of the enactment of this Act; or

(2) a source of commercial satellite services that meets qualification requirements (as defined in section 2319 of title 10, United States Code, and established in accordance with that section) to enter into a Federal Technology Service contract for the procurement of commercial satellite services.

(c) REPORT.—Not later than April 30, 2005, the Secretary of Defense shall submit to Congress a report setting forth the conclusions resulting from the Secretary's review under subsection (a). The report shall include—

(1) the guidance provided under such subsection; and

(2) a discussion of the rationale for that guidance.

SEC. 805. REVISION AND EXTENSION OF AUTHORITY FOR ADVISORY PANEL ON REVIEW OF GOVERNMENT PROCUREMENT LAWS AND REGULATIONS.

(a) RELATIONSHIP OF RECOMMENDATIONS TO SMALL BUSINESSES.—Section 1423 of the National Defense Authorization Act for Fiscal Year 2004 (Public Law 106–136; 117 Stat. 1669; 41 U.S.C. 405 note) is amended—

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

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

"(d) ISSUES RELATING TO SMALL BUSINESSES.—In developing recommendations under subsection (c)(2), the panel shall—

"(1) consider the effects of its recommendations on small business concerns; and

"(2) include any recommended modifications of laws, regulations, and policies that the panel considers necessary to enhance and ensure competition in contracting that affords small business concerns meaningful opportunity to participate in Federal Government contracts.".

(b) REVISION AND EXTENSION OF REPORTING REQUIREMENT.—Section 1423(d) of the National Defense Authorization Act for Fiscal Year 2004 (Public Law 108–136; 117 Stat. 1669; 41 U.S.C. 405 note) is amended—

(1) by striking "one year after the establishment of the panel" and inserting "one year after the date of the enactment of the National Defense Authorization Act for Fiscal Year 2005";

(2) by striking "Services and" both places it appears and inserting "Services,";

(3) by inserting ", and Small Business" after "Government Reform"; and

(4) by inserting ", and Small Business and Entrepreneurship" after "Governmental Affairs".

Subtitle B—General Contracting Authorities, Procedures, and Limitations, and Other Matters

SEC. 811. INCREASED THRESHOLDS FOR APPLICABILITY OF CERTAIN REQUIREMENTS.

(a) SENIOR PROCUREMENT EXECUTIVE APPROVAL OF USE OF PROCEDURES OTHER THAN COMPETITIVE PROCEDURES.—Section 2304(f)(1)(B) of title 10, United States Code, is amended by striking ''$50,000,000'' both places it appears and inserting ''$75,000,000''.

(b) INFORMATION ON SUBCONTRACTING AUTHORITY OF DEFENSE CONTRACTOR PERSONNEL.—Section 2416(d) of such title is amended by striking ''$500,000'' and inserting ''$1,000,000''.

SEC. 812. PERIOD FOR MULTIYEAR TASK AND DELIVERY ORDER CONTRACTS.

(a) REVISED MAXIMUM PERIOD.—Section 2304a(f) of title 10, United States Code, is amended by striking ''a total period of not more than five years.'' and inserting ''any period up to five years and may extend the contract period for one or more successive periods pursuant to an option provided in the contract or a modification of the contract. The total contract period as extended may not exceed eight years unless such head of an agency person-

ally determines in writing that exceptional circumstances necessitate a longer contract period.''.

(b) ANNUAL REPORT.—Not later than 60 days after the end of each of fiscal years 2005 through 2009, the Secretary of Defense shall submit to Congress a report setting forth each extension of a contract period to a total of more than eight years that was granted for task and delivery order contracts of the Department of Defense during such fiscal year under section 2304a(f) of title 10, United States Code. The report shall include, with respect to each such contract period extension—

(1) a discussion of the exceptional circumstances on which the extension was based; and

(2) the justification for the determination of exceptional circumstances.

SEC. 813. SUBMISSION OF COST OR PRICING DATA ON NONCOMMERCIAL MODIFICATIONS OF COMMERCIAL ITEMS.

(a) INAPPLICABILITY OF COMMERCIAL ITEMS EXCEPTION TO NONCOMMERCIAL MODIFICATIONS OF COMMERCIAL ITEMS.—Subsection (b) of section 2306a of title 10, United States Code, is amended by adding at the end the following new paragraph:

''(3) NONCOMMERCIAL MODIFICATIONS OF COMMERCIAL ITEMS.—(A) The exception in paragraph

(1)(B) does not apply to cost or pricing data on noncommercial modifications of a commercial item that are expected to cost, in the aggregate, more than $500,000.

"(B) In this paragraph, the term 'noncommercial modification', with respect to a commercial item, means a modification of such item that is not a modification described in section 4(12)(C)(i) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(12)(C)(i)).

"(C) Nothing in subparagraph (A) shall be construed—

"(i) to limit the applicability of the exception in subparagraph (A) or (C) of paragraph (1) to cost or pricing data on a noncommercial modification of a commercial item; or

"(ii) to require the submission of cost or pricing data on any aspect of an acquisition of a commercial item other than the cost and pricing of noncommercial modifications of such item.".

(b) EFFECTIVE DATE AND APPLICABILITY.—Paragraph (3) of section 2306a of title 10, United States Code (as added by subsection (a)), shall take effect on January 1, 2005, and shall apply with respect to offers submitted,

and to modifications of contracts or subcontracts made, on or after that date.

SEC. 814. DELEGATIONS OF AUTHORITY TO MAKE DETERMINATIONS RELATING TO PAYMENT OF DEFENSE CONTRACTORS FOR BUSINESS RESTRUCTURING COSTS.

Section 2325(a)(2) of title 10, United States Code, is amended—

(1) by striking ''paragraph (1) to an official'' and all that follows and inserting ''paragraph (1), with respect to a business combination, to an official of the Department of Defense—''; and

(2) by adding at the end the following:

''(A) below the level of an Assistant Secretary of Defense for cases in which the amount of restructuring costs is expected to exceed $25,000,000 over a 5-year period; or

''(B) below the level of the Director of the Defense Contract Management Agency for all other cases.''.

SEC. 815. LIMITATION REGARDING SERVICE CHARGES IMPOSED FOR DEFENSE PROCUREMENTS MADE THROUGH CONTRACTS OF OTHER AGENCIES.

(a) LIMITATION.—(1) Chapter 141 of title 10, United States Code, is amended by inserting after section 2382 the following new section 2383:

"§ 2383. Procurements through contracts of other agencies: service charges

''(a) LIMITATION.—The head of an agency may not procure goods or services (under section 1535 of title 31, pursuant to a designation under section 11302(e) of title 40, or otherwise) through a contract entered into by an agency outside the Department of Defense if the amount charged such head of an agency by the contracting agency for the goods or services includes a service charge in a total amount that exceeds one percent of the amount charged by the contractor for such goods or services under the contract.

''(b) WAIVER AUTHORITY.—(1) The appropriate official of the Department of Defense may waive the limitation in subsection (a) in the case of any procurement for which that official determines that it is in the national security interests of the United States to do so.

''(2) The appropriate official for exercise of the waiver authority under paragraph (1) is as follows:

"(A) In the case of a procurement by a Defense Agency or Department of Defense Field Activity, the Secretary of Defense.

"(B) In the case of a procurement for a military department, the Secretary of that military department.

"(3)(A) The Secretary of Defense may not delegate the authority under paragraph (1) to any person other than the Deputy Secretary of Defense or the Under Secretary of Defense for Acquisition, Technology, and Logistics.

"(B) The Secretary of a military department may not delegate the authority under paragraph (1) to any person other than the acquisition executive of that military department.

"(c) INAPPLICABILITY TO CONTRACTS FOR CERTAIN SERVICES.—This section does not apply to procurements of the following services:

"(1) Printing, binding, or blank-book work to which section 502 of title 44 applies.

"(2) Services available under programs pursuant to section 103 of the Library of Congress Fiscal Operations Improvement Act of 2000 (Public Law 106–481; 114 Stat. 2187; 2 U.S.C. 182c).

"(d) INAPPLICABILITY TO COAST GUARD AND NASA.—This section does not apply to the Coast Guard when it is not operating as a service in the Navy or to the National Aeronautics and Space Administration.

"(e) DEFINITIONS.—In this section:

"(1) The term 'head of an agency' has the meaning given such term in section 2302 of this title.

"(2) The term 'acquisition executive', with respect to a military department, means the official who is designated as the senior procurement executive of that military department under section 16(3) of the Office of Federal Procurement Policy Act (41 U.S.C. 414(3)).".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2382 the following new item:

"2383. Procurements through contracts of other agencies: service charges.".

(b) EFFECTIVE DATE AND APPLICABILITY.—Section 2383 of title 10, United States Code, shall take effect on October 1, 2004, and shall apply with respect to orders for goods or services that are issued by the head of an agency (as defined in section 2302 of such title) on or after such date.

SEC. 816. SENSE OF THE SENATE ON EFFECTS OF COST INFLATION ON THE VALUE RANGE OF THE CONTRACTS TO WHICH A SMALL BUSINESS CONTRACT RESERVATION APPLIES.

(a) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) in the administration of the requirement for reservation of contracts for small businesses under subsection (j) of section 15 of the Small Business Act (15 U.S.C. 644), the maximum amount in the contract value range provided under that subsection should be treated as being adjusted to the same amount to which the simplified acquisition threshold is increased whenever such threshold is increased under law; and

(2) the Administrator for Federal Procurement Policy, in consultation with the Federal Acquisition Regulatory Council, should ensure that appropriate governmentwide policies and procedures are in place—

(A) to monitor socioeconomic data concerning purchases made by means of purchase cards or credit cards issued for use in transactions on behalf of the Federal Government; and

(B) to encourage the placement of a fair portion of such purchases with small businesses consistent with governmentwide goals for small business prime contracting established under section 15(g) of the Small Business Act (15 U.S.C. 644(g)).

(b) SIMPLIFIED ACQUISITION THRESHOLD DEFINED.—In this section, the term ''simplified acquisition threshold'' has the meaning given such term in section 4(11) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(11)).

Subtitle C—Extensions of Temporary Program Authorities

SEC. 821. EXTENSION OF CONTRACT GOAL FOR SMALL DISADVANTAGED BUSINESS AND CERTAIN INSTITUTIONS OF HIGHER EDUCATION.

Section 2323(k) of title 10, United States Code, is amended by striking ''2006'' both places it appears and inserting ''2009''.

SEC. 822. EXTENSION OF MENTOR-PROTEGE PROGRAM.

Section 831 of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510; 10 U.S.C. 2302 note) is amended—

(1) in subsection (j)—

(A) in paragraph (1), by striking ''September 30, 2005'' and inserting ''September 30, 2010''; and

(B) in paragraph (2), by striking ''September 30, 2008'' and inserting ''September 30, 2013''; and

(2) in subsection (l)(3), by striking ''2007'' and inserting ''2012''.

SEC. 823. EXTENSION OF TEST PROGRAM FOR NEGOTIATION OF COMPREHENSIVE SMALL BUSINESS SUBCONTRACTING PLANS.

Section 834(e) of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101–189; 15 U.S.C. 637 note) is amended by striking ''September 30, 2005'' and inserting ''September 30, 2010''.

SEC. 824. EXTENSION OF PILOT PROGRAM ON SALES OF MANUFACTURED ARTICLES AND SERVICES OF CERTAIN ARMY INDUSTRIAL FACILITIES.

Section 141(a) of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 10 U.S.C. 4543 note) is amended by striking ''through 2004'' in the first sentence and inserting ''through 2009''.

Subtitle D—Industrial Base Matters

SEC. 831. COMMISSION ON THE FUTURE OF THE NATIONAL TECHNOLOGY AND INDUSTRIAL BASE.

(a) ESTABLISHMENT.—There is established a commission to be known as the Commission on the Future of the National Technology and Industrial Base (hereafter in this section referred to as the ''Commission'').

(b) MEMBERSHIP.—(1) The Commission shall be composed of 12 members appointed by the President.

(2) The members of the Commission shall include—

(A) persons with extensive experience and national reputations for expertise in the defense industry, commercial industries that support the defense industry, and the economics, finance, national security, international trade, or foreign policy areas; and

(B) persons who are representative of labor organizations associated with the defense industry, and persons who are representative of small business concerns or organizations of small business concerns that are involved in Department of Defense contracting and other Federal Government contracting.

(3) The appointment of the members of the Commission under this subsection shall be made not later than March 1, 2005.

(4) Members shall be appointed for the life of the Commission. A vacancy in the Commission shall not affect its powers, but shall be filled in the same manner in which the original appointment was made.

(5) The President shall designate one member of the Commission to serve as the Chairman of the Commission.

(c) MEETINGS.—(1) The Commission shall meet at the call of the Chairman.

(2) A majority of the members of the Commission shall constitute a quorum, but a lesser number may hold hearings.

(d) DUTIES.—(1) The Commission shall—

(A) study the issues associated with the future of the national technology and industrial base in the global economy, particularly with respect to its effect on United States national security; and

(B) assess the future ability of the national technology and industrial base to attain the national security objectives set forth in section 2501 of title 10, United States Code.

(2) In carrying out the study and assessment under paragraph (1), the Commission shall consider the following matters:

(A) Existing and projected future capabilities of the national technology and industrial base.

(B) The impact on the national technology and industrial base of civil-military integration and the growing dependence of the Department of Defense on the commercial market for defense products and services.

(C) Any current or projected shortages of a critical technology (as defined in section 2500(6) of title 10, United States Code), or the raw materials necessary for the production of such technology, that could adversely affect the national security of the United States.

(D) The effects of domestic source restrictions on the strength of the national technology and industrial base.

(E) The effects of the policies and practices of United States allies and trading partners on the national technology and industrial base.

(F) The effects on the national technology and industrial base of laws and regulations related to international trade and the export of defense technologies and dual-use technologies.

(G) The adequacy of programs that support science and engineering education, including programs that support defense science and engineering efforts at institutions of higher learning, with re-

spect to meeting the needs of the national technology and industrial base.

(H) The implementation of policies and planning required under subchapter II of chapter 148 of title 10, United States Code, and other provisions of law designed to support the national technology and industrial base.

(I) The role of the Manufacturing Technology program, other Department of Defense research and development programs, and the utilization of the authorities of the Defense Production Act of 1950 to provide transformational breakthroughs in advanced manufacturing technologies and processes that ensure the strength and productivity of the national technology and industrial base.

(J) The role of small business concerns in strengthening the national technology and industrial base.

(e) REPORT.—Not later than March 1, 2007, the Commission shall submit a report on its activities to the President and Congress. The report shall include the following matters:

(1) The findings and conclusions of the Commission.

(2) The recommendations of the Commission for actions by Federal Government officials to support the maintenance of a robust national technology and industrial base in the 21st century.

(3) The recommendations of the Commission for addressing shortages in critical technologies, and shortages of raw materials necessary for the production of critical technologies, that could adversely affect the national security of the United States.

(4) Any recommendations for legislation or changes in regulations to support the implementation of the findings of the Commission.

(5) A discussion of appropriate measures to implement the recommendations of the Commission.

(f) ADMINISTRATIVE REQUIREMENTS AND AUTHORITIES.—(1) The Director of the Office of Management and Budget shall ensure that the Commission is provided such administrative services, facilities, staff, and other support services as may be necessary for the Commission to carry out its duties. Expenses of the Commission shall be paid out of funds available to the Director.

(2) The Commission may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Commission considers advisable to carry out the purposes of this section.

(3) The Commission may secure directly from any Federal department or agency such information as the commission considers necessary to carry out the provisions of this section. Upon a request of the Chairman of the Commission, the head of such department or agency shall furnish such information to the Commission.

(4) The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the Federal Government.

(g) PERSONNEL MATTERS.—(1) Members of the Commission shall serve without compensation for their service on the Commission, except that each member of the Commission who is not an officer or employee of the United States shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Commission.

(2) Section 3161 of title 5, United States Code, shall apply to the Commission, except that—

(A) members of the Commission shall not be entitled to pay for services under subsection (d) of such section; and

(B) subsection (b)(2) of such section shall not apply to the employees of the Commission.

(h) APPLICABILITY OF FEDERAL ADVISORY COMMITTEE ACT.—The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the Commission.

(i) TERMINATION.—The Commission shall terminate 30 days after the date on which the Commission submits its report under subsection (e).

(j) DEFINITION OF NATIONAL TECHNOLOGY AND INDUSTRIAL BASE.—In this section, the term ''national technology and industrial base'' has the meaning given such term in section 2500 of title 10, United States Code.

SEC. 832. WAIVER AUTHORITY FOR DOMESTIC SOURCE OR CONTENT REQUIREMENTS.

(a) AUTHORITY.—Subchapter V of chapter 148 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 2539c. Waiver of domestic source or content requirements

''(a) AUTHORITY.—Except as provided in subsection (f), the Secretary of Defense may waive the application of any domestic source requirement or domestic content requirement referred to in subsection (b) and thereby authorize the procurement of items that are grown, reprocessed, reused, produced, or manufactured—

"(1) in a foreign country that has a Declaration of Principles with the United States;

"(2) in a foreign country that has a Declaration of Principles with the United States substantially from components and materials grown, reprocessed, reused, produced, or manufactured in the United States or any foreign country that has a Declaration of Principles with the United States; or

"(3) in the United States substantially from components and materials grown, reprocessed, reused, produced, or manufactured in the United States or any foreign country that has a Declaration of Principles with the United States.

"(b) COVERED REQUIREMENTS.—For purposes of this section:

"(1) A domestic source requirement is any requirement under law that the Department of Defense satisfy its requirements for an item by procuring an item that is grown, reprocessed, reused, produced, or manufactured in the United States or by a manufacturer that is a part of the national technology and industrial base (as defined in section 2500(1) of this title).

"(2) A domestic content requirement is any requirement under law that the Department of De-

fense satisfy its requirements for an item by procuring an item produced or manufactured partly or wholly from components and materials grown, reprocessed, reused, produced, or manufactured in the United States.

''(c) APPLICABILITY.—The authority of the Secretary to waive the application of a domestic source or content requirements under subsection (a) applies to the procurement of items for which the Secretary of Defense determines that—

''(1) application of the requirement would impede the reciprocal procurement of defense items under a Declaration of Principles with the United States; and

''(2) such country does not discriminate against defense items produced in the United States to a greater degree than the United States discriminates against defense items produced in that country.

''(d) LIMITATION ON DELEGATION.—The authority of the Secretary to waive the application of domestic source or content requirements under subsection (a) may not be delegated to any officer or employee other than the Under Secretary of Defense for Acquisition, Technology and Logistics.

"(e) CONSULTATIONS.—The Secretary may grant a waiver of the application of a domestic source or content requirement under subsection (a) only after consultation with the United States Trade Representative, the Secretary of Commerce, and the Secretary of State.

"(f) LAWS NOT WAIVABLE.—The Secretary of Defense may not exercise the authority under subsection (a) to waive any domestic source or content requirement contained in any of the following laws:

"(1) The Small Business Act (15 U.S.C. 631 et seq.).

"(2) The Javits-Wagner-O'Day Act (41 U.S.C. 46 et seq.).

"(3) Sections 7309 and 7310 of this title.

"(4) Section 2533a of this title.

"(g) RELATIONSHIP TO OTHER WAIVER AUTHORITY.—The authority under subsection (a) to waive a domestic source requirement or domestic content requirement is in addition to any other authority to waive such requirement.

"(h) CONSTRUCTION WITH RESPECT TO LATER ENACTED LAWS.—This section may not be construed as being inapplicable to a domestic source requirement or domestic content requirement that is set forth in a law en-

1 acted after the enactment of this section solely on the
2 basis of the later enactment.

3 "(i) DECLARATION OF PRINCIPLES.—(1) In this sec-
4 tion, the term 'Declaration of Principles' means a written
5 understanding (including any Statement of Principles) be-
6 tween the Department of Defense and its counterpart in
7 a foreign country signifying a cooperative relationship be-
8 tween the Department and its counterpart to standardize
9 or make interoperable defense equipment used by the
10 armed forces and the armed forces of the foreign country
11 across a broad spectrum of defense activities, including—

12 "(A) harmonization of military requirements
13 and acquisition processes;

14 "(B) security of supply;

15 "(C) export procedures;

16 "(D) security of information;

17 "(E) ownership and corporate governance;

18 "(F) research and development;

19 "(G) flow of technical information; and

20 "(H) defense trade.

21 "(2) A Declaration of Principles is underpinned by
22 a memorandum of understanding or other agreement pro-
23 viding for the reciprocal procurement of defense items be-
24 tween the United States and the foreign country con-

cerned without unfair discrimination in accordance with section 2531 of this title.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such subchapter is amended by inserting after the item relating to section 2539b the following new item:

''2539c. Waiver of domestic source or content requirements.''.

SEC. 833. CONSISTENCY WITH UNITED STATES OBLIGATIONS UNDER TRADE AGREEMENTS.

No provision of this Act or any amendment made by this Act shall apply to a procurement by or for the Department of Defense to the extent that the Secretary of Defense, in consultation with the Secretary of Commerce, the United States Trade Representative, and the Secretary of State, determines that it is inconsistent with United States obligations under a trade agreement.

SEC. 834. REPEAL OF CERTAIN REQUIREMENTS AND LIMITATIONS RELATING TO THE DEFENSE INDUSTRIAL BASE.

(a) ESSENTIAL ITEM IDENTIFICATION AND DOMESTIC PRODUCTION CAPABILITIES IMPROVEMENT.—Sections 812, 813, and 814 of the National Defense Authorization Act for Fiscal Year 2004 (Public Law 108–136; 117 Stat. 1542, 1543, 1545; 10 U.S.C. 2501 note) are repealed.

(b) ELIMINATION OF UNRELIABLE SOURCE FOR ITEMS AND COMPONENTS.—Section 821 of such Act (117 Stat. 1546; 10 U.S.C. 2534 note) is repealed.

Subtitle E—Defense Acquisition and Support Workforce

SEC. 841. LIMITATION AND REINVESTMENT AUTHORITY RELATING TO REDUCTION OF THE DEFENSE ACQUISITION AND SUPPORT WORKFORCE.

(a) LIMITATION.—Notwithstanding any other provision of law, the defense acquisition and support workforce may not be reduced, during fiscal years 2005, 2006, and 2007, below the level of that workforce as of September 30, 2003, determined on the basis of full-time employee equivalence, except as may be necessary to strengthen the defense acquisition and support workforce in higher priority positions in accordance with this section.

(b) INCREASE AND REALIGNMENT OF WORKFORCE.—(1)(A) During fiscal years 2005, 2006, and 2007, the Secretary of Defense shall increase the number of persons employed in the defense acquisition and support workforce as follows:

(i) During fiscal year 2005, to 105 percent of the baseline number (as defined in subparagraph (B)).

(ii) During fiscal year 2006, to 110 percent of the baseline number.

(iii) During fiscal year 2007, to 115 percent of the baseline number.

(B) In this paragraph, the term ''baseline number'', with respect to persons employed in the defense acquisition and support workforce, means the number of persons employed in such workforce as of September 30, 2003 (determined on the basis of full-time employee equivalence).

(C) The Secretary of Defense may waive a requirement in subparagraph (A) and, subject to subsection (a), employ in the defense acquisition and support workforce a lesser number of employees if the Secretary determines and certifies to the congressional defense committees that the cost of increasing such workforce to the larger size as required under that subparagraph would exceed the savings to be derived from the additional oversight that would be achieved by having a defense acquisition and support workforce of such larger size.

(2) During fiscal years 2005, 2006, and 2007, the Secretary of Defense may realign any part of the defense acquisition and support workforce to support reinvestment in other, higher priority positions in such workforce.

(c) HIGHER PRIORITY POSITIONS.—For the purposes of this section, higher priority positions in the defense ac-

quisition and support workforce include the following positions:

(1) Positions the responsibilities of which include drafting performance-based work statements for services contracts and overseeing the performance of contracts awarded pursuant to such work statements.

(2) Positions the responsibilities of which include conducting spending analyses, negotiating company-wide pricing agreements, and taking other measures to reduce contract costs.

(3) Positions the responsibilities of which include reviewing contractor quality control systems, assessing and analyzing quality deficiency reports, and taking other measures to improve product quality.

(4) Positions the responsibilities of which include effectively conducting public-private competitions in accordance with Office of Management and Budget Circular A–76.

(5) Any other positions in the defense acquisition and support workforce that the Secretary of Defense identifies as being higher priority positions that are staffed at levels not likely to ensure efficient

and effective performance of all of the responsibilities of those positions.

(d) STRATEGIC ASSESSMENT AND PLAN.—(1) The Secretary of Defense shall—

(A) assess the extent to which the Department of Defense can recruit, retain, train, and provide professional development opportunities for acquisition professionals over the 10-fiscal year period beginning with fiscal year 2005; and

(B) develop a human resources strategic plan for the defense acquisition and support workforce that includes objectives and planned actions for improving the management of such workforce.

(2) The Secretary shall submit to Congress, not later than April 1, 2005, a report on the progress made in—

(A) completing the assessment required under paragraph (1); and

(B) completing and implementing the strategic plan required under such paragraph.

(e) DEFENSE ACQUISITION AND SUPPORT WORKFORCE DEFINED.—In this section, the term ''defense acquisition and support workforce'' means members of the Armed Forces and civilian personnel who are assigned to, or are employed in, an organization of the Department

of Defense that has acquisition as its predominant mission, as determined by the Secretary of Defense.

SEC. 842. DEFENSE ACQUISITION WORKFORCE IMPROVEMENTS.

(a) SELECTION CRITERIA FOR ACQUISITION CORPS AND FOR CRITICAL ACQUISITION POSITIONS.—(1) Section 1732(b)(1)(A) of title 10, United States Code, is amended by striking ''within grade GS–13 or above of'' and inserting ''for which the employee is being paid at a rate of basic pay that equals or exceeds the minimum rate of basic pay provided for grade GS–13 under''.

(2) Section 1733(b)(1)(A)(i) of such title is amended by striking ''in a position within grade GS–14 or above of the General Schedule, or'' and inserting ''who is currently serving in a position for which the employee is being paid at a rate of basic pay that equals or exceeds the minimum rate of basic pay provided for grade GS–14 under the General Schedule or is required to be filled by an employee who is''.

(b) SCHOLARSHIP PROGRAM.—Section 1742 of such title is amended—

(1) by inserting ''(a) REQUIRED PROGRAMS.—'' before ''The Secretary of Defense shall conduct''; and

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

"(b) SCHOLARSHIP PROGRAM REQUIREMENTS.—(1) Each recipient of a scholarship under a program conducted under subsection (a)(3) shall be required to sign a written agreement that sets forth the terms and conditions of the scholarship. The agreement shall include the following:

"(A) Criteria for the recipient's continued eligibility for the scholarship.

"(B) The terms of any requirement for the recipient to reimburse the United States for educational assistance provided under the scholarship upon—

"(i) a failure by the recipient to satisfy the criteria for continued eligibility for the scholarship; or

"(ii) a termination of the recipient's service in the Department of Defense before the end of any period of obligated service provided in the agreement, as described in paragraph (2).

"(2) Subject to paragraph (3)(C), a recipient of a scholarship under the program shall reimburse the United States the total amount of educational assistance provided to the recipient under the program if the recipient is vol-

untarily separated from service or involuntarily separated for cause from the Department of Defense before the end of any period for which the recipient has agreed, as a condition of the scholarship, to continue in the service of the Department of Defense in an acquisition position.

"(3)(A) If an employee fails to fulfill an agreement to pay the Government any amount of educational assistance provided to that person under the program, a sum equal to such amount of the educational assistance is recoverable by the Government from the employee or his estate by—

"(i) setoff against accrued pay, compensation, amount of retirement credit, or other amount due the employee from the Government; and

"(ii) such other method as is provided by law for the recovery of amounts owing to the Government.

"(B) An obligation to reimburse the United States under an agreement entered into under this subsection is for all purposes a debt owed to the United States.

"(C) The Secretary of Defense may waive in whole or in part a reimbursement required under this subsection or under an agreement entered into under this subsection if the Secretary determines that the recovery would be

against equity and good conscience or would be contrary to the best interests of the United States.

"(D) A discharge in bankruptcy under title 11 that is entered less than five years after the termination of an agreement entered into under this subsection does not discharge a person executing the agreement from a debt arising under this subsection or such agreement.

"(4) Nothing in this subsection shall be considered to require that a position be offered to a recipient of a scholarship under the program after such recipient successfully completes the course of education for which the scholarship is granted. However, the agreement entered into under this subsection with respect to such scholarship shall be considered terminated if the recipient is not, within the time specified in the agreement, offered a full-time acquisition position in the Department of Defense that—

"(A) is commensurate with the recipient's academic degree and experience; and

"(B) is—

"(i) in the excepted service, if the recipient has not previously acquired competitive status, with the right, after successful completion of two years of service and such other requirements as the Office of Personnel Management may prescribe, to be appointed to a position in

the competitive service, notwithstanding subchapter I of chapter 33 of title 5; or

"(ii) in the competitive service, if the recipient has previously acquired competitive status.".

(c) AUTHORITY TO ESTABLISH DIFFERENT MINIMUM REQUIREMENTS.—(1) Section 1764(b) of such title is amended—

(A) by redesignating paragraph (5) as paragraph (6); and

(B) by inserting after paragraph (4) the following new paragraph (5):

"(5) Deputy program manager.".

(2) Paragraph (1) of such section is amended by striking "in paragraph (5)" and inserting "in paragraph (6)".

Subtitle F—Public-Private Competitions

SEC. 851. PUBLIC-PRIVATE COMPETITION FOR WORK PERFORMED BY CIVILIAN EMPLOYEES OF THE DEPARTMENT OF DEFENSE.

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

"(5)(A) Notwithstanding subsection (d), a function of the Department of Defense performed by 10 or more civilian employees may not be converted, in whole or in part, to performance by a contractor unless the conversion is based on the results of a public-private competition process that—

"(i) formally compares the cost of civilian employee performance of that function with the costs of performance by a contractor;

"(ii) creates an agency tender, including a most efficient organization plan, in accordance with Office of Management and Budget Circular A–76, as implemented on May 29, 2003;

"(iii) requires continued performance of the function by civilian employees unless the competitive sourcing official concerned determines that, over all performance periods stated in the solicitation of offers for performance of the activity or function, the cost of performance of the activity or function by a contractor would be less costly to the Department of Defense by an amount that equals or exceeds the lesser of $10,000,000 or 10 percent of the most efficient organization's personnel-related costs for performance of that activity or function by Federal employees; and

"(iv) ensures that the public sector bid would not be disadvantaged in the cost comparison process by a proposal of an offeror to reduce costs for the Department of Defense by not making an employer-sponsored health insurance plan available to the workers who are to be employed in the performance of such function under a contract or by offering to such workers an employer-sponsored health benefits plan that requires the employer to contribute less towards the premium or subscription share than that which is paid by the Department of Defense for health benefits for civilian employees under chapter 89 of title 5.

"(B) Any function that is performed by civilian employees of the Department of Defense and is proposed to be reengineered, reorganized, modernized, upgraded, expanded, or changed in order to become more efficient shall not be considered a new requirement for the purpose of the competition requirements in subparagraph (A) or the requirements for public-private competition in Office of Management and Budget Circular A–76.

"(C) A function performed by more than 10 Federal Government employees may not be separated into separate functions for the purposes of avoiding the competition requirement in subparagraph (A) or the requirements for

public-private competition in Office of Management and Budget Circular A–76.

"(D) The Secretary of Defense may waive the requirement for a public-private competition under subparagraph (A) in specific instances if—

"(i) the written waiver is prepared by the Secretary of Defense or the relevant Assistant Secretary of Defense, Secretary of a military department, or head of a Defense Agency;

"(ii) the written waiver is accompanied by a detailed determination that national security interests are so compelling as to preclude compliance with the requirement for a public-private competition; and

"(iii) a copy of the waiver is published in the Federal Register within 10 working days after the date on which the waiver is granted, although use of the waiver need not be delayed until its publication.".

(b) INAPPLICABILITY TO BEST-VALUE SOURCE SELECTION PILOT PROGRAM.—(1) Paragraph (5) of section 2461(b) of title 10, United States Code, as added by subsection (a), shall not apply with respect to the pilot program for best-value source selection for performance of information technology services authorized by section 336 of the National Defense Authorization Act for Fiscal Year

2004 (Public Law 108–136; 117 Stat. 1444; 10 U.S.C. 2461 note).

SEC. 852. PERFORMANCE OF CERTAIN WORK BY FEDERAL GOVERNMENT EMPLOYEES.

(a) GUIDELINES.—(1) The Secretary of Defense shall prescribe guidelines and procedures for ensuring that consideration is given to using Federal Government employees on a regular basis for work that is performed under Department of Defense contracts and could be performed by Federal Government employees.

(2) The guidelines and procedures prescribed under paragraph (1) shall provide for special consideration to be given to contracts that—

(A) have been performed by Federal Government employees at any time on or after October 1, 1980;

(B) are associated with the performance of inherently governmental functions;

(C) were not awarded on a competitive basis; or

(D) have been determined by a contracting officer to be poorly performed due to excessive costs or inferior quality.

(b) NEW REQUIREMENTS.—(1) No public-private competition may be required under Office of Management and Budget Circular A–76 or any other provision of law

or regulation before the performance of a new requirement by Federal Government employees commences, the performance by Federal Government employees of work pursuant to subsection (a) commences, or the scope of an existing activity performed by Federal Government employees is expanded. Office of Management and Budget Circular A–76 shall be revised to ensure that the heads of all Federal agencies give fair consideration to the performance of new requirements by Federal Government employees.

(2) The Secretary of Defense shall, to the maximum extent practicable, ensure that Federal Government employees are fairly considered for the performance of new requirements, with special consideration given to new requirements that include functions that—

(A) are similar to functions that have been performed by Federal Government employees at any time on or after October 1, 1980; or

(B) are associated with the performance of inherently governmental functions.

(c) USE OF FLEXIBLE HIRING AUTHORITY.—The Secretary shall include the use of the flexible hiring authority available through the National Security Personnel System in order to facilitate performance by Federal Gov-

ernment employees of new requirements and work that is performed under Department of Defense contracts.

(d) INSPECTOR GENERAL REPORT.—Not later than 180 days after the enactment of this Act, the Inspector General of the Department of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on the compliance of the Secretary of Defense with the requirements of this section.

(e) DEFINITIONS.—In this section:

(1) The term ''National Security Personnel System'' means the human resources management system established under the authority of section 9902 of title 5, United States Code.

(2) The term ''inherently governmental function'' has the meaning given that term in section 5 of the Federal Activities Inventory Reform Act of 1998 (Public Law 105–270; 112 Stat. 2384; 31 U.S.C. 501 note).

SEC. 853. COMPETITIVE SOURCING REPORTING REQUIREMENT.

Not later than February 1, 2005, the Inspector General of the Department of Defense shall submit to Congress a report addressing whether the Department of Defense—

(1) employs a sufficient number of adequately trained civilian employees—

(A) to conduct satisfactorily, taking into account equity, efficiency and expeditiousness, all of the public-private competitions that are scheduled to be undertaken by the Department of Defense during the next fiscal year (including a sufficient number of employees to formulate satisfactorily the performance work statements and most efficient organization plans for the purposes of such competitions); and

(B) to administer any resulting contracts; and

(2) has implemented a comprehensive and reliable system to track and assess the cost and quality of the performance of functions of the Department of Defense by service contractors.

Subtitle G—Other Matters

SEC. 861. INAPPLICABILITY OF CERTAIN FISCAL LAWS TO SETTLEMENTS UNDER SPECIAL TEMPORARY CONTRACT CLOSEOUT AUTHORITY.

Section 804(a) of the National Defense Authorization Act for Fiscal Year 2004 (Public Law 108–136; 117 Stat. 1541) is amended—

(1) by inserting "(1)" after "(a) AUTHORITY.—"; and

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

"(2) Under regulations which the Secretary of Defense may prescribe, a settlement of a financial account for a contract for the procurement of property or services under paragraph (1) may be made without regard to—

"(A) section 1301 of title 31, United States Code; and

"(B) any other provision of law that would preclude the Secretary from charging payments under the contract—

"(i) to an unobligated balance in an appropriation available for funding that contract; or

"(ii) if and to the extent that the unobligated balance (if any) in such appropriation is insufficient for funding such payments, to any current appropriation that is available to the Department of Defense for funding contracts for the procurement of the same or similar property or services.".

SEC. 862. DEMONSTRATION PROGRAM ON EXPANDED USE OF RESERVES TO PERFORM DEVELOPMENTAL TESTING, NEW EQUIPMENT TRAINING, AND RELATED ACTIVITIES.

(a) REQUIREMENT FOR PROGRAM.—The Secretary of the Army shall carry out a demonstration program on use of members of reserve components of the Armed Forces to perform test, evaluation, and related activities for an acquisition program. The Secretary shall design and carry out the demonstration program to achieve the purposes set forth in subsection (b).

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

(1) To determine whether cost savings and other benefits result from use of members of reserve components of the Armed Forces instead of contractor personnel to perform test and evaluation activities for an acquisition program and related acquisition, logistics, and new equipment training activities for the acquisition program.

(2) To evaluate the advisability of using appropriations available for multiyear research, development, test, and evaluation and appropriations available for multiyear procurements to reimburse reserve components for the pay, allowances, and other

expenses paid to or for Reserves used for the acquisition program as described in paragraph (1).

(c) REIMBURSEMENT OF PERSONNEL ACCOUNTS OUT OF PROCUREMENT AND RDT&E ACCOUNTS.—(1) The Secretary of the Army may transfer from funds available to the Army for an acquisition program to a reserve component military personnel account the amount necessary to reimburse that account for costs charged to that account for military pay and allowances in connection with the use of reserve component personnel for such acquisition program under this section.

(2) Not more than $10,000,000 may be transferred under this subsection during any fiscal year of the demonstration program.

(3) Funds transferred to an account under this subsection shall be merged with other sums in the account and shall be available for the same period and purposes as the sums with which merged.

(4) The transfer authority under this subsection is in addition to any other transfer authority provided in this or any other Act.

(d) NONWAIVER OF PERSONNEL AND TRAINING POLICIES AND PROCEDURES.—Nothing in this section may be construed to authorize any deviation from established personnel or training policies or procedures that are

applicable to the reserve components of the personnel used under the demonstration program.

(e) TERMINATION.—The demonstration program under this section shall terminate on September 30, 2009.

SEC. 863. APPLICABILITY OF COMPETITION EXCEPTIONS TO ELIGIBILITY OF NATIONAL GUARD FOR FINANCIAL ASSISTANCE FOR PERFORMANCE OF ADDITIONAL DUTIES.

Section 113(b)(1)(B) of title 32, United States Code, is amended by inserting before the period at the end the following: ", subject to the exceptions provided in section 2304(c) of title 10".

SEC. 864. MANAGEMENT PLAN FOR CONTRACTOR SECURITY PERSONNEL.

(a) REQUIREMENT FOR PLAN.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the congressional defense committees, the Select Committee on Intelligence of the Senate, and the Permanent Select Committee on Intelligence of the House of Representatives a plan for the management and oversight of contractor security personnel by Federal Government personnel in areas where the Armed Forces are engaged in military operations. In the preparation of such plan, the Secretary shall coordinate, as appropriate, with the heads of other departments

and agencies of the Federal Government that would be affected by the implementation of the plan.

(b) POLICIES AND PROCEDURES.—The plan under this section shall set forth policies and procedures applicable to contractor security personnel in potentially hazardous areas of military operations. The policies and procedures shall address the following matters:

(1) Warning contractor security personnel of potentially hazardous situations.

(2) Coordinating the movement of contractor security personnel, especially through areas of increased risk or planned or ongoing military operations.

(3) Rapidly identifying contractor security personnel by members of the Armed Forces.

(4) Sharing relevant threat information with contractor security personnel, and receiving information gathered by contractor security personnel for use by United States and coalition forces.

(5) Providing appropriate assistance to contractor security personnel who become engaged in hostile situations.

(6) Providing medical assistance for, and evacuation of, contractor personnel who become casualties as a result of enemy actions.

(7) Investigating background and qualifications of contractor security personnel and organizations.

(8) Establishing rules of engagement for armed contractor security personnel, and ensuring proper training and compliance with the rules of engagement.

(c) OPTIONS FOR ENHANCED AND COST-EFFECTIVE CONTRACTOR SECURITY.—The plan under subsection (a) shall include assessed options for enhancing contractor security and reducing contractor security costs in Iraq or in locations of armed conflict in the future. The options covered shall include the following:

(1) Temporary commissioning of contractor security personnel as reserve component officers in order to subject such personnel to the military chain of command.

(2) Requiring contractor security personnel to obtain security clearances to facilitate the communication of critical threat information.

(3) Establishing a contract schedule for companies furnishing contractor security personnel to provide a more orderly process for the selection, training, and compensation of such personnel.

(4) Establishing a contract schedule for companies to provide more cost-effective insurance for contractor security personnel.

(5) Providing for United States indemnification of contractors to reduce the costs of insuring contractor security personnel.

SEC. 865. REPORT ON CONTRACTOR PERFORMANCE OF SECURITY, INTELLIGENCE, LAW ENFORCEMENT, AND CRIMINAL JUSTICE FUNCTIONS IN IRAQ.

(a) REPORT REQUIRED.—Not later than 60 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the congressional defense committees a report on the procurement of services, by an agency of the United States Government or by the Coalition Provisional Authority, for the performance of security, intelligence, law enforcement, and criminal justice functions in Iraq.

(b) CONTENT.—The report under subsection (a) shall include, at a minimum, the following:

(1) Each security, intelligence, law enforcement, or criminal justice function performed by a contractor in Iraq.

(2) For each such function—

(A) a determination of whether such function is an inherently governmental function, together with a discussion of the factual basis and rationale for that determination;

(B) an explanation of the basis for the decision to rely on a contractor to perform such function, including a discussion of the extent to which the Armed Forces lacked the expertise or manpower to perform that function using Armed Forces personnel;

(C) a description of the chain of command for the contractor performing such function, together with a discussion of the manner in which the United States Government or the Coalition Provisional Authority supervises and directs the contractor's performance of that function; and

(D) what sanctions are available to impose on any contractor employee who—

(i) fails to comply with a requirement of law or regulation that applies to such employee in the performance of that function; or

(ii) engages in other misconduct in the performance of that function.

(3) An explanation of the legal status of contractor employees in the performance of such functions after the administration of the sovereign powers of Iraq is transferred from the Coalition Provisional Authority to a government of Iraq on June 30, 2004.

(c) COORDINATION.—In the preparation of the report under this section, the Secretary of Defense shall coordinate, as appropriate, with the heads of any departments and agencies of the Federal Government that are involved in the procurement of services for the performance of functions described in subsection (a).

(d) ADDITIONAL CONGRESSIONAL RECIPIENTS.—In addition to submitting the report under this section to the congressional defense committees, the Secretary of Defense shall also submit the report to the Select Committee on Intelligence of the Senate and the Permanent Select Committee on Intelligence of the House of Representatives.

SEC. 866. ACCREDITATION STUDY OF COMMERCIAL OFF-THE-SHELF PROCESSES FOR EVALUATING INFORMATION TECHNOLOGY PRODUCTS AND SERVICES.

(a) REQUIREMENT FOR STUDY.—The Secretary of Defense shall carry out a study of commercial off-the-shelf

processes that are available for measuring the quality of information technology and related services through assessment of the production methods of the producers of the technology.

(b) PURPOSES.—The purposes of the study of commercial off-the-shelf processes under subsection (a) are as follows:

(1) To assess the value of such a process as a consistent methodology for identifying high quality information technology and the engineering sources capable of providing high quality information technology and related services.

(2) To determine whether to accredit such a process for use in procurements of information technology and related services throughout the Department of Defense.

(c) SAVINGS AND ENHANCEMENTS.—In carrying out the study under subsection (a), the Secretary shall determine the benefits that would result for the Department of Defense from use throughout the Department of Defense of a commercial off-the-shelf process described in that subsection to measure the quality of information technology products and services in procurements described in subsection (b)(2), including—

(1) projected annual savings in costs of development and maintenance of information technology; and

(2) quantified enhancements of productivity, schedule, performance, deficiency rates, and predictability.

(d) BASELINE DATA.—To define a baseline for measuring benefits under subsection (c), the Secretary shall use empirical data that is readily available to the Department of Defense and contractor sources.

(e) INFORMATION CONSIDERED.—The Secretary of Defense may consider projections of savings and quantifications of enhancements that are submitted by a contractor.

(f) INFORMATION TECHNOLOGY DEFINED.—In this section, the term ''information technology'' has the meaning given such term in section 11101(6) of title 40, United States Code.

SEC. 867. CONTRACTOR PERFORMANCE OF ACQUISITION FUNCTIONS CLOSELY ASSOCIATED WITH INHERENTLY GOVERNMENTAL FUNCTIONS.

(a) LIMITATION.—(1) Chapter 141 of title 10, United States Code, is amended by inserting after section 2382 the following new section:

"§ 2383. Contractor performance of acquisition functions closely associated with inherently governmental functions

"(a) LIMITATION.—The head of an agency may enter a contract for the performance of acquisition functions closely associated with inherently governmental functions only if the Secretary determines that—

"(1) appropriate military or civilian personnel of the Department of Defense cannot reasonably be made available to perform the functions;

"(2) appropriate military or civilian personnel of the Department of Defense are—

"(A) to supervise contractor performance of the contract; and

"(B) to perform all inherently governmental functions associated with the functions to be performed under the contract; and

"(3) the contractor does not have an organizational conflict of interest or the appearance of an organizational conflict of interest in the performance of the functions under the contract.

"(b) DEFINITIONS.—In this section:

"(1) The term 'head of an agency' has the meaning given such term in section 2302(1) of this title, except that such term does not include the Secretary of Homeland Security or the Administrator of

the National Oceanic and Atmospheric Administration.

"(2) The term 'inherently governmental functions' has the meaning given such term in subpart 7.5 of part 7 of the Federal Acquisition Regulation.

"(3) The term 'functions closely associated with inherently governmental functions' means the functions described in section 7.503(d) of the Federal Acquisition Regulation.

"(4) The term 'organizational conflict of interest' has the meaning given such term in subpart 9.5 of part 9 of the Federal Acquisition Regulation.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2382 the following new item:

"2383. Contractor performance of acquisition functions closely associated with inherently governmental functions.".

(b) EFFECTIVE DATE AND APPLICABILITY.—Section 2383 of title 10, United States Code (as added by subsection (a)), shall take effect on the date of enactment of this Act and shall apply to—

(1) contracts entered into on or after such date;

(2) any task or delivery order issued on or after such date under a contract entered into before, on, or after such date; and

(3) any decision on or after such date to exercise an option or otherwise extend a contract for program management or oversight of contracts for the reconstruction of Iraq, regardless of whether such program management or oversight contract was entered into before, on, or after the date of enactment of this Act.

SEC. 868. CONTRACTING WITH EMPLOYERS OF PERSONS WITH DISABILITIES.

(a) INAPPLICABILITY OF RANDOLPH-SHEPPARD ACT.—The Randolph-Sheppard Act does not apply to any contract described in subsection (b) for so long as the contract is in effect, including for any period for which the contract is extended pursuant to an option provided in the contract.

(b) JAVITS-WAGNER-O'DAY CONTRACTS.—Subsection (a) applies to any contract for the operation of a military mess hall, military troop dining facility, or any similar dining facility operated for the purpose of providing meals to members of the Armed Forces that—

(1) was entered into before the date of the enactment of this Act with a nonprofit agency for the blind or an agency for other severely handicapped in compliance with section 3 of the Javits-Wagner-O'Day Act (41 U.S.C. 48); and

(2) either—

(A) is in effect on such date; or

(B) was in effect on the date of the enactment of the National Defense Authorization Act for Fiscal Year 2004 (Public Law 108–136).

(c) REPEAL OF SUPERSEDED LAW.—Section 852 of the National Defense Authorization Act for Fiscal Year 2004 (Public Law 108–136; 117 Stat. 1556) is repealed.

SEC. 869. ENERGY SAVINGS PERFORMANCE CONTRACTS.

The Secretary of Defense shall, to the extent practicable, exercise existing statutory authority, including the authority provided by section 2865 of title 10, United States Code, and section 8256 of title 42, United States Code, to introduce life-cycle cost-effective upgrades to Federal assets through shared energy savings contracting, demand management programs, and utility incentive programs.

SEC. 870. AVAILABILITY OF FEDERAL SUPPLY SCHEDULE SUPPLIES AND SERVICES TO UNITED SERVICE ORGANIZATIONS, INCORPORATED.

Section 220107 of title 36, United States Code, is amended by inserting after ''Department of Defense'' the following: '', including access to General Services Administration supplies and services through the Federal Supply Schedule of the General Services Administration,''.

SEC. 871. ACQUISITION OF AERIAL REFUELING AIRCRAFT FOR THE AIR FORCE.

(a) COMPLIANCE WITH APPLICABLE REQUIREMENTS.—The Secretary of Defense shall ensure that the Secretary of the Air Force does not proceed with the acquisition of aerial refueling aircraft for the Air Force by lease or other contract, either with full and open competition or under section 135 of the National Defense Authorization Act for Fiscal Year 2004 (Public Law 108–136; 117 Stat. 1413) until the date that is 60 days after the date on which the Secretary Defense has—

(1) reviewed all documentation for the acquisition, including—

(A) the completed aerial refueling analysis of alternatives (AOA) required by section 134(b) of the National Defense Authorization Act for Fiscal Year 2004, pursuant to ''Analysis of Alternatives (AoA) Guidance of KC–135 Recapitalization'', dated February 24, 2004;

(B) the completed aerial refueling portion of the Mobility Capabilities Study;

(C) a new validated capabilities document in accordance with the applicable Chairman of Joint Chiefs of Staff Instruction; and

(D) the approval of a Defense Acquisition Board in accordance with Department of Defense regulations; and

(2) submitted to the congressional defense committees a determination in writing that the acquisition is in compliance with all currently applicable laws, Office of Management and Budget circulars, and regulations.

(b) INDEPENDENT REVIEW.—Not later than 45 days after the Secretary of Defense makes the determination described in paragraph (2) of subsection (a), the Comptroller General and the Inspector General of the Department of Defense shall each review the documentation referred to in paragraph (1) of such subsection and submit to the congressional defense committees a report on the extent to which the acquisition is—

(1) in compliance with the requirements of this section and all currently applicable laws, Office of Management and Budget circulars, and regulations; and

(2) consistent with the analysis of alternatives referred to in subparagraph (A) of subsection (a)(1) and the other documentation referred to in such subsection.

(c) LIMITATION ON ACQUISITION BEYOND LOW-RATE INITIAL PRODUCTION.—(1) The acquisition by lease or other contract of any aerial refueling aircraft for the Air Force beyond low-rate initial production shall be subject to, and for such acquisition the Secretary of the Air Force shall comply with, the requirements of sections 2366 and 2399 of title 10, United States Code.

(2) For the purposes of this subsection, the term ''low-rate initial production'', with respect to a lease, shall have the same meaning as applies in the administration of sections 2366 and 2399 of title 10, United States Code, with regard to any other form of acquisition.

(d) SOURCE SELECTION FOR INTEGRATED SUPPORT OF AERIAL REFUELING AIRCRAFT FLEET.—For the selection of a provider of integrated support for the aerial refueling aircraft fleet in any acquisition by lease or other contract of aerial refueling aircraft for the Air Force, the Secretary of the Air Force shall—

(1) before selecting the provider, perform all analyses required by law of—

(A) the costs and benefits of—

(i) the alternative of using Federal Government personnel to provide such support; and

(ii) the alternative of using contractor personnel to provide such support;

(B) the core logistics requirements;

(C) use of performance-based logistics; and

(D) the length of contract period; and

(2) select the provider on the basis of fairly conducted full and open competition (as defined in section 4(6) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(6))).

(e) PRICE INFORMATION.—Before the Secretary of the Air Force commits to acquiring by lease or other contract any aerial refueling aircraft for the Air Force, the Secretary shall require the manufacturer to provide, with respect to commercial items covered by the lease or contract, appropriate information on the prices at which the same or similar items have previously been sold that is adequate for evaluating the reasonableness of the price for the items.

(f) AUDIT SERVICES.—The Secretary of the Air Force shall contact the Office of the Inspector General for the Department of Defense for review and approval of any Air Force use of non-Federal audit services for any lease or other contract for the acquisition of aerial refueling aircraft.

TITLE IX—DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT

Subtitle A—Reserve Components

SEC. 901. MODIFICATION OF STATED PURPOSE OF THE RESERVE COMPONENTS.

Section 10102 of title 10, United States Code, is amended by striking ", during and after the period needed to procure and train additional units and qualified persons to achieve the planned mobilization,".

SEC. 902. COMMISSION ON THE NATIONAL GUARD AND RESERVES.

(a) ESTABLISHMENT.—There is established a commission to be known as the "Commission on the National Guard and Reserves" (hereafter in this section referred to as the "Commission").

(b) COMPOSITION.—(1) The Commission shall be composed of 13 members appointed as follows:

(A) Three members appointed by the chairman of the Committee on Armed Services of the Senate.

(B) Three members appointed by the chairman of the Committee on Armed Services of the House of Representatives.

(C) Two members appointed by the ranking minority member of the Committee on Armed Services of the Senate.

(D) Two members appointed by the ranking minority member of the Committee on Armed Service of the House of Representatives.

(E) Three members appointed by the Secretary of Defense.

(2) The members of the Commission shall be appointed from among persons who have knowledge and expertise in the following areas:

(A) National security.

(B) Roles and missions of any of the Armed Forces.

(C) The mission, operations, and organization of the National Guard of the United States.

(D) The mission, operations, and organization of the other reserve components of the Armed Forces.

(E) Military readiness of the Armed Forces.

(F) Personnel pay and other forms of compensation.

(G) Other personnel benefits, including health care.

(3) Members of the Commission shall be appointed for the life of the Commission. A vacancy in the membership of the Commission shall not affect the powers of the Commission, but shall be filled in the same manner as the original appointment.

(4) The Secretary of Defense shall designate a member of the Commission to be chairman of the Commission.

(c) DUTIES.—(1) The Commission shall carry out a study of the following matters:

(A) The roles and missions of the National Guard and the other reserve components of the Armed Forces.

(B) The compensation and other benefits, including health care benefits, that are provided for members of the reserve components under the laws of the United States.

(2) In carrying out the study under paragraph (1), the Commission shall—

(A) assess the current roles and missions of the reserve components and identify appropriate potential future roles and missions for the reserve components;

(B) assess the capabilities of the reserve components and determine how the units and personnel of the reserve components may be best used to support

the military operations of the Armed Forces and the achievement of national security objectives, including homeland defense, of the United States;

(C) assess—

(i) the current organization and structure of the National Guard and the other reserve components; and

(ii) the plans of the Department of Defense and the Armed Forces for future organization and structure of the National Guard and the other reserve components;

(D) assess the manner in which the National Guard and the other reserve components are currently organized and funded for training and identify an organizational and funding structure for training that best supports the achievement of training objectives and operational readiness;

(E) assess the effectiveness of the policies and programs of the National Guard and the other reserve components for achieving operational readiness and personnel readiness, including medical and personal readiness;

(F) assess—

(i) the adequacy and appropriateness of the compensation and benefits currently pro-

vided for the members of the National Guard and the other reserve components, including the availability of health care benefits and health insurance; and

(ii) the effects of proposed changes in compensation and benefits on military careers in both the regular and the reserve components of the Armed Forces;

(G) identify various feasible options for improving the compensation and other benefits available to the members of the National Guard and the members of the other reserve components and assess—

(i) the cost-effectiveness of such options; and

(ii) the foreseeable effects of such options on readiness, recruitment, and retention of personnel for careers in the regular and reserve components the Armed Forces;

(H) assess the traditional military career paths for members of the National Guard and the other reserve components and identify alternative career paths that could enhance professional development; and

(I) assess the adequacy of the funding provided for the National Guard and the other reserve compo-

nents for several previous fiscal years, including the funding provided for National Guard and reserve component equipment and the funding provided for National Guard and other reserve component personnel in active duty military personnel accounts and reserve military personnel accounts.

(d) FIRST MEETING.—The Commission shall hold its first meeting not later than 30 days after the date on which all members of the Commission have been appointed.

(e) ADMINISTRATIVE AND PROCEDURAL AUTHORITIES.—(1) Except as provided in paragraph (2), sections 955, 956, 957, 958, and 959 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160; 107 Stat. 1740; 10 U.S.C 111 note) shall apply to the Commission.

(2)(A) The daily rate of pay payable under section 957(a) of Public Law 103–160 shall be equal to the daily rate of basic pay prescribed for level IV of the Executive Schedule.

(B) Section 957(f) of Public Law 103–160 (relating to services of federally funded research and development centers) shall not apply to the Commission.

(3) The following provisions of law do not apply to the Commission:

(A) Section 3161 of title 5, United States Code.

(B) The Federal Advisory Committee Act (5 U.S.C. App.).

(f) REPORTS.—(1) Not later than March 31, 2005, the Commission shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report setting forth—

(A) a strategic plan for the work of the Commission;

(B) a discussion of the activities of the Commission; and

(C) any initial findings of the Commission.

(2) Not later than December 31, 2005, the Commission shall submit a final report to the Committees of Congress referred to in paragraph (1). The final report shall include any recommendations that the Commission determines appropriate, including any recommended legislation, policies, regulations, directives, and practices.

(g) TERMINATION.—The Commission shall terminate 90 days after the date on which the final report is submitted under subsection (f)(2).

(h) ANNUAL REVIEW BOARD.—(1)(A) Chapter 7 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 186. Reserve components: annual review

''(a) INDEPENDENT REVIEW BOARD.—The Secretary of Defense shall appoint a board to review the reserve components of the armed forces.

''(b) COMPOSITION OF BOARD.—(1) The Secretary shall appoint the members of the board from among persons who have knowledge and expertise in the following areas:

''(A) National security.

''(B) Roles and missions of any of the armed forces.

''(C) The mission, operations, and organization of any of the reserve components.

''(D) Military readiness of the armed forces.

''(E) Personnel pay and other forms of compensation.

''(F) Other personnel benefits, including health care.

''(2) The Secretary of Defense shall designate a member of the board to be chairman of the board.

''(c) DUTIES.—The board shall, on an annual basis—

''(1) review—

''(A) the roles and missions of the reserve components; and

''(B) the compensation and other benefits, including health care benefits, that are provided

for members of the reserve components under the laws of the United States; and

"(2) submit to the Secretary of Defense a report on the review, which shall include the findings of the board regarding the matters reviewed and any recommendations that the board considers appropriate regarding those matters.

"(d) REPORT TO CONGRESS.—Promptly after receiving the report under subsection (c)(2), the Secretary shall transmit the report, together with any comments and recommendations that the Secretary considers appropriate, to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives.

"(e) ADMINISTRATIVE PROVISIONS.—Section 180(d) of this title shall apply to the members of the review board appointed under this section.".

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

"186. Reserve components: annual review.".

(2) The first review board under section 186 of title 10, United States Code (as added by paragraph (1)), shall be appointed during fiscal year 2006.

SEC. 903. CHAIN OF SUCCESSION FOR THE CHIEF OF THE NATIONAL GUARD BUREAU.

(a) SENIOR OFFICER.—(1) Section 10502 of title 10, United States Code, is amended by adding at the end the following new subsection:

''(e) SUCCESSION.—Unless otherwise directed by the President or the Secretary of Defense, the most senior officer among the officers of the Army National Guard of the United States and the officers of the Air National Guard of the United States performing the duties of positions in the National Guard Bureau shall act as the Chief of the National Guard Bureau during any period that—

''(1) there is a vacancy in the position of Chief of the National Guard Bureau; or

''(2) the Chief is unable to perform the duties of that position.''.

(2)(A) The heading of such section is amended by adding at the end the following: ''**; succession**''.

(B) The item relating to such section in the table of sections at the beginning of chapter 1011 of such title is amended to read as follows:

''10502. Chief of the National Guard Bureau: appointment; adviser on National Guard matters; grade; succession.''.

(b) CONFORMING AMENDMENT.—Section 10505 of such title is amended by striking subsections (d) and (e).

SEC. 904. REDESIGNATION OF VICE CHIEF OF THE NATIONAL GUARD BUREAU AS DIRECTOR OF THE JOINT STAFF OF THE NATIONAL GUARD BUREAU.

(a) REDESIGNATION OF POSITION.—Subsection (a)(1) of section 10505 of title 10, United States Code, is amended by striking ''Vice Chief of the National Guard Bureau'' and inserting ''Director of the Joint Staff of the National Guard Bureau''.

(b) CONFORMING AMENDMENTS.—(1) Subsections (a)(3)(A), (a)(3)(B), (b), (c), and (d) of section 10505 of title 10, United States Code, are amended by striking ''Vice Chief of the National Guard Bureau'' and inserting ''Director of the Joint Staff of the National Guard Bureau''.

(2) Subsection (a)(3)(B) of such section, as amended by paragraph (1), is further amended by striking ''as the Vice Chief'' and inserting ''as the Director''.

(3) Paragraphs (2) and (4) of subsection (a) of such section are amended by striking ''Chief and Vice Chief of the National Guard Bureau'' and inserting ''Chief of the National Guard Bureau and the Director of the Joint Staff of the National Guard Bureau''.

(4)(A) Subsection (e) of such section is amended—

(i) by striking ''Chief and Vice Chief of the National Guard Bureau or in the absence or disability

of both the Chief and Vice Chief of the National Guard Bureau'' and inserting ''Chief of the National Guard Bureau and the Director of the Joint Staff of the National Guard Bureau or in the absence or disability of both the Chief and the Director''; and

(ii) by striking ''Chief or Vice Chief'' both places it appears and inserting ''Chief or Director''.

(B) The heading for such subsection is amended by striking ''VICE CHIEF.—'' and inserting ''DIRECTOR OF THE JOINT STAFF.—''.

(5) Section 10506(a)(1) of title 10, United States Code, is amended by striking ''Chief and Vice Chief of the National Guard Bureau'' and inserting ''Chief of the National Guard Bureau and the Director of the Joint Staff of the National Guard Bureau''.

(c) CLERICAL AMENDMENTS.—(1) The heading for section 10505 of title 10, United States Code, is amended to read as follows:

''§ 10505. Director of the Joint Staff of the National Guard Bureau''.

(2) The item relating to such section in the table of sections at the beginning of chapter 1011 of such title is amended to read as follows:

''10505. Director of the Joint Staff of the National Guard Bureau.''.

(d) OTHER REFERENCES.—Any reference that is made in any law, regulation, document, paper, or other

record of the United States to the Vice Chief of the National Guard Bureau shall be deemed to be a reference to the Director of the Joint Staff of the National Guard Bureau.

SEC. 905. AUTHORITY TO REDESIGNATE THE NAVAL RESERVE.

(a) AUTHORITY OF SECRETARY OF THE NAVY.—The Secretary of the Navy may, with the approval of the President, redesignate the Naval Reserve as the ''Navy Reserve'' effective on the date that is 180 days after the date on which the Secretary submits recommended legislation under subsection (b).

(b) RECOMMENDED LEGISLATION.—If the Secretary of the Navy exercises the authority to redesignate the Naval Reserve under subsection (a), the Secretary shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives recommended legislation that identifies each specific provision of law that refers to the Naval Reserve and sets forth an amendment to that specific provision of law to conform the reference to the new designation.

(c) EFFECT OF REDESIGNATION.—On and after the effective date of a redesignation of the Naval Reserve under subsection (a), any reference in any law, map, regu-

lation, document, paper, or other record of the United States to the Naval Reserve shall be deemed to be a reference to the Navy Reserve.

SEC. 906. HOMELAND SECURITY ACTIVITIES OF THE NATIONAL GUARD.

(a) AUTHORITY.—Chapter 1 of title 32, United States Code, is amended by adding at the end the following new section:

"§ 116. Homeland security activities

''(a) USE OF PERSONNEL PERFORMING FULL-TIME NATIONAL GUARD DUTY.—The Governor of a State may, upon the request by the head of a Federal agency and with the concurrence of the Secretary of Defense, order any personnel of the National Guard of the State to perform full-time National Guard duty under section 502(f) of this title for the purpose of carrying out homeland security activities, as described in subsection (b).

''(b) PURPOSE AND DURATION.—(1) The purpose for the use of personnel of the National Guard of a State under this section is to temporarily provide trained and disciplined personnel to a Federal agency to assist that agency in carrying out homeland security activities.

''(2) The duration of the use of the National Guard of a State under this section shall be limited to a period of 180 days. The Governor of the State may, with the con-

1 currence of the Secretary of Defense, extend the period
2 one time for an additional 90 days to meet extraordinary
3 circumstances.

4 "(c) RELATIONSHIP TO REQUIRED TRAINING.— A
5 member of the National Guard serving on full-time Na-
6 tional Guard duty under orders authorized under sub-
7 section (a) shall participate in the training required under
8 section 502(a) of this title in addition to the duty per-
9 formed for the purpose authorized under that subsection.
10 The pay, allowances, and other benefits of the member
11 while participating in the training shall be the same as
12 those to which the member is entitled while performing
13 duty for the purpose of carrying out homeland security
14 activities. The member is not entitled to additional pay,
15 allowances, or other benefits for participation in training
16 required under section 502(a)(1) of this title.

17 "(d) READINESS.—To ensure that the use of units
18 and personnel of the National Guard of a State for home-
19 land security activities does not degrade the training and
20 readiness of such units and personnel, the following re-
21 quirements shall apply in determining the homeland secu-
22 rity activities that units and personnel of the National
23 Guard of a State may perform:

24 "(1) The performance of the activities may not
25 adversely affect the quality of that training or other-

wise interfere with the ability of a member or unit of the National Guard to perform the military functions of the member or unit.

''(2) National Guard personnel will not degrade their military skills as a result of performing the activities.

''(3) The performance of the activities will not result in a significant increase in the cost of training.

''(4) In the case of homeland security performed by a unit organized to serve as a unit, the activities will support valid unit training requirements.

''(e) PAYMENT OF COSTS.—(1) The Secretary of Defense shall provide funds to the Governor of a State to pay costs of the use of personnel of the National Guard of the State for the performance of homeland security activities under this section. Such funds shall be used for the following costs:

''(A) The pay, allowances, clothing, subsistence, gratuities, travel, and related expenses (including all associated training expenses, as determined by the Secretary), as authorized by State law, of personnel of the National Guard of that State used, while not

in Federal service, for the purpose of homeland security activities.

"(B) The operation and maintenance of the equipment and facilities of the National Guard of that State used for the purpose of homeland security activities.

"(2) The Secretary of Defense shall require the head of an agency receiving support from the National Guard of a State in the performance of homeland security activities under this section to reimburse the Department of Defense for the payments made to the State for such support under paragraph (1).

"(f) MEMORANDUM OF AGREEMENT.—The Secretary of Defense and the Governor of a State shall enter into a memorandum of agreement with the head of each Federal agency to which the personnel of the National Guard of that State are to provide support in the performance of homeland security activities under this section. The memorandum of agreement shall—

"(1) specify how personnel of the National Guard are to be used in homeland security activities;

"(2) include a certification by the Adjutant General of the State that those activities are to be performed at a time when the personnel are not in Federal service;

"(3) include a certification by the Adjutant General of the State that—

"(A) participation by National Guard personnel in those activities is service in addition to training required under section 502 of this title; and

"(B) the requirements of subsection (d) of this section will be satisfied;

"(4) include a certification by the Attorney General of the State (or, in the case of a State with no position of Attorney General, a civilian official of the State equivalent to a State attorney general), that the use of the National Guard of the State for the activities provided for under the memorandum of agreement is authorized by, and is consistent with, State law;

"(5) include a certification by the Governor of the State or a civilian official of the State designated by the Governor that the activities provided for under the memorandum of agreement serve a State security purpose; and

"(6) include a certification by the head of the Federal agency that the agency will have a plan to ensure that the agency's requirement for National

Guard support ends not later than 179 days after the commencement of the support.

"(g) EXCLUSION FROM END-STRENGTH COMPUTATION.—Notwithstanding any other provision of law, members of the National Guard on active duty or full-time National Guard duty for the purposes of administering (or during fiscal year 2003 otherwise implementing) this section shall not be counted toward the annual end strength authorized for Reserves on active duty in support of the reserve components of the armed forces or toward the strengths authorized in sections 12011 and 12012 of title 10.

"(h) ANNUAL REPORT.—The Secretary of Defense shall submit to Congress an annual report regarding any assistance provided and activities carried out under this section during the preceding fiscal year. The report shall include the following:

"(1) The number of members of the National Guard excluded under subsection (g) from the computation of end strengths.

"(2) A description of the homeland security activities conducted with funds provided under this section.

"(3) An accounting of the amount of funds provided to each State.

"(4) A description of the effect on military training and readiness of using units and personnel of the National Guard to perform homeland security activities under this section.

"(i) STATUTORY CONSTRUCTION.—Nothing in this section shall be construed as a limitation on the authority of any unit of the National Guard of a State, when such unit is not in Federal service, to perform functions authorized to be performed by the National Guard by the laws of the State concerned.

"(j) DEFINITIONS.—For purposes of this section:

"(1) The term 'Governor of a State' means, in the case of the District of Columbia, the Commanding General of the National Guard of the District of Columbia.

"(2) The term 'State' means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, or a territory or possession of the United States.".

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

"116. Homeland security activities.".

Subtitle B—Other Matters

SEC. 911. STUDY OF ROLES AND AUTHORITIES OF THE DIRECTOR OF DEFENSE RESEARCH AND ENGINEERING.

(a) STUDY REQUIRED.—The Secretary of Defense shall carry out a study of the roles and authorities of the Director of Defense Research and Engineering.

(b) CONTENT OF STUDY.—The study under this section shall include the following:

(1) An examination of the past and current roles and authorities of the Director of Defense Research and Engineering.

(2) An analysis to determine appropriate future roles and authorities for the Director, including an analysis of the following matters:

(A) The relationship of the Director to other senior science and technology and acquisition officials of the military departments and the Defense Agencies

(B) The relationship of the Director to the performance of the following functions:

(i) The planning, programming, and budgeting of the science and technology programs of the Department of Defense,

including those of the military departments and the Defense Agencies.

(ii) The management of Department of Defense laboratories and technical centers, including the management of the Federal Government scientific and technical workforce for such laboratories and centers.

(iii) The promotion of the rapid transition of technologies to acquisition programs within the Department of Defense.

(iv) The promotion of the transfer of technologies into and from the commercial sector.

(v) The coordination of Department of Defense science and technology activities with organizations outside the Department of Defense, including other Federal Government agencies, international research organizations, industry, and academia.

(vi) The technical review of Department of Defense acquisition programs and policies.

(vii) The training and educational activities for the national scientific and technical workforce.

(viii) The development of science and technology policies and programs relating to the maintenance of the national technology and industrial base.

(3) An examination of the duties of the Director as the Chief Technology Officer of the Department of Defense, especially in comparison to the duties of similar positions in the Federal Government and industry.

(4) An examination of any other matters that the Secretary considers appropriate for the study.

(c) REPORT.—(1) Not later than February 1, 2006, the Secretary shall submit a report on the results of the study under this section to the congressional defense committees.

(2) The report shall include recommendations regarding the appropriate roles, authorities, and resources that should be assigned to the Director of Defense Research and Engineering in order to enable the Director to serve effectively as the Chief Technology Officer of the Department of Defense and to support the transformation of the Armed Forces.

(d) ROLE OF DEFENSE SCIENCE BOARD IN STUDY AND REPORT.—The Secretary shall act through the Defense Science Board in carrying out the study under this section and preparing the report under subsection (c).

SEC. 912. DIRECTORS OF SMALL BUSINESS PROGRAMS.

(a) REDESIGNATION OF EXISTING POSITIONS AND OFFICES.—(1) Each of the following positions within the Department of Defense is redesignated as the Director of Small Business Programs:

(A) The Director of Small and Disadvantaged Business Utilization of the Department of Defense.

(B) The Director of Small and Disadvantaged Business Utilization of the Department of the Army.

(C) The Director of Small and Disadvantaged Business Utilization of the Department of the Navy.

(D) The Director of Small and Disadvantaged Business Utilization of the Department of the Air Force.

(2) Each of the following offices within the Department of Defense is redesignated as the Office of Small Business Programs:

(A) The Office of Small and Disadvantaged Business Utilization of the Department of Defense.

(B) The Office of Small and Disadvantaged Business Utilization of the Department of the Army.

(C) The Office of Small and Disadvantaged Business Utilization of the Department of the Navy.

(D) The Office of Small and Disadvantaged Business Utilization of the Department of the Air Force.

(3) Any reference that is made in any law, regulation, document, paper, or other record of the United States to a position or office redesignated by paragraph (1) or (2) shall be deemed to be a reference to the position or office as so redesignated.

(b) DEPARTMENT OF DEFENSE POSITION AND OFFICE.—(1) Chapter 4 of title 10, United States Code, is amended by inserting after section 133b the following new section:

"§ 133c. Director of Small Business Programs

''(a) DIRECTOR.—There is a Director of Small Business Programs in the Department of Defense. The Director is appointed by the Secretary of Defense.

''(b) OFFICE OF SMALL BUSINESS PROGRAMS.—The Office of Small Business Programs of the Department of Defense is the office that is established within the Office of the Secretary of Defense under section 15(k) of the Small Business Act (15 U.S.C. 644(k)). The Director of Small Business Programs is the head of such office.

"(c) DUTIES AND POWERS.—(1) The Director of Small Business Programs shall, subject to paragraph (2), perform such duties regarding small business programs of the Department of Defense, and shall exercise such powers regarding those programs, as the Secretary of Defense may prescribe.

"(2) Section 15(k) of the Small Business Act (15 U.S.C. 644(k)), except for the designations of the Director and the Office, applies to the Director of Small Business Programs.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 133b the following new item:

"133c. Director of Small Business Programs.".

(c) DEPARTMENT OF THE ARMY POSITION AND OFFICE.—(1) Chapter 303 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 3024. Director of Small Business Programs

"(a) DIRECTOR.—There is a Director of Small Business Programs in the Department of the Army. The Director is appointed by the Secretary of the Army.

"(b) OFFICE OF SMALL BUSINESS PROGRAMS.—The Office of Small Business Programs of the Department of the Army is the office that is established within the Department of the Army under section 15(k) of the Small

Business Act (15 U.S.C. 644(k)). The Director of Small Business Programs is the head of such office.

"(c) DUTIES AND POWERS.—(1) The Director of Small Business Programs shall, subject to paragraph (2), perform such duties regarding small business programs of the Department of the Army, and shall exercise such powers regarding those programs, as the Secretary of the Army may prescribe.

"(2) Section 15(k) of the Small Business Act (15 U.S.C. 644(k)), except for the designations of the Director and the Office, applies to the Director of Small Business Programs.".

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

"3024. Director of Small Business Programs.".

(d) DEPARTMENT OF THE NAVY POSITION AND OFFICE.—(1) Chapter 503 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 5028. Director of Small Business Programs

"(a) DIRECTOR.—There is a Director of Small Business Programs in the Department of the Navy. The Director is appointed by the Secretary of the Navy.

"(b) OFFICE OF SMALL BUSINESS PROGRAMS.—The Office of Small Business Programs of the Department of the Navy is the office that is established within the De-

partment of the Navy under section 15(k) of the Small Business Act (15 U.S.C. 644(k)). The Director of Small Business Programs is the head of such office.

"(c) DUTIES AND POWERS.—(1) The Director of Small Business Programs shall, subject to paragraph (2), perform such duties regarding small business programs of the Department of the Navy, and shall exercise such powers regarding those programs, as the Secretary of the Navy may prescribe.

"(2) Section 15(k) of the Small Business Act (15 U.S.C. 644(k)), except for the designations of the Director and the Office, applies to the Director of Small Business Programs.".

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

"5028. Director of Small Business Programs.".

(d) DEPARTMENT OF THE AIR FORCE POSITION AND OFFICE.—(1) Chapter 803 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 8024. Director of Small Business Programs

"(a) DIRECTOR.—There is a Director of Small Business Programs in the Department of the Air Force. The Director is appointed by the Secretary of the Air Force.

"(b) OFFICE OF SMALL BUSINESS PROGRAMS.—The Office of Small Business Programs of the Department of the Air Force is the office that is established within the Department of the Air Force under section 15(k) of the Small Business Act (15 U.S.C. 644(k)). The Director of Small Business Programs is the head of such office.

"(c) DUTIES AND POWERS.—(1) The Director of Small Business Programs shall, subject to paragraph (2), perform such duties regarding small business programs of the Department of the Air Force, and shall exercise such powers regarding those programs, as the Secretary of the Air Force may prescribe.

"(2) Section 15(k) of the Small Business Act (15 U.S.C. 644(k)), except for the designations of the Director and the Office, applies to the Director of Small Business Programs.".

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

"8024. Director of Small Business Programs.".

SEC. 913. LEADERSHIP POSITIONS FOR THE NAVAL POSTGRADUATE SCHOOL.

(a) DESIGNATION OF PRESIDENT.—(1) The position of Superintendent of the Naval Postgraduate School is redesignated as President of the Naval Postgraduate School.

(2) Any reference to the Superintendent of the Naval Postgraduate School in any law, rule, regulation, document, record, or other paper of the United States shall be deemed to be a reference to the President of the Naval Postgraduate School.

(3) Sections 7042, 7044, 7048(a), and 7049(e) of title 10, United States Code, are amended by striking ''Superintendent'' each place it appears and inserting ''President''.

(4) The heading of section 7042 of such title is amended by striking ''**Superintendent;**'' in the section heading and inserting ''**President;**''.

(b) PROVOST AND ACADEMIC DEAN.—(1) The position of Academic Dean of the Naval Postgraduate School is redesignated as Provost and Academic Dean of the Naval Postgraduate School.

(2) Any reference to the Academic Dean of the Naval Postgraduate School in any law, rule, regulation, document, record, or other paper of the United States shall be deemed to be a reference to the Provost and Academic Dean of the Naval Postgraduate School.

(3)(A) Subsection (a) of section 7043 of title 10, United States Code, is amended to read as follows:

''(a) There is at the Naval Postgraduate School the single civilian position of Provost and Academic Dean. The

Provost and Academic Dean shall be appointed, to serve for periods of not more than five years, by the Secretary of the Navy. Before making an appointment to the position of Provost and Academic Dean, the Secretary shall consult with the Board of Advisors for the Naval Postgraduate School and consider any recommendation of the leadership and faculty of the Naval Postgraduate School regarding an appointment to the position.''.

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

''§ 7043. Provost and Academic Dean''.

(4) Sections 7043(b) and 7081(a) of title 10, United States Code, are amended by striking ''Academic Dean'' and inserting ''Provost and Academic Dean''.

(5) Section 5102(c)(10) of title 5, United States Code, is amended by striking ''Academic Dean of the Postgraduate School of the Naval Academy'' and inserting ''Provost and Academic Dean of the Naval Postgraduate School''.

(c) CLERICAL AMENDMENTS.—The table of sections at the beginning of chapter 605 of such title 10, United States Code, is amended by striking the items related to sections 7042 and 7043 and inserting the following new items:

''7042. President: assistants.
''7043. Provost and Academic Dean.''.

SEC. 914. UNITED STATES MILITARY CANCER INSTITUTE.

(a) ESTABLISHMENT.—Chapter 104 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2117. United States Military Cancer Institute

''(a) ESTABLISHMENT.—(1) There is a United States Military Cancer Institute in the University. The Director of the United States Military Cancer Institute is the head of the Institute.

''(2) The Institute is composed of clinical and basic scientists in the Department of Defense who have an expertise in research, patient care, and education relating to oncology and who meet applicable criteria for participation in the Institute.

''(3) The components of the Institute include military treatment and research facilities that meet applicable criteria and are designated as affiliates of the Institute.

''(b) RESEARCH.—(1) The Director of the United States Military Cancer Institute shall carry out research studies on the following:

''(A) The epidemiological features of cancer, including assessments of the carcinogenic effect of genetic and environmental factors, and of disparities in health, inherent or common among populations of various ethnic origins.

"(B) The prevention and early detection of cancer.

"(C) Basic, translational, and clinical investigation matters relating to the matters described in subparagraphs (A) and (B).

"(2) The research studies under paragraph (1) shall include complementary research on oncologic nursing.

"(c) COLLABORATIVE RESEARCH.—The Director of the United States Military Cancer Institute shall carry out the research studies under subsection (b) in collaboration with other cancer research organizations and entities selected by the Institute for purposes of the research studies.

"(d) ANNUAL REPORT.—(1) Promptly after the end of each fiscal year, the Director of the United States Military Cancer Institute shall submit to the President of the University a report on the results of the research studies carried out under subsection (b).

"(2) Not later than 60 days after receiving the annual report under paragraph (1), the President of the University shall transmit such report to the Secretary of Defense and to Congress.".

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

"2117. United States Military Cancer Institute.".

SEC. 915. AUTHORITIES OF THE JUDGE ADVOCATES GENERAL.

(a) DEPARTMENT OF THE ARMY.—(1) Section 3019(b) of title 10, United States Code, is amended by striking ''The General Counsel'' and inserting ''Subject to sections 806 and 3037 of this title, the General Counsel''.

(2)(A) Section 3037 of such title is amended to read as follows:

''§ 3037. Judge Advocate General, Assistant Judge Advocate General: appointment; duties

''(a) POSITION OF JUDGE ADVOCATE GENERAL.—There is a Judge Advocate General in the Army, who is appointed by the President, by and with the advice and consent of the Senate, from officers of the Judge Advocate General's Corps. The term of office is four years, but may be sooner terminated or extended by the President. The Judge Advocate General, while so serving, has the grade of lieutenant general.

''(b) APPOINTMENT.—The Judge Advocate General of the Army shall be appointed from those officers who at the time of appointment are members of the bar of a Federal court or the highest court of a State or Territory, and who have had at least eight years of experience in legal duties as commissioned officers.

''(c) DUTIES.—The Judge Advocate General, in addition to other duties prescribed by law—

"(1) is the legal adviser of the Secretary of the Army, the Chief of Staff of the Army, and the Army Staff, and of all offices and agencies of the Department of the Army;

"(2) shall direct and supervise the members of the Judge Advocate General's Corps and civilian attorneys employed by the Department of the Army (other than those assigned or detailed to the Office of the General Counsel of the Army) in the performance of their duties;

"(3) shall direct and supervise the performance of duties under chapter 47 of this title (the Uniform Code of Military Justice) by any member of the Army;

"(4) shall receive, revise, and have recorded the proceedings of courts of inquiry and military commissions; and

"(5) shall perform such other legal duties as may be directed by the Secretary of the Army.

"(d) POSITION OF ASSISTANT JUDGE ADVOCATE GENERAL.—There is an Assistant Judge Advocate General in the Army, who is appointed by the President, by and with the advice and consent of the Senate, from officers of the Army who have the qualifications prescribed in subsection (b) for the Judge Advocate General. The

term of office of the Assistant Judge Advocate General is four years, but may be sooner terminated or extended by the President. An officer appointed as Assistant Judge Advocate General who holds a lower regular grade shall be appointed in the regular grade of major general.

''(e) APPOINTMENTS RECOMMENDED BY SELECTION BOARDS.—Under regulations prescribed by the Secretary of Defense, the Secretary of the Army, in selecting an officer for recommendation to the President under subsection (a) for appointment as the Judge Advocate General or under subsection (d) for appointment as the Assistant Judge Advocate General, shall ensure that the officer selected is recommended by a board of officers that, insofar as practicable, is subject to the procedures applicable to selection boards convened under chapter 36 of this title.''.

(B) The item relating to such section in the table of sections at the beginning of chapter 305 of such title is amended to read as follows:

''3037. Judge Advocate General, Assistant Judge Advocate General: appointment; duties.''.

(b) DEPARTMENT OF THE NAVY.—(1) Section 5019(b) of title 10, United States Code, is amended by striking ''The General Counsel'' and inserting ''Subject to sections 806 and 5148 of this title, the General Counsel''.

(2) Section 5148 of such title is amended—

(A) in subsection (b), by striking the fourth sentence and inserting the following: ''The Judge Advocate General, while so serving, has the grade of vice admiral or lieutenant general, as appropriate.''; and

(B) by striking subsection (d) and inserting the following:

''(d) The Judge Advocate General, in addition to other duties prescribed by law—

''(1) is the legal adviser of the Secretary of the Navy, the Chief of Naval Operations, and all offices, bureaus, and agencies of the Department of the Navy;

''(2) shall direct and supervise the judge advocates of the Navy and the Marine Corps and civilian attorneys employed by the Department of the Navy (other than those assigned or detailed to the Office of the General Counsel of the Navy) in the performance of their duties;

''(3) shall direct and supervise the performance of duties under chapter 47 of this title (the Uniform Code of Military Justice) by any member of the Navy or Marine Corps;

"(4) shall receive, revise, and have recorded the proceedings of courts of inquiry and military commissions; and

"(5) shall perform such other legal duties as may be directed by the Secretary of the Navy.".

(c) DEPARTMENT OF THE AIR FORCE.—(1) Section 8019(b) of title 10, United States Code, is amended by striking "The General Counsel" and inserting "Subject to sections 806 and 8037 of this title, the General Counsel".

(2) Section 8037 of such title is amended—

(A) in subsection (a), by striking the third sentence and inserting the following: "The Judge Advocate General, while so serving, has the grade of lieutenant general."; and

(B) in subsection (c)—

(i) by striking "General shall," in the matter preceding paragraph (1) and inserting "General,";

(ii) by redesignating paragraphs (1) and (2) as paragraphs (4) and (5), respectively, and, in each such paragraph, by inserting "shall" before the first word; and

(iii) by inserting after paragraph (1) the following new paragraphs:

"(1) is the legal adviser of the Secretary of the Air Force, the Chief of Staff of the Air Force, and the Air Staff, and of all offices and agencies of the Department of the Air Force;

"(2) shall direct and supervise the members of the Air Force designated as judge advocates and civilian attorneys employed by the Department of the Air Force (other than those assigned or detailed to the Office of the General Counsel of the Air Force) in the performance of their duties;

"(3) shall direct and supervise the performance of duties under chapter 47 of this title (the Uniform Code of Military Justice) by any member of the Air Force;".

(d) EXCLUSION FROM LIMITATION ON GENERAL AND FLAG OFFICER DISTRIBUTION.—Section 525(b) of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(9) An officer while serving as the Judge Advocate General of the Army, the Judge Advocate General of the Navy, or the Judge Advocate General of the Air Force is in addition to the number that would otherwise be permitted for that officer's armed force for officers serving on active duty in grades above major general or rear admiral under paragraph (1) or (2), as the case may be.".

TITLE X—GENERAL PROVISIONS

Subtitle A—Financial Matters

SEC. 1001. TRANSFER AUTHORITY.

(a) AUTHORITY TO TRANSFER AUTHORIZATIONS.—(1) Upon determination by the Secretary of Defense that such action is necessary in the national interest, the Secretary may transfer amounts of authorizations made available to the Department of Defense in this division for fiscal year 2005 between any such authorizations for that fiscal year (or any subdivisions thereof). Amounts of authorizations so transferred shall be merged with and be available for the same purposes as the authorization to which transferred.

(2) The total amount of authorizations that the Secretary may transfer under the authority of this section may not exceed $3,000,000,000.

(b) LIMITATIONS.—The authority provided by this section to transfer authorizations—

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

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

(c) EFFECT ON AUTHORIZATION AMOUNTS.—A transfer made from one account to another under the authority of this section shall be deemed to increase the amount authorized for the account to which the amount is transferred by an amount equal to the amount transferred.

(d) NOTICE TO CONGRESS.—The Secretary shall promptly notify Congress of each transfer made under subsection (a).

SEC. 1002. UNITED STATES CONTRIBUTION TO NATO COMMON-FUNDED BUDGETS IN FISCAL YEAR 2005.

(a) FISCAL YEAR 2005 LIMITATION.—The total amount contributed by the Secretary of Defense in fiscal year 2005 for the common-funded budgets of NATO may be any amount up to, but not in excess of, the amount specified in subsection (b) (rather than the maximum amount that would otherwise be applicable to those contributions under the fiscal year 1998 baseline limitation).

(b) TOTAL AMOUNT.—The amount of the limitation applicable under subsection (a) is the sum of the following:

(1) The amounts of unexpended balances, as of the end of fiscal year 2004, of funds appropriated for fiscal years before fiscal year 2005 for payments for those budgets.

(2) The amount specified in subsection (c)(1).

(3) The amount specified in subsection (c)(2).

(4) The total amount of the contributions authorized to be made under section 2501.

(c) AUTHORIZED AMOUNTS.—Amounts authorized to be appropriated by titles II and III of this Act are available for contributions for the common-funded budgets of NATO as follows:

(1) Of the amount provided in section 201(1), $756,000 for the Civil Budget.

(2) Of the amount provided in section 301(1), $222,492,000 for the Military Budget.

(d) DEFINITIONS.—For purposes of this section:

(1) COMMON-FUNDED BUDGETS OF NATO.—The term ''common-funded budgets of NATO'' means the Military Budget, the Security Investment Program, and the Civil Budget of the North Atlantic Treaty Organization (and any successor or additional account or program of NATO).

(2) FISCAL YEAR 1998 BASELINE LIMITATION.—The term ''fiscal year 1998 baseline limitation'' means the maximum annual amount of Department of Defense contributions for common-funded budgets of NATO that is set forth as the annual limitation in section 3(2)(C)(ii) of the resolution of the Senate giving the advice and consent of the Senate to the

ratification of the Protocols to the North Atlantic Treaty of 1949 on the Accession of Poland, Hungary, and the Czech Republic (as defined in section 4(7) of that resolution), approved by the Senate on April 30, 1998.

SEC. 1003. REDUCTION IN OVERALL AUTHORIZATION DUE TO INFLATION SAVINGS.

(a) REDUCTION.—The total amount authorized to be appropriated by titles I, II, and III is the amount equal to the sum of the individual authorizations in those titles reduced by $1,670,000,000.

(b) SOURCE OF SAVINGS.—Reductions required in order to comply with subsection (a) shall be derived from savings resulting from lower-than-expected inflation as a result of the annual review of the budget conducted by the Office of Management and Budget.

(c) ALLOCATION OF REDUCTION.—The Secretary of Defense shall allocate the reduction required by subsection (a) among the accounts in titles I, II, and III to reflect the extent to which net inflation savings are available in those accounts.

SEC. 1004. DEFENSE BUSINESS SYSTEMS INVESTMENT MANAGEMENT.

(a) REQUIREMENT FOR DEFENSE BUSINESS ENTERPRISE ARCHITECTURE AND TRANSITION PLAN.—(1) Not

later than September 30, 2005, the Secretary of Defense shall develop—

(A) a defense business enterprise architecture covering all defense business systems of the Department of Defense and the functions and activities supported by such systems that—

(i) is sufficiently defined to effectively guide, constrain, and permit implementation of interoperable business system solutions; and

(ii) is consistent with the applicable policies and procedures prescribed by the Director of the Office of Management and Budget; and

(B) a transition plan for implementing the defense business enterprise architecture.

(2) In carrying out paragraph (1), the Secretary shall act through the Defense Business Systems Management Committee established under subsection (h).

(b) COMPOSITION OF ENTERPRISE ARCHITECTURE.—The defense business enterprise architecture developed under subsection (a)(1)(A) shall include the following:

(1) An information infrastructure that, at a minimum, would enable the Department of Defense to—

(A) comply with all Federal accounting, financial management, and reporting requirements;

(B) routinely produce timely, accurate, and reliable financial information for management purposes;

(C) integrate budget, accounting, and program information and systems; and

(D) provide for the systematic measurement of performance, including the ability to produce timely, relevant, and reliable cost information.

(2) Policies, procedures, data standards, and system interface requirements that are to apply uniformly throughout the Department of Defense.

(c) COMPOSITION OF TRANSITION PLAN.—(1) The transition plan developed under subsection (a)(1)(B) shall include the following:

(A) The acquisition strategy for new systems that are expected to be needed to complete the defense business enterprise architecture.

(B) A listing of the defense business systems as of December 2, 2002 (known as ''legacy systems''), that will not be part of the objective defense business enterprise architecture, together with the sched-

ule for terminating those legacy systems that provides for reducing the use of those legacy systems in phases.

(C) A listing of the legacy systems (referred to in subparagraph (B)) that will be a part of the objective defense business system, together with a strategy for making the modifications to those systems that will be needed to ensure that such systems comply with the defense business enterprise architecture.

(2) Each of the strategies under paragraph (1) shall include specific time-phased milestones, performance metrics, and a statement of the financial and nonfinancial resource needs.

(d) CONDITIONS FOR USE OF FUNDS FOR DEFENSE BUSINESS SYSTEM MODERNIZATION.—(1) After September 30, 2005, an officer or employee of the United States may not obligate or expend an amount in excess of $1,000,000 for a defense business system modernization unless the Secretary of Defense or the official delegated authority for the system covered by such modernization under subsection (e) has determined in writing that such defense business system modernization—

(A) is consistent with the defense business enterprise architecture and transition plan developed under subsection (a); or

(B) is necessary to—

(i) achieve a critical national security capability or address a critical requirement in an area such as safety or security; or

(ii) prevent a significant adverse effect on a project that is needed to achieve an essential capability, taking into consideration the alternative solutions for preventing such adverse effect.

(2) A violation of paragraph (1) is a violation of section 1341(a)(1)(A) of title 31, United States Code.

(e) ACCOUNTABILITY FOR DEFENSE BUSINESS SYSTEMS.—The Secretary of Defense shall delegate authority for the planning, design, acquisition, development, deployment, operation, maintenance, modernization, and oversight of defense business systems as follows:

(1) To the Under Secretary of Defense for Acquisition, Technology, and Logistics, for—

(A) defense business systems the primary purpose of which is to support acquisition activities in the Department of Defense;

(B) defense business systems the primary purpose of which is to support logistics activities in the Department of Defense; and

(C) defense business systems the primary purpose of which is to support installations and environment activities in the Department of Defense.

(2) To the Under Secretary of Defense (Comptroller) and Chief Financial Officer, for—

(A) defense business systems the primary purpose of which is to support financial management activities in the Department of Defense; and

(B) defense business systems the primary purpose of which is to support strategic planning and budgeting activities in the Department of Defense.

(3) To the Under Secretary of Defense for Personnel and Readiness, for defense business systems the primary purpose of which is to support human resource management activities in the Department of Defense.

(4) To the Assistant Secretary of Defense (Networks and Information Integration) and Chief Information Officer, for defense business systems the pri-

mary purpose of which is to support information technology infrastructure and information assurance activities of the Department of Defense.

(5) To the Deputy Secretary of Defense or an Under Secretary of Defense, as designated by the Secretary of Defense, for defense business systems the primary purpose of which is to support any activity of the Department of Defense not described in another paragraph of this subsection.

(f) DEFENSE BUSINESS SYSTEM INVESTMENT REVIEW.—(1) The Secretary of Defense shall require each official to whom authority is delegated under subsection (e) to establish an investment review process to review the planning, design, acquisition, development, deployment, operation, maintenance, and modernization of all defense business systems covered by the authority so delegated to that official, and to analyze project cost benefits and risks of such systems.

(2) Each investment review process established under paragraph (1) shall be consistent with the requirements of section 11312 of title 40, United States Code, and shall include the following features:

(A) An investment review board composed of appropriate officials from among the Armed Forces,

combatant commands, the Joint Staff, and Defense Agencies.

(B) Review and approval, by the investment review board, of each defense business system as an investment before the obligation or expenditure of funds on such system.

(C) Periodic review of each defense business system investment not less often than annually.

(D) Use of threshold criteria to ensure that each defense business system investment, and that accountability for each defense business system investment, is reviewed at a level of review within the Department of Defense that is appropriate for the scope, complexity, and cost of the investment.

(E) Procedures for making determinations in accordance with the requirements of subsection (d).

(g) DEFENSE BUSINESS SYSTEMS BUDGET EXHIBIT.—For each budget for a fiscal year after fiscal year 2005 that the President submits to Congress under section 1105(a) of title 31, United States Code, the Secretary of Defense shall include in the documentation on major functional category 050 (National Defense) that the Secretary submits to the congressional defense committees in support of such budget a defense business systems budget exhibit that includes the following information:

(1) Identification of each defense business system for which funding is proposed in that budget.

(2) Identification of all funds, by appropriation, proposed in that budget for each such system, including—

(A) funds for current services (to operate and maintain the system); and

(B) funds for business systems modernization, identified for each specific appropriation.

(3) For each such system, identification of the official to whom authority for such system is delegated under subsection (e).

(4) For each such system, a description of each determination made under subsection (d) with regard to such system.

(h) DEFENSE BUSINESS SYSTEM MANAGEMENT COMMITTEE.—(1) The Secretary of Defense shall establish a Defense Business Systems Management Executive Committee. The Committee shall be composed of the following members:

(A) The Deputy Secretary of Defense, who shall be the chairman of the Committee.

(B) The Under Secretary of Defense for Acquisition, Logistics, and Technology.

(C) The Under Secretary of Defense for Personnel and Readiness.

(D) The Under Secretary of Defense (Comptroller) and Chief Financial Officer.

(E) The Assistant Secretary of Defense (Networks and Information Integration) and Chief Information Officer.

(F) The Secretaries of the military departments.

(G) The heads of the Defense Agencies.

(H) Any personnel assigned to the Joint Staff, personnel assigned to combatant commands, or other Department of Defense personnel that the Secretary of Defense designates to serve on the Committee.

(2) In addition to any other duties assigned to the Committee by the Secretary of Defense, the Committee shall have the following duties:

(A) To submit to the Secretary recommended policies and procedures that the Committee considers necessary to effectively integrate compliance with the requirements of this section into all business activities and any transformation, reform, reorganization, or process improvement initiatives undertaken within the Department of Defense.

(B) To review and approve defense business systems modernization plans, including review and approval of any major update of the defense business enterprise architecture.

(C) To coordinate defense business system modernization initiatives to maximize benefits and minimize costs for the Department of Defense.

(D) To ensure that funds are not obligated for the modernization of any defense business system in violation of subsection (d)(1).

(E) To periodically report to the Secretary on the status of defense business system modernization efforts.

(i) DEFINITIONS.—In this section:

(1) The term ''defense business system'' means any information system (except a national security system, as defined in section 2315 of title 10, United States Code) that is operated by, for, or on behalf of the Department of Defense to support business activities such as acquisition, financial management, logistics, strategic planning and budgeting, installations and environment, and human resource management.

(2) The term ''enterprise architecture'' has the meaning given that term in section 3601(4) of title 44, United States Code.

(3) The terms ''information system'' and ''information technology'' have the meanings given those terms in section 11101 of title 40, United States Code.

(4) The term ''modernization'', with respect to a defense business system, means the acquisition or development of a new defense business system or any significant modification or enhancement of an existing defense business system (other than as necessary to maintain current services).

(j) ANNUAL REPORT.—Not later than March 15 of 2005 and each year thereafter through 2009, the Secretary of Defense shall submit to the congressional defense committees a report on the progress made by the Department of Defense in implementing the defense business enterprise architecture and transition plan required by this section. Each report shall include, at a minimum, the following information:

(1) A description of the specific actions taken and planned to be taken to implement the defense business enterprise architecture and the transition plan.

(2) Specific milestones, performance measures, and resource commitments for such actions.

(k) COMPTROLLER GENERAL ASSESSMENT.—Not later than 60 days after the date on which the Secretary of Defense approves the defense business enterprise architecture and transition plan developed under subsection (a), and again each year not later than 60 days after the submission of the annual report under subsection (j), the Comptroller General shall submit to the congressional defense committees an assessment of the extent to which the actions taken by the Department comply with the requirements of this section.

(l) RELATIONSHIP TO OTHER LAW.—Nothing in this section shall be construed to modify or affect the applicability of the restrictions and requirements provided in section 8088 of the Department of Defense Appropriations Act, 2003 (Public Law 107–248; 116 Stat. 1556).

(m) REPEAL OF SUPERSEDED LAW.—Section 1004 of the Bob Stump National Defense Authorization Act for Fiscal Year 2003 (Public Law 107–314; 116 Stat. 2629; 10 U.S.C. 113 note) is repealed.

SEC. 1005. UNIFORM FUNDING AND MANAGEMENT OF SERVICE ACADEMY ATHLETIC AND RECREATIONAL EXTRACURRICULAR PROGRAMS.

(a) UNITED STATES MILITARY ACADEMY.—(1) Chapter 403 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 4359. Athletic and recreational extracurricular programs: uniform funding

''The authority and conditions provided in section 2494 of this title shall also apply to any athletic or recreational extracurricular program of the Academy that—

''(1) is not considered a morale, welfare, or recreation program referred to in such section;

''(2) is funded out of appropriated funds;

''(3) is supported by a supplemental mission nonappropriated fund instrumentality; and

''(4) is not operated as a private organization.''.

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

''4359. Athletic and recreational extracurricular programs: uniform funding.''.

(b) UNITED STATES NAVAL ACADEMY.—(1) Chapter 603 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 6978. Athletic and recreational extracurricular programs: uniform funding

''The authority and conditions provided in section 2494 of this title shall also apply to any athletic or recreational extracurricular program of the Naval Academy that—

''(1) is not considered a morale, welfare, or recreation program referred to in such section;

''(2) is funded out of appropriated funds;

''(3) is supported by a supplemental mission nonappropriated fund instrumentality; and

''(4) is not operated as a private organization.''.

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

''6978. Athletic and recreational extracurricular programs: uniform funding.''.

(c) UNITED STATES AIR FORCE ACADEMY.—(1) Chapter 903 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 9358. Athletic and recreational extracurricular programs: uniform funding

''The authority and conditions provided in section 2494 of this title shall also apply to any athletic or recreational extracurricular program of the Academy that—

''(1) is not considered a morale, welfare, or recreation program referred to in such section;

''(2) is funded out of appropriated funds;

"(3) is supported by a supplemental mission nonappropriated fund instrumentality; and

"(4) is not operated as a private organization.".

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

"9358. Athletic and recreational extracurricular programs: uniform funding.".

(d) EFFECTIVE DATE AND APPLICABILITY.—This section and the amendments made by this section shall take effect on October 1, 2004, and shall apply with respect to funds appropriated for fiscal years beginning on or after such date.

SEC. 1006. AUTHORIZATION OF APPROPRIATIONS FOR A CONTINGENT EMERGENCY RESERVE FUND FOR OPERATIONS IN IRAQ AND AFGHANISTAN.

(a) AUTHORIZATION OF SUPPLEMENTAL APPROPRIATIONS.—In addition to any other amounts authorized to be appropriated by this Act, there is hereby authorized to be appropriated for the Department of Defense for fiscal year 2005, subject to subsections (b) and (c), $25,000,000,000, to be available only for activities in support of operations in Iraq and Afghanistan.

(b) SPECIFIC AMOUNTS.—Of the amount authorized to be appropriated under subsection (a), funds are authorized to be appropriated in amounts for purposes as follows:

(1) For the Army for operation and maintenance, $14,500,000,000.

(2) For the Navy for operation and maintenance, $1,000,000,000.

(3) For the Marine Corps for operation and maintenance, $2,000,000,000.

(4) For the Air Force for operation and maintenance, $1,000,000,000.

(5) For operation and maintenance, Defense-wide activities, $2,000,000,000.

(6) For military personnel, $2,000,000,000.

(7) An additional amount of $2,500,000,000 to be available for transfer to—

(A) operation and maintenance accounts;

(B) military personnel accounts;

(C) research, development, test, and evaluation accounts;

(D) procurement accounts;

(E) classified programs; and

(F) Coast Guard operating expenses.

(c) AUTHORIZATION CONTINGENT ON BUDGET REQUEST.—The authorization of appropriations in subsection (a) shall be effective only to the extent that a budget request for all or part of the amount authorized to be appropriated under such subsection for the purposes set

forth in such subsection is transmitted by the President to Congress after the date of the enactment of this Act and includes a designation of the requested amount as an emergency and essential to support activities in Iraq and Afghanistan.

(d) TRANSFER AUTHORITY.—(1) Of the amount authorized to be appropriated under subsection (b)(7) for transfer, no transfer may be made until the Secretary of Defense consults with the Chairmen and Ranking Members of the congressional defense committees and then notifies such committees in writing not later than five days before the transfer is made.

(2) The transfer authority provided under this section is in addition to any other transfer authority available to the Department of Defense.

(e) MONTHLY REPORT.—The Secretary of Defense shall submit to the congressional defense committees each month a report on the use of funds authorized to be appropriated under this section. The report for a month shall include in a separate display for each of Iraq and Afghanistan, the activity for which the funds were used, the purpose for which the funds were used, the source of the funds used to carry out that activity, and the account to which those expenditures were charged.

Subtitle B—Naval Vessels and Shipyards

SEC. 1011. EXCHANGE AND SALE OF OBSOLETE NAVY SERVICE CRAFT AND BOATS.

(a) IN GENERAL.—Chapter 633 of title 10, United States Code, is amended by inserting after section 7309 the following new section:

"§ 7309a. Service craft and boats: exchange or sale

''(a) IN GENERAL.—The Secretary of the Navy may, in acquiring personal property under section 503 of title 40, exchange or sell obsolete Navy service craft or boats that are similar to such personal property and apply the exchange allowance or proceeds of sale in whole or part payment for such personal property.

''(b) USE OF PROCEEDS FOR COST OF PREPARATION OF SALE.—In selling a service craft or boat under subsection (a), the Secretary shall obtain, to the extent practicable, amounts necessary to recover the full costs, whether direct or indirect, incurred by the Navy in preparing the service craft or boat for sale, including costs of towing, storage, defueling, removal and disposal of hazardous wastes, environmental surveys to determine the presence of regulated materials containing polychlorinated biphenyl (PCB), removal and disposal of such materials, and other related costs.

"(c) TREATMENT OF ADDITIONAL PROCEEDS.—(1) Any proceeds of sale of a service craft or boat under subsection (a) that are in addition to amounts necessary to recover the costs of the preparation of sale of the service craft or boat under subsection (b) shall be deposited in an account in the Treasury established for purposes of this section.

"(2) Amounts in the account under paragraph (1) shall be available to the Secretary for the payment of costs associated with the preparation of obsolete Navy service craft or boats for sale or exchange under this section. Amounts in the account shall be available for that purpose without fiscal year limitation.

"(3) The Secretary shall, on a periodic basis, deposit amounts in the account under paragraph (1) that are in excess of the amounts otherwise utilized under paragraph (2) in the general Treasury as miscellaneous receipts, or in another account in the Treasury as otherwise provided by law.

"(d) INAPPLICABILITY OF CERTAIN PROCUREMENT REQUIREMENTS.—Notwithstanding section 503(b)(3) of title 40, section 3709 of the Revised Statutes (41 U.S.C. 5) shall not apply to the exchange or sale of service craft or boats under this section.

"(e) REGULATIONS.—The Secretary may prescribe regulations relating to the exercise of authority under this section.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 7309 the following new item:

"7309a. Service craft and boats: exchange or sale.".

SEC. 1012. LIMITATION ON DISPOSAL OF OBSOLETE NAVAL VESSEL.

The Secretary of the Navy may not dispose of the decommissioned destroyer ex-Edson (DD–946) before October 1, 2007, to an entity that is not a nonprofit organization unless the Secretary first determines that there is no nonprofit organization that meets the criteria for donation of that vessel under section 7306(a)(3) of title 10, United States Code.

SEC. 1013. AWARD OF CONTRACTS FOR SHIP DISMANTLING ON NET COST BASIS.

(a) IN GENERAL.—Chapter 633 of title 10, United States Code, is amended by inserting after section 7305 the following new section:

"§ 7305a. Contracts for ship dismantling: award on net cost basis

"(a) AUTHORITY.—Notwithstanding any other provision of law, the Secretary of the Navy may use net cost

as a criterion in the selection of an offeror for award of a contract for the dismantling of one or more ships stricken from the Naval Vessel Register and may accord that criterion such weight in the offer evaluation process as the Secretary considers appropriate and specifies in the solicitation of offers for that contract.

"(b) COMPETITION.—In exercising the authority under this section, the Secretary shall to the maximum extent practicable use the competitive procedure or combination of competitive procedures that is best suited under the circumstances.

"(c) RETENTION OF PROCEEDS.—When the Secretary of the Navy awards a ship dismantling contract on a net cost basis, the contractor may retain the proceeds from the sale of scrap and reusable items from the vessel being dismantled.

"(d) DEFINITIONS.—For purposes of this section:

"(1) The term 'net cost', with respect to a contract for the dismantling of a ship, means the amount equal to the excess of—

"(A) the amount of the contractor's gross cost of performance of the contract, over

"(B) the estimated value of scrap and reusable items that the contractor removes from the ship during performance of the contract, as

stated in the contractor's offer for such contract.

"(2) The term 'scrap' means personal property that has no value except for its basic material content.

"(3) The term 'reusable item', with respect to a ship, means any demilitarized component or removable portion of the ship or the ship's equipment that the Navy has identified as excess to its needs but which has potential resale value on the open market.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 7305 the following new item:

"7305a. Contracts for ship dismantling: award on net cost basis.".

SEC. 1014. AUTHORITY TO TRANSFER NAVAL VESSELS TO CERTAIN FOREIGN COUNTRIES.

(a) AUTHORITY TO TRANSFER BY GRANT.—The Secretary of the Navy is authorized to transfer vessels to foreign countries on a grant basis under section 516 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j) as follows:

(1) CHILE.—To the Government of Chile, the SPRUANCE class destroyer O'BANNON (DD 987).

(2) PORTUGAL.—To the Government of Portugal, the OLIVER HAZARD PERRY class guided missile frigate GEORGE PHILIP (FFG 12) and the OLIVER HAZARD PERRY class guided missile frigate USS SIDES (FFG 14).

(b) AUTHORITY TO TRANSFER BY SALE.—The Secretary of the Navy is authorized to transfer vessels to foreign countries on a sale basis under section 21 of the Arms Export Control Act (22 U.S.C. 2761) as follows:

(1) TAIWAN.—To the Taipei Economic and Cultural Representative Office in the United States (which is the Taiwan instrumentality designated pursuant to section 10(a) of the Taiwan Relations Act), the ANCHORAGE class dock landing ship ANCHORAGE (LSD 36).

(2) CHILE.—To the Government of Chile, the SPRUANCE class destroyer FLETCHER (DD 992).

(c) GRANTS NOT COUNTED IN ANNUAL TOTAL OF TRANSFERRED EXCESS DEFENSE ARTICLES.—The value of a vessel transferred to another country on a grant basis under section 516 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j) pursuant to authority provided by subsection (a) shall not be counted for the purposes of subsection (g) of that section in the aggregate value of excess

defense articles transferred to countries under that section in any fiscal year.

(d) COSTS OF TRANSFERS.—Any expense incurred by the United States in connection with a transfer authorized by this section shall be charged to the recipient (notwithstanding section 516(e)(1) of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j(e)(1)).

(e) REPAIR AND REFURBISHMENT IN UNITED STATES SHIPYARDS.—To the maximum extent practicable, the President shall require, as a condition of the transfer of a vessel under this section, that the country to which the vessel is transferred have such repair or refurbishment of the vessel as is needed, before the vessel joins the naval forces of that country, performed at a shipyard located in the United States, including a United States Navy shipyard.

(f) EXPIRATION OF AUTHORITY.— The authority to transfer a vessel under this section shall expire at the end of the two-year period beginning on the date of the enactment of this Act.

Subtitle C—Reports

SEC. 1021. REPORT ON CONTRACTOR SECURITY IN IRAQ.

(a) REPORT REQUIRED.—(1) Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall submit a report on contractor security

in Iraq to the congressional defense committees. The report shall include, at a minimum—

(A) information on the security of contractor employees in Iraq, as described in subsection (b);

(B) information on contract security personnel in Iraq, as described in subsection (c); and

(C) any recommended actions that the Secretary considers appropriate to enhance contractor security in Iraq.

(2) The information included in the report shall be current as of September 30, 2004.

(b) SECURITY OF CONTRACTOR EMPLOYEES IN IRAQ.—The report under subsection (a) shall include information on contractor employees in Iraq, as follows:

(1) The number of contractor employees in each of the following categories of nationals:

(A) Nationals of the United States.

(B) Nationals of Iraq.

(C) Nationals of states other than the United States and Iraq.

(2) For each of the categories of nationals listed in paragraph (1), the number of casualties among contractor employees on and after May 1, 2003.

(c) CONTRACT SECURITY PERSONNEL.—The report required by subsection (a) shall include information on

contract security personnel of a contractor in Iraq, as follows:

(1) The number of contract security personnel engaged in providing security services to personnel or facilities in each of the following categories:

(A) Personnel or facilities of the United States Government or the Coalition Provisional Authority.

(B) Personnel or facilities of the Iraqi Government.

(C) Personnel or facilities of a contractor or subcontractor.

(2) For each of the categories of nationals listed in subsection (b)(1), the following information:

(A) The number of contract security personnel.

(B) The range of annual rates of pay of the contract security personnel.

(C) The number of casualties among the contract security personnel on and after May 1, 2003.

(3) The number, types, and sources of weapons that contract security personnel are authorized to possess in each of the following categories:

(A) Weapons provided by coalition forces.

(B) Weapons supplied by the contractor.

(C) Weapons supplied by other sources.

(4) The extent to which contract security personnel are equipped with other critical equipment, such as body armor, armored vehicles, secure communications, and friend-foe identification.

(5) An assessment of the extent to which contract security personnel have been engaged by hostile fire on and after May 1, 2003.

(d) COORDINATION.—In the preparation of the report under this section, the Secretary of Defense shall coordinate with the heads of any other departments and agencies of the Federal Government that are affected by the performance of Federal Government contracts by contractor personnel in Iraq.

(e) ADDITIONAL CONGRESSIONAL RECIPIENTS.—In addition to submitting the report on contractor security under this section to the congressional defense committees, the Secretary of Defense shall also submit the report to any other committees of Congress that the Secretary determines appropriate to receive such report taking into consideration the requirements of the Federal Government that contractor personnel in Iraq are engaged in satisfying.

(f) FORMS OF REPORT.—The report required by this section shall be submitted in classified and unclassified forms.

(g) DEFINITIONS.—In this section:

(1) The term ''contract security personnel'' includes employees of a contractor or subcontractor who, under a covered contract, provide security services in Iraq to—

(A) personnel or facilities of the United States Government or the Coalition Provisional Authority;

(B) personnel or facilities of the Iraqi Government; or

(C) personnel or facilities of a contractor.

(2) The term ''covered contract''—

(A) means a contract entered into by an agency of the United States Government or by the Coalition Provisional Authority for the procurement of products or services to be provided in Iraq, regardless of the source of the funding for such procurement; and

(B) includes a subcontract under such a contract, regardless of the source of the funding for such procurement.

(3) The term ''national of the United States'' has the meaning given such term in section 101(22) of the Immigration and Nationality Act (8 U.S.C. 1101(22)).

(4) The term ''national'', except as provided in paragraph (3), has the meaning given such term in section 101(21) of such Act.

SEC. 1022. TECHNICAL CORRECTION TO REFERENCE TO CERTAIN ANNUAL REPORTS.

Section 2474(f)(2) of title 10, United States Code, is amended by striking ''section 2466(e)'' and inserting ''section 2466(d)''.

SEC. 1023. STUDY OF ESTABLISHMENT OF MOBILIZATION STATION AT CAMP RIPLEY NATIONAL GUARD TRAINING CENTER, LITTLE FALLS, MINNESOTA.

Not later than 120 days after the date of the enactment of this Act, the Secretary of Defense shall carry out and complete a study on the feasibility of the use of Camp Ripley National Guard Training Center, Little Falls, Minnesota, as a mobilization station for reserve components ordered to active duty under provisions of law referred to in section 101(a)(13)(B) of title 10, United States Code. The study shall include consideration of the actions necessary to establish such center as a mobilization station.

SEC. 1024. REPORT ON TRAINING PROVIDED TO MEMBERS OF THE ARMED FORCES TO PREPARE FOR POST-CONFLICT OPERATIONS.

(a) STUDY ON TRAINING.—The Secretary of Defense shall conduct a study to determine the extent to which members of the Armed Forces assigned to duty in support of contingency operations receive training in preparation for post-conflict operations and to evaluate the quality of such training.

(b) MATTERS TO BE INCLUDED IN STUDY.—As part of the study under subsection (a), the Secretary shall specifically evaluate the following:

(1) The doctrine, training, and leader-development system necessary to enable members of the Armed Forces to successfully operate in post-conflict operations.

(2) The adequacy of the curricula at military educational facilities to ensure that the Armed Forces has a cadre of members skilled in post-conflict duties, including a familiarity with applicable foreign languages and foreign cultures.

(3) The training time and resources available to members and units of the Armed Forces to develop cultural awareness about ethnic backgrounds and religious beliefs of the people living in areas in which post-conflict operations are likely to occur.

(4) The adequacy of training transformation to emphasize post-conflict operations, including interagency coordination in support of combatant commanders.

(c) REPORT ON STUDY.—Not later than May 1, 2005, the Secretary shall submit to the Committee on Armed Services of the Senate and the Committee on Armed Services of the House of Representatives a report on the result of the study conducted under this section.

SEC. 1025. REPORT ON AVAILABILITY OF POTENTIAL OVERLAND BALLISTIC MISSILE DEFENSE TEST RANGES.

The Secretary of Defense shall submit to Congress a report assessing the availability to the Department of Defense of potential ballistic missile defense test ranges for overland intercept flight tests of defenses against ballistic missile systems with a range of 750 to 1,500 kilometers.

SEC. 1026. OPERATION OF THE FEDERAL VOTING ASSISTANCE PROGRAM AND THE MILITARY POSTAL SYSTEM.

(a) REQUIREMENT FOR REPORTS.—(1) The Secretary of Defense shall submit to Congress two reports on the actions that the Secretary has taken to ensure that—

(A) the Federal Voting Assistance Program functions effectively to support absentee voting by members of the Armed Forces deployed outside the United States in support of Operation Iraqi Freedom, Operation Enduring Freedom, and all other contingency operations; and

(B) the military postal system functions effectively to support the morale of the personnel described in subparagraph (A) and absentee voting by such members.

(2)(A) The first report under paragraph (1) shall be submitted not later than 60 days after the date of the enactment of this Act.

(B) The second report under paragraph (1) shall be submitted not later than 60 days after the date on which the first report is submitted under that paragraph.

(3) In this subsection, the term ''Federal Voting Assistance Program'' means the program referred to in section 1566(b)(1) of title 10, United States Code.

(b) IMPLEMENTATION OF RECOMMENDED POSTAL SYSTEM IMPROVEMENTS.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report setting forth—

(1) the actions taken to implement the recommendations of the Military Postal Service Agency Task Force, dated 28 August 2000; and

(2) in the case of each such recommendation not implemented or not fully implemented as of the date of report, the reasons for not implementing or not fully implementing such recommendation, as the case may be.

SEC. 1027. REPORT ON ESTABLISHING NATIONAL CENTERS OF EXCELLENCE FOR UNMANNED AERIAL AND GROUND VEHICLES.

(a) REPORT REQUIRED.—Not later than 120 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the congressional defense committees a report on the need for one or more national centers of excellence for unmanned aerial and ground vehicles.

(b) GOAL OF CENTERS.—The goal of the centers covered by the report is to promote interservice cooperation and coordination in the following areas:

(1) Development of joint doctrine for the organization, training, and use of unmanned aerial and ground vehicles.

(2) Joint research, development, test, and evaluation, and joint procurement of unmanned aerial and ground vehicles.

(3) Identification and coordination, in conjunction with the private sector and academia, of the future development of unmanned aerial and ground vehicles.

(4) Monitoring of the development and utilization of unmanned aerial and ground vehicles in other nations for both military and non-military purposes.

(5) The providing of joint training and professional development opportunities in the use and operation of unmanned aerial and ground vehicles to military personnel of all ranks and levels of responsibility.

(c) REPORT REQUIREMENTS.—The report shall include, at a minimum, the following:

(1) A list of facilities where the Defense Department currently conducts or plans to conduct research, development, and testing activities on unmanned aerial and ground vehicles.

(2) A list of facilities where the Department of Defense currently deploys or has committed to deploying unmanned aerial or ground vehicles.

(3) The extent to which existing facilities described in paragraphs (1) and (2) have sufficient unused capacity and expertise to research, develop, test, and deploy the current and next generations of unmanned aerial and ground vehicles and to provide for the development of doctrine on the use and training of operators of such vehicles.

(4) The extent to which efficiencies on research, development, testing, and deployment of existing or future unmanned aerial and ground vehicles can be achieved through consolidation at one or more national centers of excellence for unmanned aerial and ground vehicles.

(5) A list of potential locations for national centers of excellence.

(d) CONSIDERATIONS.—In determining the potential locations for the national centers of excellence under this section, the Secretary of Defense shall take into consideration existing Air Force facilities that have—

(1) a workforce of skilled personnel;

(2) existing capacity of runways and other facilities to accommodate the research, testing, and deployment of current and future unmanned aerial vehicles; and

(3) minimal restrictions on the research, development, and testing of unmanned aerial vehicles resulting from proximity to large population centers or airspace heavily utilized by commercial flights.

SEC. 1028. REPORT ON POST-MAJOR COMBAT OPERATIONS PHASE OF OPERATION IRAQI FREEDOM.

(a) REPORT REQUIRED.—(1) Not later than March 31, 2005, the Secretary of Defense shall submit to the congressional defense committees a report on the conduct of military operations during the post-major combat operations phase of Operation Iraqi Freedom.

(2) The report shall be prepared in consultation with the Chairman of the Joint Chiefs of Staff, the Commander of the United States Central Command, and such other officials as the Secretary considers appropriate.

(b) CONTENT.—(1) The report shall include a discussion of the matters described in paragraph (2), with a particular emphasis on accomplishments and shortcomings and on near-term and long-term corrective actions to address such shortcomings.

(2) The matters to be discussed in the report are as follows:

(A) The military and political objectives of the international coalition conducting the post-major combat operations phase of Operation Iraqi Free-

dom, and the military strategy selected to achieve such objectives, together with an assessment of the execution of the military strategy.

(B) The mobilization process for the reserve components of the Armed Forces, including the timeliness of notification, training and certification, and subsequent demobilization.

(C) The use and performance of major items of United States military equipment, weapon systems, and munitions (including non-lethal weapons and munitions, items classified under special access procedures, and items drawn from prepositioned stocks) and any expected effects of the experience with the use and performance of such items on the doctrinal and tactical employment of such items and on plans for continuing the acquisition of such items.

(D) Any additional requirements for military equipment, weapon systems, munitions, force structure, or other capability identified during the post-major combat operations phase of Operation Iraqi Freedom, including changes in type or quantity for future operations.

(E) The effectiveness of joint air operations, together with an assessment of the effectiveness of—

(i) the employment of close air support; and

(ii) attack helicopter operations.

(F) The use of special operations forces, including operational and intelligence uses.

(G) The scope of logistics support, including support to and from other nations and from international organizations and organizations and individuals from the private sector in Iraq.

(H) The incidents of accidental fratricide, including a discussion of the effectiveness of the tracking of friendly forces and the use of the combat identification systems in mitigating friendly fire incidents.

(I) The adequacy of spectrum and bandwidth to transmit information to operational forces and assets, including unmanned aerial vehicles, ground vehicles, and individual soldiers.

(J) The effectiveness of strategic, operational, and tactical information operations, including psychological operations and assets, organization, and doctrine related to civil affairs, in achieving established objectives, together with a description of technological and other restrictions on the use of information operations capabilities.

(K) The readiness of the reserve component forces used in the post-major combat operations phase of Operation Iraqi Freedom, including an assessment of the success of the reserve component forces in accomplishing their missions.

(L) The adequacy of intelligence support during the post-major combat operations phase of Operation Iraqi Freedom, including the adequacy of such support in searches for weapons of mass destruction.

(M) The rapid insertion and integration, if any, of developmental but mission-essential equipment, organizations, or procedures during the post-major combat operations phase of Operation Iraqi Freedom.

(N) A description of the coordination, communication, and unity of effort between the Armed Forces, the Coalition Provisional Authority, other United States government agencies and organizations, nongovernmental organizations, and political, security, and nongovernmental organizations of Iraq, including an assessment of the effectiveness of such efforts.

(O) The adequacy of training for military units once deployed to the United States Central Command, including training for changes in unit mission

and continuation training for high-intensity conflict missions.

(P) An estimate of the funding required to return or replace equipment used to date in Operation Iraqi Freedom, including equipment in prepositioned stocks, to mission-ready condition.

(Q) A description of military civil affairs and reconstruction efforts, including through the Commanders Emergency Response Program, and an assessment of the effectiveness of such efforts and programs.

(R) The adequacy of the requirements determination and acquisition processes, acquisition, and distribution of force protection equipment, including personal gear, vehicles, helicopters, and defense devices.

(S) The most critical lessons learned that could lead to long-term doctrinal, organizational, and technological changes, and the probable effects that an implementation of those changes would have on current visions, goals, and plans for transformation of the Armed Forces or the Department of Defense.

(T) The planning for and implementation of morale, welfare, and recreation programs for deployed forces and support to dependents, including

rest and recuperation programs and personal communication benefits such as telephone, mail, and email services, including an assessment of the effectiveness of such programs.

(U) An analysis of force rotation plans, including individual personnel and unit rotations, differing deployment lengths, and in-theater equipment repair and leave behinds.

(c) FORM OF REPORT.—The report shall be submitted in unclassified form, but may include a classified annex.

(d) POST-MAJOR COMBAT OPERATIONS PHASE OF OPERATION IRAQI FREEDOM DEFINED.—In this section, the term ''post-major combat operations phase of Operation Iraqi Freedom'' means the period of Operation Iraqi Freedom beginning on May 2, 2003, and ending on December 31, 2004.

SEC. 1029. COMPTROLLER GENERAL ANALYSIS OF USE OF TRANSITIONAL BENEFIT CORPORATIONS IN CONNECTION WITH COMPETITIVE SOURCING OF PERFORMANCE OF DEPARTMENT OF DEFENSE ACTIVITIES AND FUNCTIONS.

(a) REQUIREMENT FOR ANALYSIS.—Not later than February 1, 2005, the Comptroller General shall submit to Congress an analysis of the potential for use of transi-

tional benefit corporations in connection with competitive sourcing of the performance of activities and functions of the Department of Defense.

(b) SPECIFIC ISSUES.—The analysis under this section shall—

(1) address the capabilities of transitional benefit corporations—

(A) to preserve human capital and surge capability;

(B) to promote economic development and job creation;

(C) to generate cost savings; and

(D) to generate efficiencies that are comparable to or exceed the efficiencies that result from competitive sourcing carried out by the Department of Defense under the procedures applicable to competitive sourcing by the Department of Defense; and

(2) identify areas within the Department of Defense in which transitional benefit corporations could be used to add value, reduce costs, and provide opportunities for beneficial use of employees and other resources that are displaced by competitive sourcing of the performance of activities and functions of the Department of Defense.

(d) TRANSITIONAL BENEFIT CORPORATION DEFINED.—In this section, the term ''transitional benefit corporation'' means a corporation that facilitates the transfer of designated (usually underutilized) real estate, equipment, intellectual property, or other assets of the United States to the private sector in a process that enables employees of the United States in positions associated with the use of such assets to retain eligibility for Federal employee benefits and to continue to accrue those benefits.

SEC. 1029A. COMPTROLLER GENERAL STUDY OF PROGRAMS OF TRANSITION ASSISTANCE FOR PERSONNEL SEPARATING FROM THE ARMED FORCES.

(a) REQUIREMENT FOR STUDY.—The Comptroller General shall carry out a study of the programs of the Department of Defense and other departments and agencies of the Federal Government under which transition assistance is provided to personnel who are separating from active duty service in the Armed Forces.

(b) REPORT.—Not later than 180 days after the date of the enactment of this Act, the Comptroller General shall submit a report on the results of the study to the Committees on Armed Services of the Senate and the House of

Representatives. The report shall include the following matters:

(1) Regarding the transition assistance programs under section 1142 and 1144 of title 10, United States Code—

(A) an analysis of the extent to which such programs are meeting the current needs of members of the Armed Forces as such personnel are discharged or released from active duty, including—

(i) a discussion of the original purposes of the programs;

(ii) a discussion of how the programs are currently being administered in relationship to those purposes; and

(iii) an assessment of whether the programs are adequate to meet the current needs of members of the reserve components, including the National Guard; and

(B) any recommendations that the Comptroller General considers appropriate for improving such programs, including any recommendation regarding whether participation by members of the Armed Forces in such programs should be required.

(2) An analysis of the differences, if any, among the Armed Forces and among the commands of military installations of the Armed Forces regarding how transition assistance is being provided under the transition assistance programs, together with any recommendations that the Comptroller General considers appropriate—

(A) to achieve uniformity in the provision of assistance under such programs; and

(B) to ensure that the transition assistance is provided under such programs to members of the Armed Forces who are being separated at medical facilities of the uniformed services or Department of Veterans Affairs medical centers and to Armed Forces personnel on a temporary disability retired list under section 1202 or 1205 of title 10, United States Code.

(3) An analysis of the relationship of Department of Defense transition assistance programs to the transition assistance programs of the Department of Veterans Affairs and the Department of Labor, including the relationship of the benefits delivery at discharge program carried out jointly by the Department of Defense and the Department of

Veterans Affairs to the other transition assistance programs.

(4) The rates of participation of Armed Forces personnel in the transition assistance programs, together with any recommendations that the Comptroller General considers appropriate to increase such participation rates, including any revisions of such programs that could result in increased participation.

(5) An assessment of whether the transition assistance information provided to Armed Forces personnel omits transition information that would be beneficial to such personnel, including an assessment of the extent to which information is provided under the transition assistance programs regarding participation in Federal Government procurement opportunities available at prime contract and subcontract levels to veterans with service-connected disabilities and other veterans, together with any recommendations that the Comptroller General considers appropriate regarding additional information that should be provided and any other recommendations that the Comptroller General considers appropriate for enhancing the provision of counseling on such procurement opportunities.

(6) An assessment of the extent to which representatives of military service organizations and veterans' service organizations are afforded opportunities to participate, and do participate, in preseparation briefings under transition assistance programs, together with any recommendations that the Comptroller General considers appropriate regarding how representatives of such organizations could better be used to disseminate transition assistance information and provide preseparation counseling to Armed Forces personnel, including personnel of the reserve components who are being released from active duty for continuation of service in the reserve components.

(7) An analysis of the use of post-deployment and predischarge health screenings, together with any recommendations that the Comptroller General considers appropriate regarding whether and how to integrate the health screening process and the transition assistance programs into a single, coordinated preseparation program for Armed Forces personnel being discharged or released from active duty.

(8) An analysis of the processes of the Armed Forces for conducting physical examinations of

members of the Armed Forces in connection with discharge and release from active duty, including—

(A) how post-deployment questionnaires are used;

(B) the extent to which Armed Forces personnel waive the physical examinations; and

(C) how, and the extent to which, Armed Forces personnel are referred for followup health care.

(9) A discussion of the current process by which mental health screenings are conducted, followup mental health care is provided for, and services are provided in cases of post-traumatic stress disorder and related conditions for members of the Armed Forces in connection with discharge and release from active duty, together with—

(A) for each of the Armed Forces, the programs that are in place to identify and treat cases of post-traumatic stress disorder and related conditions; and

(B) for persons returning from deployments in connection with Operation Enduring Freedom and Operation Iraqi Freedom—

(i) the number of persons treated as a result of such screenings; and

(ii) the types of interventions.

(c) ACQUISITION OF SUPPORTING INFORMATION.—In carrying out the study under this section, the Comptroller General shall seek to obtain views from the following persons:

(1) The Secretary of Defense and the Secretaries of the military departments.

(2) The Secretary of Veterans Affairs.

(3) The Secretary of Labor.

(4) Armed Forces personnel who have received transition assistance under the programs covered by the study and Armed Forces personnel who have declined to accept transition assistance offered under such programs.

(5) Representatives of military service organizations and representatives of veterans' service organizations.

(6) Persons having expertise in health care (including mental health care) provided under the Defense Health Program, including Department of Defense personnel, Department of Veterans Affairs personnel, and persons in the private sector.

SEC. 1029B. STUDY ON COORDINATION OF JOB TRAINING AND CERTIFICATION STANDARDS.

(a) REQUIREMENT FOR STUDY.—The Secretary of Defense and the Secretary of Labor shall jointly carry out a study to determine ways to coordinate the standards applied by the Armed Forces for the training and certification of members of the Armed Forces in military occupational specialties with the standards that are applied to corresponding civilian occupations by occupational licensing or certification agencies of governments and occupational certification agencies in the private sector.

(b) REPORT.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Labor shall submit a joint report on the results of the study under subsection (a) to Congress.

SEC. 1029C. CONTENT OF PRESEPARATION COUNSELING FOR PERSONNEL SEPARATING FROM ACTIVE DUTY SERVICE.

Section 1142 of title 10, United States Code, is amended—

(1) by adding at the end of subsection (b) the following new paragraph:

"(11) Information on participation in Federal Government procurement opportunities that are available at the prime contract level and at sub-

contract levels to veterans with service-connected disabilities and other veterans.''; and

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

''(d) REQUIREMENTS RELATING TO COUNSELING ON PROCUREMENT OPPORTUNITIES.—(1) For the counseling under subsection (b)(11), the Secretary concerned may provide for participation of representatives of the Secretary of Veterans Affairs, representatives of the Administrator of the Small Business Administration, representatives of other appropriate executive agencies, and representatives of Veterans' Business Outreach Centers and Small Business Development Centers.

''(2) The Secretary concerned may provide for the counseling under paragraph (11) of subsection (b) to be offered at medical centers of the Department of Veterans Affairs as well as the medical care facilities of the uniformed services and other facilities at which the counseling on the other matters required under such subsection is offered. The access of representatives described in paragraph (1) to a member of the armed forces to provide such counseling shall be subject to the consent of that member.''.

SEC. 1029D. PERIODIC DETAILED ACCOUNTING FOR OPERATIONS OF THE GLOBAL WAR ON TERRORISM.

(a) QUARTERLY ACCOUNTING.—Not later than 45 days after the end of each quarter of a year, the Secretary of Defense shall submit to the congressional defense committees, for such quarter for each operation described in subsection (b), a full accounting of all costs incurred for such operation during such quarter and all amounts expended during such quarter for such operation, and the purposes for which such costs were incurred and such amounts were expended.

(b) OPERATIONS COVERED.—The operations referred to in subsection (a) are as follows:

(1) Operation Iraqi Freedom.

(2) Operation Enduring Freedom.

(3) Operation Noble Eagle.

(4) Any other operation that the President designates as being an operation of the Global War on Terrorism.

(c) REQUIREMENT FOR COMPREHENSIVENESS.—For the purpose of providing a full and complete accounting of the costs and expenditures under subsection (a) for operations described in subsection (b), the Secretary shall account in the quarterly submission under subsection (a)

for all costs and expenditures that are reasonably attributable to such operations, including personnel costs.

SEC. 1029E. REPORT ON THE STABILIZATION OF IRAQ.

Not later than 120 days after the date of the enactment of this Act, the President shall submit to the congressional defense committees an unclassified report (with classified annex, if necessary) on the strategy of the United States and coalition forces for stabilizing Iraq. The report shall contain a detailed explanation of the strategy, together with the following information:

(1) A description of the efforts of the President to work with the United Nations to provide support for, and assistance to, the transitional government in Iraq, and, in particular, the efforts of the President to negotiate and secure adoption by the United Nations Security Council of Resolution 1546.

(2) A description of the efforts of the President to continue to work with North Atlantic Treaty Organization (NATO) member states and non-NATO member states to provide support for and augment coalition forces, including efforts, as determined by the United States combatant commander, in consultation with coalition forces, to evaluate the—

(A) the current military forces of the NATO and non-NATO member countries deployed to Iraq;

(B) the current police forces of NATO and non-NATO member countries deployed to Iraq; and

(C) the current financial resources of NATO and non-NATO member countries provided for the stabilization and reconstruction of Iraq.

(3) As a result of the efforts described in paragraph (2)—

(A) a list of the NATO and non-NATO member countries that have deployed and will have agreed to deploy military and police forces; and

(B) with respect to each such country, the schedule and level of such deployments.

(4) A description of the efforts of the United States and coalition forces to develop the domestic security forces of Iraq for the internal security and external defense of Iraq, including a description of United States plans to recruit, train, equip, and deploy domestic security forces of Iraq.

(5) As a result of the efforts described in paragraph (4)—

(A) the number of members of the security forces of Iraq that have been recruited;

(B) the number of members of the security forces of Iraq that have been trained; and

(C) the number of members of the security forces of Iraq that have been deployed.

(6) A description of the efforts of the United States and coalition forces to assist in the reconstruction of essential infrastructure of Iraq, including the oil industry, electricity generation, roads, schools, and hospitals.

(7) A description of the efforts of the United States, coalition partners, and relevant international agencies to assist in the development of political institutions and prepare for democratic elections in Iraq.

(8) A description of the obstacles, including financial, technical, logistic, personnel, political, and other obstacles, faced by NATO in generating and deploying military forces out of theater to locations such as Iraq.

SEC. 1029F. REPORTS ON MATTERS RELATING TO DETAINMENT OF PRISONERS BY THE DEPARTMENT OF DEFENSE.

(a) REPORTS REQUIRED.—Not later than 90 days after the date of the enactment of this Act, and annually thereafter, the Secretary of Defense shall submit to the appropriate committees of Congress a report on the population of persons held by the Department of Defense for more than 45 days and on the facilities in which such persons are held.

(b) REPORT ELEMENTS.—Each report under subsection (a) shall include the following:

(1) General information on the foreign national detainees in the custody of the Department on the date of such report, including the following:

(A) The best estimate of the Department of the number of the total number of detainees in the custody of the Department as of the date of such report.

(B) The countries in which such detainees were detained, and the number of detainees detained in each such country.

(C) The best estimate of the Department of the total number of detainees released from the custody of the Department during the one-year period ending on the date of such report.

(2) For each foreign national detained and registered with the National Detainee Reporting Center by the Department on the date of such report the following:

(A) The Internment Serial Number or other appropriate identification number.

(B) The nationality, if available.

(C) The place at which taken into custody, if available.

(D) The circumstances of being taken into custody, if available.

(E) The place of detention.

(F) The current length of detention.

(G) A categorization as a civilian detainee, enemy prisoner of war/prisoner of war, or enemy combatant.

(H) Information as to transfer to the jurisdiction of another country, including the identity of such country.

(3) Information on the detention facilities and practices of the Department for the one-year period ending on the date of such report, including for each facility of the Department at which detainees were detained by the Department during such period the following:

(A) The name of such facility.

(B) The location of such facility.

(C) The number of detainees detained at such facility as of the end of such period.

(D) The capacity of such facility.

(E) The number of military personnel assigned to such facility as of the end of such period.

(F) The number of other employees of the United States Government assigned to such facility as of the end of such period.

(G) The number of contractor personnel assigned to such facility as of the end of such period.

(c) FORM OF REPORT.—Each report under subsection (a) shall be submitted in unclassified form, but may include a classified annex.

(d) APPROPRIATE COMMITTEES OF CONGRESS DEFINED.—In this section, the term ''appropriate committees of Congress'' means—

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

(2) the Committee on Armed Services and the Permanent Select Committee on Intelligence of the House of Representatives.

Subtitle D—Matters Relating to Space

SEC. 1031. SPACE POSTURE REVIEW.

(a) REQUIREMENT FOR COMPREHENSIVE REVIEW.—In order to clarify the national security space policy and strategy of the United States for the near term, the Secretary of Defense shall conduct a comprehensive review of the space posture of the United States over the posture review period.

(b) ELEMENTS OF REVIEW.—The review conducted under subsection (a) shall include, for the posture review period, the following:

(1) The role of space in United States military and national security strategy, planning, and programming.

(2) The policy, requirements, and objectives for space situational awareness.

(3) The policy, requirements, and objectives for space control.

(4) The policy, requirements, and objectives for space superiority, including defensive and offensive counterspace.

(5) The policy, requirements, and objectives for space exploitation, including force enhancement and force application.

(6) The policy, requirements, and objectives for intelligence surveillance and reconnaissance from space.

(7) Current and planned space programs, including how each such program will address the policy, requirements, and objectives described in paragraphs (1) through (6).

(8) The relationship among United States military space policy and national security space policy, space objectives, and arms control policy.

(9) The type of systems, including space systems, that are necessary to implement United States military and national security space policies.

(10) The effect of United States national security space policy on weapons proliferation.

(c) REPORTS.—(1) Not later than March 15, 2005, the Secretary of Defense shall submit to the congressional defense committees an interim report on the review conducted under subsection (a).

(2) Not later than December 31, 2005, the Secretary shall submit to the congressional defense committees a final report on the review.

(3) Each report under this subsection shall be submitted in unclassified form, but may include a classified annex.

(4) The reports under this subsection shall also be submitted to the Select Committee on Intelligence of the Senate and the Permanent Select Committee on Intelligence of the House of Representatives.

(d) JOINT UNDERTAKING WITH THE DIRECTOR OF CENTRAL INTELLIGENCE.—The Secretary of Defense shall conduct the review under this section, and submit the reports under subsection (c), jointly with the Director of Central Intelligence.

(e) POSTURE REVIEW PERIOD DEFINED.—In this section, the term ''posture review period'' means the period beginning one year after the date of the enactment of this Act and ending ten years after that date.

SEC. 1032. PANEL ON THE FUTURE OF MILITARY SPACE LAUNCH.

(a) IN GENERAL.—(1) The Secretary of Defense shall enter into a contract with a federally funded research and development center to establish a panel on the future military space launch requirements of the United States, including means of meeting such requirements.

(2) The Secretary shall enter into the contract not later than 60 days after the date of the enactment of this Act.

(b) MEMBERSHIP AND ADMINISTRATION OF PANEL.—(1) The panel shall consist of individuals se-

lected by the federally funded research and development center from among private citizens of the United States with knowledge and expertise in one or more of the following areas:

(A) Space launch operations.

(B) Space launch technologies.

(C) Satellite and satellite payloads.

(D) State and national launch complexes.

(E) Space launch economics.

(2) The federally funded research and development center shall establish appropriate procedures for the administration of the panel, including designation of the chairman of the panel from among its members.

(3) All panel members shall hold security clearances appropriate for the work of the panel.

(4) The panel shall convene its first meeting not later than 30 days after the date on which all members of the panel have been selected.

(c) DUTIES.—(1) The panel shall conduct a review and assessment of the future military space launch requirements of the United States, including the means of meeting such requirements.

(2) The review and assessment shall take into account matters as follows:

(A) Launch economics.

(B) Operational concepts and architectures.

(C) Launch technologies, including—

(i) reusable launch vehicles;

(ii) expendable launch vehicles;

(iii) low cost options; and

(iv) revolutionary approaches.

(D) Payloads, including their implications for launch requirements.

(E) Launch infrastructure.

(F) Launch industrial base.

(G) Relationships among military, civilian, and commercial launch requirements.

(3) The review and assessment shall address military space launch requirements over each of the 5-year, 10-year, and 15-year periods beginning with 2005.

(d) COOPERATION OF FEDERAL AGENCIES.—(1) The panel may secure directly from the Department of Defense or any other department or agency of the Federal Government any information that the panel considers necessary to carry out its duties.

(2) The Secretary of Defense shall designate at least one senior civilian employee of the Department of Defense and at least one general or flag officer of an Armed Force to serve as liaison between the Department, the Armed Forces, and the panel.

(e) REPORT.—Not later than one year after the date of the first meeting of the panel under subsection (b)(4), the panel shall submit to the Secretary of Defense, the congressional defense committees, the Select Committee on Intelligence of the Senate, and the Permanent Select Committee on Intelligence of the House of Representatives a report on the results of the review and assessment under subsection (c). The report shall include—

(1) the findings and conclusions of the panel on the future military space launch requirements of the United States, including means of meeting such requirements;

(2) the assessment of panel, and any recommendations of the panel, on—

(A) launch operational concepts and architectures;

(B) launch technologies;

(C) launch enabling technologies; and

(D) priorities for funding; and

(3) the assessment of the panel as to the best means of meeting the future military space launch requirements of the United States.

(f) TERMINATION.—The panel shall terminate 16 months after the date on which the chairman of the panel is designated pursuant to subsection (b)(2).

(g) FUNDING.—Amounts authorized to be appropriated to the Department of Defense shall be available to the Secretary of Defense for purposes of the contract required by subsection (a).

SEC. 1033. OPERATIONALLY RESPONSIVE NATIONAL SECURITY PAYLOADS FOR SPACE SATELLITES.

(a) PLANNING, PROGRAMMING, AND MANAGEMENT.—(1) Chapter 135 of title 10, United States Code, is amended by inserting after section 2273 the following new section:

"§ 2273a. Operationally responsive national security payloads

''(a) REQUIREMENT FOR PROGRAM ELEMENT.—The Secretary of Defense shall ensure that operationally responsive national security payloads of the Department of Defense for space satellites are planned, programmed, and budgeted for as a separate, dedicated program element.

''(b) MANAGEMENT AUTHORITY.—The Secretary of Defense shall assign management authority for the program element required under subsection (a) to the Director of the Office of Force Transformation.

''(c) DEFINITION OF OPERATIONALLY RESPONSIVE.—In this section, the term 'operationally responsive', with respect to a national security payload for a space sat-

ellite, means an experimental or operational payload not in excess of 5,000 pounds that—

"(1) can be developed and acquired within 18 months after authority to proceed with development is granted; and

"(2) is responsive to requirements for capabilities at the operational and tactical levels of warfare.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 2273 the following new item:

"2273a. Operationally responsive national security payloads.".

(b) TIME FOR IMPLEMENTATION.—Section 2273a(a) of title 10, United States Code, shall apply with respect to fiscal years beginning after September 30, 2005.

(c) FUNDING.—Of the amount authorized to be appropriated under section 201(4), $25,000,000 shall be available for research, development, test, and evaluation of operationally responsive national security payloads for space satellites.

SEC. 1034. NONDISCLOSURE OF CERTAIN PRODUCTS OF COMMERCIAL SATELLITE OPERATIONS.

(a) DISCLOSURE PROHIBITED.—Land remote sensing information may not be disclosed under section 552 of title 5, United States Code.

(b) LAND REMOTE SENSING INFORMATION DEFINED.—In this section, the term ''land remote sensing information''—

(1) means any data that—

(A) are collected by land remote sensing; and

(B) are prohibited from sale to customers other than the United States Government and its affiliated users under the Land Remote Sensing Policy Act of 1992 (15 U.S.C. 5601 et seq.); and

(2) includes any imagery and other product that is derived from such data.

(c) STATE OR LOCAL GOVERNMENT DISCLOSURES.—Land remote sensing information provided by the head of a department or agency of the United States to a State or local government may not be made available to the general public under any State or local law relating to the disclosure of information or records.

(d) SAFEGUARDING INFORMATION.—The head of each department or agency of the United States having land remote sensing information within that department or agency or providing such information to a State or local government shall take such actions, commensurate with the sensitivity of that information, as are necessary to pro-

tect that information from disclosure prohibited under this section.

(e) OTHER DEFINITIONS.—In this section, the terms ''land remote sensing'' and ''United States Government and its affiliated users'' have the meanings given such terms in section 3 of such Act (15 U.S.C. 5602).

SEC. 1035. SENSE OF CONGRESS ON SPACE LAUNCH RANGES.

It is the sense of Congress that the Secretary of Defense should provide support for, and continue the development, certification, and deployment of range safety systems that are capable of—

(1) reducing costs related to national security space launches and launch infrastructure; and

(2) enhancing technical capabilities and operational safety at the Eastern, Western, and other United States space launch ranges.

Subtitle E—Defense Against Terrorism

SEC. 1041. TEMPORARY ACCEPTANCE OF COMMUNICATIONS EQUIPMENT PROVIDED BY LOCAL PUBLIC SAFETY AGENCIES.

(a) AUTHORITY.—Chapter 155 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2613. Emergency communications equipment: temporary acceptance from local public safety agencies

"(a) AUTHORITY FOR TEMPORARY ACCEPTANCE OF EQUIPMENT.—(1) Under regulations prescribed by the Secretary concerned, the commander of a military installation may include in a disaster response agreement with a local public safety agency a clause that provides for the commander to accept from the public safety agency for use during a natural or man-made disaster any communications equipment that is useful for communicating with such agency during a joint response by the commander and such agency to such disaster.

"(2) The authority under paragraph (1) includes authority to accept services related to the operation and maintenance of communications equipment accepted under that paragraph.

"(3) In the case of a military installation administered by an officer or employee of the United States, such officer or employee may exercise the authority of a commander under this section.

"(b) CONDITIONS.—Acceptance of communications equipment and services by a commander from a public safety agency under subsection (a) is subject to the following conditions:

"(1) Acceptance of equipment is authorized only to the extent that communications equipment under the control of the commander is inadequate to meet requirements for communicating with that public safety agency during a joint response to a disaster.

"(2) Acceptance of services for the operation or maintenance of communications equipment is authorized only to the extent that capabilities under the control of the commander are inadequate to operate or maintain such equipment.

"(c) LIABILITY.—(1) An emergency response agreement under this section shall include a clause that—

"(A) specifies the means for the commander to pay for use, loss, or damage of equipment, and for services, accepted under the agreement; or

"(B) ensures that the United States is not liable for costs incurred for the acceptance and use of the equipment or services nor for any loss or damage of such equipment.

"(2) No person providing services accepted under an emergency response agreement may be considered to be an officer, employee, or agent of the United States for any purpose.

"(d) GUIDANCE.—The Secretary of Defense shall prescribe guidance for the administration of the requirements and authority under this section.

"(e) DEFINITIONS.—In this section:

"(1) The term 'emergency response agreement' means a memorandum of agreement or memorandum of understanding that provides for mutual support by Department of Defense personnel and local public safety agency personnel in response to a natural or man-made disaster.

"(2) The term 'military installation' has the meaning given such term in section 2801(c) of this title.".

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

"2613. Emergency communications equipment: temporary acceptance from local public safety agencies.".

SEC. 1042. FULL-TIME DEDICATION OF AIRLIFT SUPPORT FOR HOMELAND DEFENSE OPERATIONS.

(a) DETERMINATION REQUIRED.—(1) The Secretary of Defense shall determine the feasibility and advisability of dedicating an airlift capability of the Armed Forces on a full-time basis to the support of homeland defense operations, including operations in support of contingent requirements for transporting Weapons of Mass Destruction

Civil Support Teams, Air Force expeditionary medical teams, and Department of Energy emergency response teams in response to natural disasters and man-made disasters.

(2) In making the determination under paragraph (1), the Secretary shall take into consideration the results of the study required under subsection (b).

(b) REQUIREMENT FOR STUDY AND PLAN.—(1) The Secretary of Defense shall conduct a study of the existing plans and capabilities of the Department of Defense for meeting contingent requirements for transporting teams described in subsection (a)(1) in response to natural disasters and man-made disasters.

(2) The Secretary shall prepare a plan for resolving any deficiencies in the existing plans and capabilities for meeting the transportation requirements described in paragraph (1).

(3) The Secretary of Defense shall require the commander of the United States Northern Command and the commander of the United States Transportation Command to carry out jointly the study required under paragraph (1) and to prepare jointly the plan required under paragraph (2).

(c) REPORT.—Not later than April 1, 2005, the Secretary shall submit to the Committees on Armed Services

of the Senate and the House of Representatives a report on the results of the study under subsection (b). The report shall include the following matters:

(1) The Secretary's determination under subsection (a).

(2) An assessment and discussion of the adequacy of existing plans and capabilities of the Department of Defense for meeting the transportation requirements described in subsection (b)(1).

(3) The plan required under subsection (b)(2).

(d) DEFINITION.—In this section, the term ''Weapons of Mass Destruction Civil Support Team'' has the meaning given such term in section 305b(e) of title 37, United States Code.

SEC. 1043. SURVIVABILITY OF CRITICAL SYSTEMS EXPOSED TO CHEMICAL OR BIOLOGICAL CONTAMINATION.

(a) REQUIREMENT FOR IMPLEMENTATION PLAN.—Not later than 120 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the congressional defense committees a plan, for implementation by the Department of Defense, that sets forth a systematic approach for ensuring the survivability of defense critical systems upon contamination of such systems by chemical or biological agents.

(b) CONTENT.—At a minimum, the plan under subsection (a) shall include—

(1) policies for ensuring that the survivability of defense critical systems in the event of contamination by chemical or biological agents is adequately addressed throughout the Department of Defense;

(2) a systematic process for identifying which systems are defense critical systems;

(3) specific testing procedures to be used during the design and development of new defense critical systems; and

(4) a centralized database that—

(A) contains comprehensive information on the effects of chemical and biological agents and decontaminants on materials used in defense critical systems; and

(B) is easily accessible to personnel who have duties to ensure the survivability of defense critical systems upon contamination of such systems by chemical and biological agents.

(c) DEFENSE CRITICAL SYSTEMS DEFINED.—In this section, the term ''defense critical system'' means a Department of Defense system that is critical to the national security of the United States.

Subtitle F—Matters Relating to Other Nations

SEC. 1051. HUMANITARIAN ASSISTANCE FOR THE DETECTION AND CLEARANCE OF LANDMINES AND EXPLOSIVE REMNANTS OF WAR.

(a) RESTATEMENT AND EXPANSION OF AUTHORITY.—(1) Chapter 20 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 406. Humanitarian assistance for the detection and clearance of landmines and explosive remnants of war

''(a) IN GENERAL.—Under regulations prescribed by the Secretary of Defense, members of the armed forces may provide humanitarian assistance for the detection and clearance of landmines or explosive remnants of war in a foreign country, including activities relating to the furnishing of education, training, and technical assistance, if the Secretary determines that the provision of such assistance will promote—

''(1) the security interests of both the United States and the country in which such assistance is to be provided; and

''(2) the specific operational readiness skills of the members of the armed forces who provide such assistance.

"(b) LIMITATIONS ON ACTIVITIES OF MEMBERS OF THE ARMED FORCES.—The Secretary shall ensure that no member of the armed forces, while providing assistance under this section—

"(1) engages in the physical detection, lifting or destroying of landmines or explosive remnants of war (unless the member does so for the concurrent purpose of supporting a United States military operation); or

"(2) provides such assistance as part of a military operation that does not involve the armed forces.

"(c) REQUIREMENT FOR APPROVAL OF SECRETARY OF STATE.—Humanitarian assistance for the detection and clearance of landmines and remnants of war may not be provided under this section to any foreign country unless the Secretary of State specifically approves the provision of such assistance to such foreign country.

"(d) AVAILABILITY OF FUNDS FOR CERTAIN EXPENSES.—(1) To the extent provided in Acts authorizing appropriations for military activities of the Department of Defense, funds authorized to be appropriated to the Department for a fiscal year for humanitarian assistance shall be available for the purpose of providing assistance under this section.

"(2) Expenses incurred as a direct result of providing humanitarian assistance under this section to a foreign country shall be paid out of funds specifically appropriated for such purpose.

"(3) Expenses covered by paragraph (2) include the following:

"(A) Travel, transportation, and subsistence expenses of Department of Defense personnel providing humanitarian assistance under this section.

"(B) The cost of any equipment, services, or supplies acquired for the purpose of carrying out or supporting the provision of such assistance, including any nonlethal, individual, or small-team landmine or explosive remnant of war clearing equipment or supplies that are to be transferred or otherwise furnished to a foreign country in furtherance of the provision of assistance under this section.

"(4) The cost of equipment, services and supplies provided in any fiscal year to a foreign country under paragraph (3)(B) may not exceed $5,000,000.".

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

"406. Humanitarian assistance for the detection and clearance of landmines and explosive remnants of war.".

(b) REPEAL OF SUPERSEDED AUTHORITY.—Section 401 of such title is amended—

(1) in subsection (a), by striking paragraph (4);

(2) in subsection (b)—

(A) in paragraph (1), by striking ''(1)''; and

(B) by striking paragraph (2);

(3) in subsection (c)—

(A) by striking paragraphs (2) and (3); and

(B) by redesignating paragraph (4) as paragraph (2); and

(4) in subsection (e), by striking paragraph (5).

SEC. 1052. USE OF FUNDS FOR UNIFIED COUNTERDRUG AND COUNTERTERRORISM CAMPAIGN IN COLOMBIA.

(a) AUTHORITY.—(1) In fiscal years 2005 and 2006, funds available to the Department of Defense to provide assistance to the Government of Colombia may be used by the Secretary of Defense to support a unified campaign by the Government of Colombia against narcotics trafficking and against activities by organizations designated as terrorist organizations, such as the Revolutionary Armed Forces of Colombia (FARC), the National Libera-

tion Army (ELN), and the United Self-Defense Forces of Colombia (AUC).

(2) The authority to provide assistance for a campaign under this subsection includes authority to take actions to protect human health and welfare in emergency circumstances, including the undertaking of rescue operations.

(b) APPLICABILITY OF CERTAIN LAWS AND LIMITATIONS.—The use of funds pursuant to the authority in subsection (a) shall be subject to the following:

(1) Sections 556, 567, and 568 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 2002 (Public Law 107–115; 115 Stat. 2160, 2165, and 2166).

(2) Section 8077 of the Department of Defense Appropriations Act, 2004 (Public Law 108–87; 117 Stat. 1090).

(c) NUMERICAL LIMITATION ON ASSIGNMENT OF UNITED STATES PERSONNEL.—Notwithstanding section 3204(b) of the Emergency Supplemental Act, 2000 (Division B of Public Law 106–246; 114 Stat. 575), as amended by the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 2002 (Public Law 107–115; 115 Stat. 2131), the number of United States personnel assigned to conduct activities in Colombia in

connection with support of Plan Colombia under subsection (a) in fiscal years 2005 and 2006 shall be subject to the following limitations:

(1) The number of United States military personnel assigned for temporary or permanent duty in Colombia in connection with support of Plan Colombia may not exceed 800.

(2) The number of United States individual citizens retained as contractors in Colombia in connection with support of Plan Colombia who are funded by Federal funds may not exceed 600.

(d) LIMITATION ON PARTICIPATION OF UNITED STATES PERSONNEL.—No United States Armed Forces personnel, United States civilian employees, or United States civilian contractor personnel employed by the United States may participate in any combat operation in connection with assistance using funds pursuant to the authority in subsection (a), except for the purpose of acting in self defense or of rescuing any United States citizen, including any United States Armed Forces personnel, United States civilian employee, or civilian contractor employed by the United States.

(e) RELATION TO OTHER AUTHORITY.—The authority provided by subsection (a) is in addition to any other

authority in law to provide assistance to the Government of Colombia.

(f) REPORT ON RELATIONSHIPS BETWEEN TERRORIST ORGANIZATIONS IN COLOMBIA AND FOREIGN GOVERNMENTS AND ORGANIZATIONS.—(1) Not later than 60 days after the date of the enactment of this Act, the Secretary of State shall, in consultation with the Secretary of Defense and the Director of Central Intelligence, submit to the congressional defense committees and the Committee on Foreign Relations of the Senate and the Committee on International Relations of the House of Representatives a report that describes—

(A) any relationships between foreign governments or organizations and organizations based in Colombia that have been designated as foreign terrorist organizations under United States law, including the provision of any direct or indirect assistance to such organizations; and

(B) United States policies that are designed to address such relationships.

(2) The report under paragraph (1) shall be submitted in unclassified form, but may include a classified annex.

SEC. 1053. ASSISTANCE TO IRAQ AND AFGHANISTAN MILITARY AND SECURITY FORCES.

(a) AUTHORITY.—Subject to the limitations in subsection (c), the Secretary of Defense may provide assistance in fiscal year 2005 to Iraq and Afghanistan military or security forces solely to enhance their ability to combat terrorism and support United States or coalition military operations in Iraq and Afghanistan, respectively.

(b) TYPE OF ASSISTANCE.—Assistance provided under subsection (a) may include equipment, supplies, services, and training.

(c) LIMITATIONS.—(1) The Secretary of Defense may provide assistance under this section only with the concurrence of the Secretary of State and, in any case in which section 104(e) of the National Security Act of 1947 (50 U.S.C. 403–4(e)) applies, the Director of Central Intelligence.

(2) The cost of assistance provided under this section may be paid only out of funds available to the Department of Defense for fiscal year 2005 for operation and maintenance and may not exceed $250,000,000.

(d) RELATIONSHIP TO OTHER AUTHORITY.—The authority to provide assistance under this section is in addition to any other authority to provide assistance to Iraq and Afghanistan.

(e) CONGRESSIONAL NOTIFICATION.—Not later than 15 days before providing assistance to a recipient under this section, the Secretary of Defense shall submit to the congressional defense committees a notification of the assistance proposed to be provided.

SEC. 1054. ASSIGNMENT OF NATO NAVAL PERSONNEL TO SUBMARINE SAFETY RESEARCH AND DEVELOPMENT PROGRAMS.

(a) AUTHORITY.—Chapter 631 of title 10, United States Code, is amended by inserting after the item relating to section 7205 the following new section:

"§ 7206. Submarine safety research and development: acceptance of services of NATO naval personnel

''(a) AUTHORITY.—The Secretary of the Navy may, subject to subsection (e), accept the assignment of one or more members of the navy of another member country of the North Atlantic Treaty Organization to a command of the Navy for work on the development, standardization, or interoperability of submarine vessel safety and rescue systems and procedures if the Secretary determines that doing so would facilitate the development, standardization, and interoperability of submarine vessel safety and rescue systems and procedures for the Navy, the navy of that foreign country, and any other navy involved in that work.

"(b) RECIPROCITY NOT REQUIRED.—The authority under subsection (a) is not an exchange program. Reciprocal assignments of members of the Navy to a navy of a foreign country is not a condition for the exercise of such authority.

"(c) PAYMENT OF PERSONNEL COSTS.—(1) The acceptance of a member of a navy of a foreign country under this section is subject to the condition that the government of that country pay the salary, per diem allowance, subsistence costs, travel costs, cost of language or other training, and other costs for that member in accordance with the laws and regulations of such country.

"(2) Paragraph (1) does not apply to the following costs:

"(A) The cost of temporary duty directed by the Secretary of the Navy or an officer of the Navy authorized to do so.

"(B) The cost of a training program conducted to familiarize, orient, or certify foreign naval personnel regarding unique aspects of their assignments.

"(C) Any cost incident to the use of the facilities of the Navy in the performance of assigned duties.

"(d) RELATIONSHIP TO OTHER AUTHORITY.—The provisions of this section shall apply to any other authority that the Secretary of the Navy may exercise, subject to the concurrence of the Secretary of State, to enter into an agreement with the government of a foreign country to provide for the assignment of members of the navy of that foreign country to a Navy submarine safety program. The Secretary of the Navy may prescribe regulations for the application of this section in the exercise of such authority.

"(e) TERMINATION OF AUTHORITY.—The Secretary of the Navy may not accept the assignment of a member of the navy of a foreign country under this section after September 30, 2008.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 7205 the following new item:

"7206. Submarine safety research and development: acceptance of services of NATO naval personnel.".

SEC. 1055. COMPENSATION FOR FORMER PRISONERS OF WAR.

Any plan of the Secretary of Defense to provide compensation to an individual who was injured in a military prison under the control of the United States in Iraq shall include a provision to address the injuries suffered by the

17 citizens of the United States who were held as prisoners of war by the regime of Saddam Hussein during the First Gulf War.

SEC. 1056. DRUG ERADICATION EFFORTS IN AFGHANISTAN.

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

(1) The United States engaged in military action against the Taliban-controlled Government of Afghanistan in 2001 in direct response to the Taliban's support and aid to Al Qaeda.

(2) The military action against the Taliban in Afghanistan was designed, in part, to disrupt the activities of, and financial support for, terrorists.

(3) A greater percentage of the world's opium supply is now produced in Afghanistan than before the Taliban banned the cultivation or trade of opium.

(4) In 2004, more than two years after the Taliban was forcefully removed from power, Afghanistan is supplying approximately 75 percent of the world's heroin.

(5) The estimated value of the opium harvested in Afghanistan in 2003 was $2,300,000,000.

(6) Some of the profits associated with opium harvested in Afghanistan continue to fund terrorists

and terrorist organizations, including Al Qaeda, that seek to attack the United States and United States interests.

(7) The global war on terror is and should remain our Nation's highest national security priority.

(8) United States and Coalition counterdrug efforts in Afghanistan have not yet produced significant results.

(9) There are indications of strong, direct connections between terrorism and drug trafficking.

(10) The elimination of this funding source is critical to making significant progress in the global war on terror.

(11) The President of Afghanistan, Hamid Karzai, has stated that opium production poses a significant threat to the future of Afghanistan, and has established a plan of action to deal with this threat.

(12) The United Nations Office on Drugs and Crime has reported that Afghanistan is at risk of again becoming a failed state if strong actions are not taken against narcotics.

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) the President should make the substantial reduction of drug trafficking in Afghanistan a priority in the war on terror;

(2) the Secretary of Defense should, in coordination with the Secretary of State, work to a greater extent in cooperation with the Government of Afghanistan and international organizations involved in counterdrug activities to assist in providing a secure environment for counterdrug personnel in Afghanistan; and

(3) because the trafficking of narcotics is known to support terrorist activities and contributes to the instability of the Government of Afghanistan, additional efforts should be made by the Armed Forces of the United States, in conjunction with and in support of coalition forces, to significantly reduce narcotics trafficking in Afghanistan and neighboring countries, with particular focus on those trafficking organizations with the closest links to known terrorist organizations.

(c) REPORT.—Not later than 120 days after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report that describes—

(1) progress made towards substantially reducing the poppy cultivation and heroin production capabilities in Afghanistan; and

(2) the extent to which profits from illegal drug activity in Afghanistan fund terrorist organizations and support groups that seek to undermine the Government of Afghanistan.

SEC. 1057. HUMANE TREATMENT OF DETAINEES.

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

(1) After World War II, the United States and its allies created a new international legal order based on respect for human rights. One of its fundamental tenets was a universal prohibition on torture and ill treatment.

(2) On June 26, 2003, the International Day in Support of Victims of Torture, President George W. Bush stated, ''The United States is committed to the world-wide elimination of torture and we are leading this fight by example. I call on all governments to join with the United States and the community of law-abiding nations in prohibiting, investigating, and prosecuting all acts of torture and in undertaking to prevent other cruel and unusual punishment.''.

(3) The United States is a party to the Geneva Conventions, which prohibit torture, cruel treatment, or outrages upon personal dignity, in particular, humiliating and degrading treatment, during armed conflict.

(4) The United States is a party to 2 treaties that prohibit torture and cruel, inhuman, or degrading treatment or punishment, as follows:

(A) The International Covenant on Civil and Political Rights, done at New York December 16, 1966.

(B) The Convention against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment, done at New York December 10, 1984.

(5) The United States filed reservations to the treaties described in subparagraphs (A) and (B) of paragraph (4) stating that the United States considers itself bound to prevent ''cruel, inhuman or degrading treatment or punishment'' to the extent that phrase means the cruel, unusual, and inhumane treatment or punishment prohibited by the 5th amendment, 8th amendment, or 14th amendment to the Constitution.

(6) Army Regulation 190-8 entitled ''Enemy Prisoners of War, Retained Personnel, Civilian Internees and Other Detainees'' provides that ''Inhumane treatment is a serious and punishable violation under international law and the Uniform Code of Military Justice (UCMJ).... All prisoners will receive humane treatment without regard to race, nationality, religion, political opinion, sex, or other criteria. The following acts are prohibited: murder, torture, corporal punishment, mutilation, the taking of hostages, sensory deprivation, collective punishments, execution without trial by proper authority, and all cruel and degrading treatment.... All persons will be respected as human beings. They will be protected against all acts of violence to include rape, forced prostitution, assault and theft, insults, public curiosity, bodily injury, and reprisals of any kind.... This list is not exclusive.''.

(7) The Field Manual on Intelligence Interrogation of the Department of the Army states that ''acts of violence or intimidation, including physical or mental torture, threats, insults, or exposure to inhumane treatment as a means of or an aid to interrogation'' are ''illegal''. Such Manual defines ''infliction of pain through... bondage (other than legiti-

mate use of restraints to prevent escape)'', ''forcing an individual to stand, sit, or kneel in abnormal positions for prolonged periods of time'', ''food deprivation'', and ''any form of beating'' as ''physical torture'', defines ''abnormal sleep deprivation'' as ''mental torture'', and prohibits the use of such tactics under any circumstances.

(8) The Field Manual on Intelligence Interrogation of the Department of the Army states that ''Use of torture and other illegal methods is a poor technique that yields unreliable results, may damage subsequent collection efforts, and can induce the source to say what he thinks the interrogator wants to hear. Revelation of use of torture by U.S. personnel will bring discredit upon the U.S. and its armed forces while undermining domestic and international support for the war effort. It may also place U.S. and allied personnel in enemy hands at a greater risk of abuse by their captors.''.

(b) PROHIBITION ON TORTURE OR CRUEL, INHUMAN, OR DEGRADING TREATMENT OR PUNISHMENT.—(1) No person in the custody or under the physical control of the United States shall be subject to torture or cruel, inhuman, or degrading treatment or punishment that is

prohibited by the Constitution, laws, or treaties of the United States.

(2) Nothing in this section shall affect the status of any person under the Geneva Conventions or whether any person is entitled to the protections of the Geneva Conventions.

(c) RULES, REGULATIONS, AND GUIDELINES.—(1) Not later than 180 days after the date of enactment of this Act, the Secretary shall prescribe the rules, regulations, or guidelines necessary to ensure compliance with the prohibition in subsection (b)(1) by the members of the United States Armed Forces and by any person providing services to the Department of Defense on a contract basis.

(2) The Secretary shall submit to the congressional defense committees the rules, regulations, or guidelines prescribed under paragraph (1), and any modifications to such rules, regulations, or guidelines—

(A) not later than 30 days after the effective date of such rules, regulations, guidelines, or modifications; and

(B) in a manner and form that will protect the national security interests of the United States.

(d) REPORT TO CONGRESS.—(1) The Secretary shall submit, on a timely basis and not less than twice each year, a report to Congress on the circumstances sur-

rounding any investigation of a possible violation of the prohibition in subsection (b)(1) by a member of the Armed Forces or by a person providing services to the Department of Defense on a contract basis.

(2) A report required under paragraph (1) shall be submitted in a manner and form that—

(A) will protect the national security interests of the United States; and

(B) will not prejudice any prosecution of an individual involved in, or responsible for, a violation of the prohibition in subsection (b)(1).

(e) DEFINITIONS.—In this section:

(1) The term ''cruel, inhuman, or degrading treatment or punishment'' means the cruel, unusual, and inhumane treatment or punishment prohibited by the 5th amendment, 8th amendment, or 14th amendment to the Constitution.

(2) The term ''Geneva Conventions'' means—

(A) the Convention for the Amelioration of the Condition of the Wounded and Sick in Armed Forces in the Field, done at Geneva August 12, 1949 (6 UST 3114);

(B) the Convention for the Amelioration of the Condition of the Wounded, Sick, and Shipwrecked Members of Armed Forces at Sea,

done at Geneva August 12, 1949 (6 UST 3217);

(C) the Convention Relative to the Treatment of Prisoners of War, done at Geneva August 12, 1949 (6 UST 3316); and

(D) the Convention Relative to the Protection of Civilian Persons in Time of War, done at Geneva August 12, 1949 (6 UST 3516).

(3) The term ''Secretary'' means the Secretary of Defense.

(4) The term ''torture'' has the meaning given that term in section 2340 of title 18, United States Code.

SEC. 1058. UNITED NATIONS OIL-FOR-FOOD PROGRAM.

(a) RESPONSIBILITY OF INSPECTOR GENERAL OF THE DEPARTMENT OF DEFENSE FOR SECURITY OF DOCUMENTS.—(1) The Inspector General of the Department of Defense, in cooperation with the Director of the Defense Contract Audit Agency and the Director of the Defense Contract Management Agency, shall ensure, not later than June 30, 2004, the security of all documents relevant to the United Nations Oil-for-Food Program that are in the possession or control of the Coalition Provisional Authority.

(2) The Inspector General shall—

(A) maintain copies of all such documents in the United States at the Department of Defense; and

(B) not later than August 31, 2004, deliver a complete set of all such documents to the Comptroller General of the United States.

(b) COOPERATION IN INVESTIGATIONS.—Each head of an Executive agency, including the Department of State, the Department of Defense, the Department of the Treasury, and the Central Intelligence Agency, and the Administrator of the Coalition Provisional Authority shall, upon a request in connection with an investigation of the United Nations Oil-for-Food Program made by the chairman of the Committee on Foreign Relations, the Committee on Armed Services, the Committee on the Judiciary, the Committee on Governmental Affairs, the Select Committee on Intelligence, the Permanent Subcommittee on Investigations, or other committee of the Senate with relevant jurisdiction, promptly provide to such chairman—

(1) access to any information and documents described in subsections (a) or (c) that are under the control of such agency and responsive to the request; and

(2) assistance relating to access to and utilization of such information and documents.

(c) INFORMATION FROM THE UNITED NATIONS.—(1) The Secretary of State shall use the voice and vote of the United States in the United Nations to urge the Secretary-General of the United Nations to provide the United States copies of all audits and core documents related to the United Nations Oil-for-Food Program.

(2) It is the sense of Congress that, pursuant to section 941(b)(6) of the United Nations Reform Act of 1999 (title IX of division A of H.R. 3427 of the 106th Congress, as enacted into law by section 1000(a)(7) of Public Law 106–113; 113 Stat. 1501A-480), the Comptroller General of the United States should have full and complete access to financial data relating to the United Nations, including information related to the financial transactions, organization, and activities of the United Nations Oil-for-Food Program.

(3) The Secretary of State shall facilitate the providing of access to the Comptroller General to the financial data described in paragraph (2).

(d) REVIEW OF OIL-FOR-FOOD PROGRAM BY COMPTROLLER GENERAL.—(1) The Comptroller General of the United States shall conduct a review of United States oversight of the United Nations Oil-for-Food Program. The review—

(A) in accordance with Generally Accepted Government Auditing Standards, should not interfere with any ongoing criminal investigations or inquiries related to the Oil-for-Food program; and

(B) may take into account the results of any investigations or inquiries related to the Oil-for-Food program.

(2) The head of each Executive agency shall fully cooperate with the review under this subsection.

(e) EXECUTIVE AGENCY DEFINED.—In this section, the term ''Executive agency'' has the meaning given that term in section 105 of title 5, United States Code.

SEC. 1059. SENSE OF CONGRESS ON THE GLOBAL PARTNERSHIP AGAINST THE SPREAD OF WEAPONS OF MASS DESTRUCTION.

It is the sense of Congress that the President should be commended for the steps taken at the G–8 summit at Sea Island, Georgia, on June 8–10, 2004, to demonstrate continued support for the Global Partnership against the Spread of Nuclear Weapons and Materials of Mass Destruction and to expand the Partnership by welcoming new members and using the Partnership to coordinate nonproliferation projects in Libya, Iraq, and other countries; and that the President should—

(1) expand the membership of donor nations to the Partnership;

(2) insure that Russia remains the primary partner of the Partnership while also seeking to fund through the Partnership efforts in other countries with potentially vulnerable weapons or materials;

(3) develop for the Partnership clear program goals;

(4) develop for the Partnership transparent project prioritization and planning;

(5) develop for the Partnership project implementation milestones under periodic review;

(6) develop under the Partnership agreements between partners for project implementation; and

(7) give high priority and senior-level attention to resolving disagreements on site access and worker liability under the Partnership.

SEC. 1059A. EXCEPTION TO BILATERAL AGREEMENT REQUIREMENTS FOR TRANSFERS OF DEFENSE ITEMS.

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

(1) Close defense cooperation between the United States and each of the United Kingdom and

Australia requires interoperability among the armed forces of those countries.

(2) The need for interoperability must be balanced with the need for appropriate and effective regulation of trade in defense items.

(3) The Arms Export Control Act (22 U.S.C. 2751 et seq.) authorizes the executive branch to administer arms export policies enacted by Congress in the exercise of its constitutional power to regulate commerce with foreign nations.

(4) The executive branch has exercised its authority under the Arms Export Control Act, in part, through the International Traffic in Arms Regulations.

(5) Agreements to gain exemption from the International Traffic in Arms Regulations must be submitted to Congress for review.

(b) DEFINITIONS.—In this section:

(1) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term ''appropriate congressional committees'' means—

(A) the Committee on Foreign Relations and the Committee on Armed Services of the Senate; and

(B) the Committee on International Relations and the Committee on Armed Services of the House of Representatives.

(2) DEFENSE ITEMS.—The term ''defense items'' has the meaning given the term in section 38 of the Arms Export Control Act (22 U.S.C. 2778).

(3) INTERNATIONAL TRAFFIC IN ARMS REGULATIONS.—The term ''International Traffic in Arms Regulations'' means the regulations maintained under parts 120 through 130 of title 22, Code of Federal Regulations, and any successor regulations.

(c) EXCEPTIONS FROM BILATERAL AGREEMENT REQUIREMENTS.—

(1) IN GENERAL.—Subsection (j) of section 38 of the Arms Export Control Act (22 U.S.C. 2778) is amended—

(A) by redesignating paragraph (4) as paragraph (5); and

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

''(4) EXCEPTIONS FROM BILATERAL AGREEMENT REQUIREMENTS.—

''(A) AUSTRALIA.—Subject to section 1055 of the National Defense Authorization Act for Fiscal Year 2005, the requirements for a bilat-

eral agreement described in paragraph (2)(A) shall not apply to a bilateral agreement between the United States Government and the Government of Australia with respect to transfers or changes in end use of defense items within Australia that will remain subject to the licensing requirements of this Act after such agreement enters into force.

"(B) UNITED KINGDOM.—Subject to section 1055 of the National Defense Authorization Act for Fiscal Year 2005, the requirements for a bilateral agreement described in paragraphs (1)(A)(ii), (2)(A)(i), and (2)(A)(ii) shall not apply to a bilateral agreement between the United States Government and the Government of the United Kingdom for an exemption from the licensing requirements of this Act.".

(2) CONFORMING AMENDMENT.—Paragraph (2) of such subsection is amended in the matter preceding subparagraph (A) by striking "A bilateral agreement" and inserting "Except as provided in paragraph (4), a bilateral agreement".

(d) CERTIFICATIONS.—Not later than 30 days before authorizing an exemption from the licensing requirements of the International Traffic in Arms Regulations in ac-

cordance with any bilateral agreement entered into with the United Kingdom or Australia under section 38(j) of the Arms Export Control Act (22 U.S.C. 2778(j)), as amended by subsection (c), the President shall certify to the appropriate congressional committees that such agreement—

(1) is in the national interest of the United States and will not in any way affect the goals and policy of the United States under section 1 of the Arms Export Control Act (22 U.S.C. 2751);

(2) does not adversely affect the efficacy of the International Traffic in Arms Regulations to provide consistent and adequate controls for licensed exports of United States defense items; and

(3) will not adversely affect the duties or requirements of the Secretary of State under the Arms Export Control Act.

(e) NOTIFICATION OF BILATERAL LICENSING EXEMPTIONS.—Not later than 30 days before authorizing an exemption from the licensing requirements of the International Traffic in Arms Regulations in accordance with any bilateral agreement entered into with the United Kingdom or Australia under section 38(j) of the Arms Export Control Act (22 U.S.C. 2778(j)), as amended by subsection (c), the President shall submit to the appropriate

congressional committees the text of the regulations that authorize such a licensing exemption.

(f) REPORT ON CONSULTATION ISSUES.—Not later than one year after the date of the enactment of this Act and annually thereafter for each of the following 5 years, the President shall submit to the appropriate congressional committees a report on issues raised during the previous year in consultations conducted under the terms of any bilateral agreement entered into with Australia under section 38(j) of the Arms Export Control Act, or under the terms of any bilateral agreement entered into with the United Kingdom under such section, for exemption from the licensing requirements of the Arms Export Control Act (22 U.S.C. 2751 et seq.). Each report shall contain—

(1) information on any notifications or consultations between the United States and the United Kingdom under the terms of any agreement with the United Kingdom, or between the United States and Australia under the terms of any agreement with Australia, concerning the modification, deletion, or addition of defense items on the United States Munitions List, the United Kingdom Military List, or the Australian Defense and Strategic Goods List;

(2) a list of all United Kingdom or Australia persons and entities that have been designated as

qualified persons eligible to receive United States origin defense items exempt from the licensing requirements of the Arms Export Control Act under the terms of such agreements, and listing any modification, deletion, or addition to such lists, pursuant to the requirements of any agreement with the United Kingdom or any agreement with Australia;

(3) information on consultations or steps taken pursuant to any agreement with the United Kingdom or any agreement with Australia concerning cooperation and consultation with either government on the effectiveness of the defense trade control systems of such government;

(4) information on provisions and procedures undertaken pursuant to—

(A) any agreement with the United Kingdom with respect to the handling of United States origin defense items exempt from the licensing requirements of the Arms Export Control Act by persons and entities qualified to receive such items in the United Kingdom; and

(B) any agreement with Australia with respect to the handling of United States origin defense items exempt from the licensing requirements of the Arms Export Control Act by

persons and entities qualified to receive such items in Australia;

(5) information on any new understandings, including the text of such understandings, between the United States and the United Kingdom concerning retransfer of United States origin defense items made pursuant to any agreement with the United Kingdom to gain exemption from the licensing requirements of the Arms Export Control Act;

(6) information on consultations with the Government of the United Kingdom or the Government of Australia concerning the legal enforcement of any such agreements;

(7) information on United States origin defense items with respect to which the United States has provided an exception under the Memorandum of Understanding between the United States and the United Kingdom and any agreement between the United States and Australia from the requirement for United States Government re-export consent that was not provided for under United States laws and regulations in effect on the date of the enactment of this Act; and

(8) information on any significant concerns that have arisen between the Government of Australia or

the Government of the United Kingdom and the United States Government concerning any aspect of any bilateral agreement between such country and the United States to gain exemption from the licensing requirements of the Arms Export Control Act.

(g) SPECIAL NOTIFICATIONS.—

(1) REQUIRED NOTIFICATIONS.—The Secretary of State shall notify the appropriate congressional committees not later than 90 days after receiving any credible information regarding an unauthorized end-use or diversion of United States exports of goods or services made pursuant to any agreement with a country to gain exemption from the licensing requirements of the Arms Export Control Act. The notification shall be made in a manner that is consistent with any ongoing efforts to investigate and commence civil actions or criminal investigations or prosecutions regarding such matters and may be made in classified or unclassified form.

(2) CONTENT.—The notification regarding an unauthorized end-use or diversion of goods or services under paragraph (1) shall include—

(A) a description of the goods or services;

(B) the United States origin of the good or service;

(C) the authorized recipient of the good or service;

(D) a detailed description of the unauthorized end-use or diversion, including any knowledge by the United States exporter of such unauthorized end-use or diversion;

(E) any enforcement action taken by the Government of the United States; and

(F) any enforcement action taken by the government of the recipient nation.

SEC. 1059B. REDESIGNATION AND MODIFICATION OF AUTHORITIES RELATING TO INSPECTOR GENERAL OF THE COALITION PROVISIONAL AUTHORITY.

(a) REDESIGNATION.—(1) Subsections (b) and (c)(1) of section 3001 of the Emergency Supplemental Appropriations Act for Defense and Reconstruction of Iraq and Afghanistan, 2004 (Public Law 108–106; 117 Stat. 1234; 5 U.S.C. App. 3 section 8G note) are each amended by striking ''Office of the Inspector General of the Coalition Provisional Authority'' and inserting ''Office of the Special Inspector General for Iraq Reconstruction''.

(2) Subsection (c)(1) of such section is further amended by striking ''Inspector General of the Coalition Provisional Authority'' and inserting ''Special Inspector

General for Iraq Reconstruction (in this section referred to as the 'Inspector General')''.

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

"SEC. 3001. SPECIAL INSPECTOR GENERAL FOR IRAQ RECONSTRUCTION.".

(B) The heading of title III of such Act is amended to read as follows:

"TITLE III—SPECIAL INSPECTOR GENERAL FOR IRAQ RECONSTRUCTION".

(b) CONTINUATION IN OFFICE.—The individual serving as the Inspector General of the Coalition Provisional Authority as of the date of the enactment of this Act may continue to serve in that position after that date without reappointment under paragraph (1) of section 3001(c) of the Emergency Supplemental Appropriations Act for Defense and Reconstruction of Iraq and Afghanistan, 2004, but remaining subject to removal as specified in paragraph (4) of that section.

(c) PURPOSES.—Subsection (a) of such section is amended—

(1) in paragraph (1), by striking ''of the Coalition Provisional Authority (CPA)'' and inserting ''funded with amounts appropriated or otherwise

made available to the Iraq Relief and Reconstruction Fund''; (2) in paragraph (2)(B), by striking ''fraud'' and inserting ''waste, fraud,''; and (3) in paragraph (3), by striking ''the head of the Coalition Provisional Authority'' and inserting ''the Secretary of State and the Secretary of Defense''.

(d) RESPONSIBILITIES OF ASSISTANT INSPECTOR GENERAL FOR AUDITING.—Subsection (d)(1) of such section is amended by striking ''of the Coalition Provisional Authority'' and inserting ''supported by the Iraq Relief and Reconstruction Fund''.

(e) SUPERVISION.—Such section is further amended—

(1) in subsection (e)(1), by striking ''the head of the Coalition Provisional Authority'' and inserting ''the Secretary of State and the Secretary of Defense''; (2) in subsection (h)—

(A) in paragraphs (4)(B) and (5), by striking ''head of the Coalition Provisional Authority'' and inserting ''Secretary of State''; and (B) in paragraph (5), by striking ''at the central and field locations of the Coalition Pro-

visional Authority'' and inserting ''at appropriate locations of the Department of State in Iraq'';

(3) in subsection (j)—

(A) in paragraph (1), by striking ''the head of the Coalition Provisional Authority'' and inserting ''the Secretary of State and the Secretary of Defense''; and

(B) in paragraph (2)—

(i) in subparagraph (A)—

(I) by striking ''the head of the Coalition Provisional Authority'' the first place it appears and inserting ''the Secretary of State or the Secretary of Defense''; and

(II) by striking ''the head of the Coalition Provisional Authority considers'' the second place it appears and inserting ''the Secretary of State or the Secretary of Defense, as the case may be, consider''; and

(ii) in subparagraph (B), by striking ''the head of the Coalition Provisional Authority considers'' and inserting ''the Sec-

retary of State or the Secretary of Defense, as the case may be, consider''; and

(4) in subsection (k), by striking ''the head of the Coalition Provisional Authority shall'' each place it appears and inserting ''the Secretary of State and the Secretary of Defense shall jointly''.

(f) DUTIES.—Subsection (f)(1) of such section is amended by striking ''appropriated funds by the Coalition Provisional Authority in Iraq'' and inserting ''amounts appropriated or otherwise made available to the Iraq Relief and Reconstruction Fund''.

(g) COORDINATION WITH INSPECTOR GENERAL OF DEPARTMENT OF STATE.—Subsection (f) of such section is further amended striking paragraphs (4) and (5) and inserting the following new paragraph (4):

''(4) In carrying out the duties, responsibilities, and authorities of the Inspector General under this section, the Inspector General shall coordinate with, and receive the cooperation of, each of the following:

''(A) The Inspector General of the Department of Defense.

''(B) The Inspector General of the United States Agency for International Development.

''(C) The Inspector General of the Department of State.''.

(h) POWERS AND AUTHORITIES.—Subsection (g) of such section is amended by inserting before the period the following: ‘‘, including the authorities under subsection (e) of such section’’.

(i) REPORTS.—Subsection (i) of such section is amended—

(1) in paragraph (1)—

(A) in the first sentence, by striking ‘‘and every calendar quarter thereafter,’’ and all that follows through ‘‘the Coalition Provisional Authority’’ and inserting ‘‘again on July 30, 2004, and every calendar quarter thereafter, the Inspector General shall submit to the appropriate committees of Congress a report summarizing the activities of the Inspector General and the programs and operations funded with amounts appropriated or otherwise made available to the Iraq Relief and Reconstruction Fund’’;

(B) in subparagraph (B), by striking ‘‘the Coalition Provisional Authority’’ and inserting ‘‘the Department of Defense, the Department of State, and the United States Agency for International Development, as applicable,’’;

(C) in subparagraph (E), by striking ''appropriated funds'' and inserting ''such amounts''; and

(D) in subparagraph (F), by striking ''the Coalition Provisional Authority'' and inserting ''the contracting department or agency'';

(2) in paragraph (2), by striking ''by the Coalition Provisional Authority'' and inserting ''by any department or agency of the United States Government that involves the use of amounts appropriated or otherwise made available to the Iraq Relief and Reconstruction Fund'';

(3) in paragraph (3), by striking ''June 30, 2004'' and inserting ''July 30, 2004''; and

(4) in paragraph (4), by striking ''the Coalition Provisional Authority'' and inserting ''the Department of State and of the Department of Defense''.

(j) TERMINATION.—Subsection (o) of such section is amended to read as follows:

''(o) TERMINATION.—The Office of the Inspector General shall terminate on the date that is 10 months after the date, as determined by the Secretary of State, on which 80 percent of the amounts appropriated or otherwise made available to the Iraq Relief and Reconstruction

Fund by chapter 2 of title II of this Act have been obligated.''.

SEC. 1059C. TREATMENT OF FOREIGN PRISONERS.

(a) POLICY.—(1) It is the policy of the United States to treat all foreign persons captured, detained, interned or otherwise held in the custody of the United States (hereinafter ''prisoners'') humanely and in accordance with standards that the United States would consider legal if perpetrated by the enemy against an American prisoner.

(2) It is the policy of the United States that all officials of the United States are bound both in wartime and in peacetime by the legal prohibition against torture, cruel, inhuman or degrading treatment.

(3) If there is any doubt as to whether prisoners are entitled to the protections afforded by the Geneva Conventions, such prisoners shall enjoy the protections of the Geneva Conventions until such time as their status can be determined pursuant to the procedures authorized by Army Regulation 190–8, Section 1–6.

(4) It is the policy of the United States to expeditiously prosecute cases of terrorism or other criminal acts alleged to have been committed by prisoners in the custody of the United States Armed Forces

at Guantanamo Bay, Cuba, in order to avoid the indefinite detention of prisoners, which is contrary to the legal principles and security interests of the United States.

(b) REPORTING.—The Department of Defense shall submit to the appropriate congressional committees:

(1) A quarterly report providing the number of prisoners who were denied Prisoner of War (POW) status under the Geneva Conventions and the basis for denying POW status to each such prisoner.

(2) A report setting forth—

(A) the proposed schedule for military commissions to be held at Guantanamo Bay, Cuba; and

(B) the number of individuals currently held at Guantanamo Bay, Cuba, the number of such individuals who are unlikely to face a military commission in the next six months, and the reason(s) for not bringing such individuals before a military commission.

(3) All International Committee of the Red Cross reports, completed prior to the enactment of this Act, concerning the treatment of prisoners in United States custody at Guantanamo Bay, Cuba, Iraq, and Afghanistan. Such ICRC reports should be

provided, in classified form, not later than 15 days after enactment of this Act.

(4) A report setting forth all prisoner interrogation techniques approved by officials of the United States.

(c) ANNUAL TRAINING REQUIREMENT.—The Department of Defense shall certify that all Federal employees and civilian contractors engaged in the handling and/or interrogating of prisoners have fulfilled an annual training requirement on the laws of war, the Geneva Conventions and the obligations of the United States under international humanitarian law.

Subtitle G—Other Matters

SEC. 1061. TECHNICAL AMENDMENTS RELATING TO DEFINITIONS OF GENERAL APPLICABILITY IN TITLE 10, UNITED STATES CODE.

(a) CLARIFICATION OF DEFINITION OF ''OPERATIONAL RANGE''.—Section 101(e)(3) of title 10, United States Code, is amended by striking ''Secretary of Defense'' and inserting ''Secretary of a military department''.

(b) AMENDMENTS RELATING TO DEFINITION OF CONGRESSIONAL DEFENSE COMMITTEES.—(1) Section 2215 of title 10, United States Code, is amended—

(A) in subsection (a)—

(i) by striking ''(a) CERTIFICATION REQUIRED.—''; and

(ii) by striking ''congressional committees specified in subsection (b)'' and inserting ''congressional defense committees''; and

(B) by striking subsection (b).

(2) Section 2515(d) of such title is amended—

(A) by striking ''REPORT.—(1)'' and inserting ''REPORT.—'';

(B) by striking ''congressional committees specified in paragraph (2)'' and inserting ''congressional defense committees''; and

(C) by striking paragraph (2).

(3) Section 2676(d) of such title is amended by striking ''appropriate committees of Congress'' in the first sentence and inserting ''congressional defense committees''.

SEC. 1062. TWO-YEAR EXTENSION OF AUTHORITY OF SECRETARY OF DEFENSE TO ENGAGE IN COMMERCIAL ACTIVITIES AS SECURITY FOR INTELLIGENCE COLLECTION ACTIVITIES ABROAD.

Section 431(a) of title 10, United States Code, is amended by striking ''December 31, 2004'' and inserting ''December 31, 2006''.

SEC. 1063. LIABILITY PROTECTION FOR PERSONS VOLUNTARILY PROVIDING MARITIME-RELATED SERVICES ACCEPTED BY THE NAVY.

Section 1588(d)(1) of title 10, United States Code, is amended by adding at the end the following new subparagraph:

"(F) In the case of a person aboard a sailing vessel of the Navy to engage in the training of Navy personnel or in a competition involving Navy personnel, the following provisions of law relating to claims in admiralty for damages or loss:

"(i) The Act entitled 'An Act authorizing suits against the United States in admiralty, suits for salvage services, and providing for the release of merchant vessels belonging to the United States from arrest and attachment in foreign jurisdictions, and for other purposes', approved March 9, 1920 (commonly known as the 'Suits in Admiralty Act') (46 U.S.C. App. 741 et seq.).

"(ii) The Act entitled 'An Act authorizing suits against the United States in admiralty for damage caused by and salvage services rendered to public vessels belonging to the United States, and for other purposes', approved March 3,

1925 (commonly known as the 'Public Vessels Act') (46 U.S.C. App. 781 et seq.).''.

SEC. 1064. LICENSING OF INTELLECTUAL PROPERTY.

(a) AUTHORITY.—Subchapter II of chapter 134 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 2260. Licensing of intellectual property: retention of fees

''(a) AUTHORITY.—Under regulations prescribed by the Secretary of Defense, the Secretary concerned may license trademarks, service marks, certification marks, and collective marks owned or controlled by the Secretary concerned and may retain and expend fees received from such licensing in accordance with this section.

''(b) DESIGNATED MARKS.—The Secretary concerned shall designate the trademarks, service marks, certification marks, and collective marks as to which the Secretary exercises the authority to retain licensing fees under this section.

''(c) USE OF FEES.—The Secretary concerned shall use fees retained under this section for purposes as follows:

''(1) For payment of the following costs incurred by the Secretary:

"(A) Costs of securing trademark registrations.

"(B) Costs of operating the licensing program under this section.

"(2) For morale, welfare, and recreation activities under the jurisdiction of the Secretary, to the extent (if any) that the total amount of the licensing fees available under this section for a fiscal year exceed the total amount needed for such fiscal year under paragraph (1).

"(d) AVAILABILITY.—Fees received in a fiscal year and retained under this section shall be available for obligations in such fiscal year and the following two fiscal years.

"(e) DEFINITIONS.—In this section, the terms 'trademark', 'service mark', 'certification mark', and 'collective mark' have the meanings given such terms in section 45 of the Act entitled 'An Act to provide for the registration and protection of trademarks used in commerce, to carry out the provisions of certain international conventions, and for other purposes', approved July 5, 1946 (commonly referred to as the 'Trademark Act of 1946') (15 U.S.C. 1127).".

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

"2260. Licensing of intellectual property: retention of fees.".

SEC. 1065. DELAY OF ELECTRONIC VOTING DEMONSTRATION PROJECT.

Section 1604(a) of the National Defense Authorization Act for Fiscal Year 2002 (Public Law 107–107; 115 Stat. 1277; 42 U.S.C. 1973ff note) is amended—

(1) in paragraph (1), by striking "2002" and inserting "2006"; and

(2) in paragraph (2)—

(A) by striking "2002" and inserting "2006"; and

(B) by striking "2004" and inserting "2008".

SEC. 1066. WAR RISK INSURANCE FOR MERCHANT MARINE VESSELS.

(a) EXTENSION OF AUTHORITY.—Section 1214 of the Merchant Marine Act, 1936 (46 U.S.C. App. 1294) is amended by striking "June 30, 2005" and inserting "December 31, 2008".

(b) INVESTMENT OF FUNDS EXCESS TO SHORT-TERM NEEDS.—Section 1208 of such Act (46 U.S.C. App. 1288) is amended—

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

(2) in subsection (a), by striking ''Upon the request of the Secretary of Transportation,'' and all that follows and inserting the following:

''(b)(1) The Secretary of Transportation may request the Secretary of the Treasury to invest such portion of the insurance fund under subsection (a) as is not, in the judgment of the Secretary of Transportation, required to meet the current needs of the fund. The Secretary of the Treasury may make the requested investments.

''(2) Investments under paragraph (1) shall be made in public debt securities of the United States that—

''(A) mature at times suitable to the needs of the insurance fund; and

''(B) bear interest rates determined by the Secretary of the Treasury, taking into consideration current market yields on outstanding marketable obligations of the United States of comparable maturity.

''(3) The interest and benefits accruing from securities under this subsection shall be deposited to the credit of the insurance fund.''.

SEC. 1067. REPEAL OF QUARTERLY REPORTING REQUIREMENT CONCERNING PAYMENTS FOR DISTRICT OF COLUMBIA WATER AND SEWER SERVICES AND ESTABLISHMENT OF ANNUAL REPORT BY TREASURY.

(a) WATER AND WATER SERVICE SUPPLIED FOR THE USE OF THE GOVERNMENT OF THE UNITED STATES.—Section 106(b)(5) of the District of Columbia Public Works Act of 1954 (sec. 34–2401.25(b), D.C. Official Code), as amended by section 401 of the Miscellaneous Appropriations Act, 2001 (as enacted by reference in section 1(a)(4) of the Consolidated Appropriations Act, 2001), is amended to read as follows:

''(5) Not later than the 15th day of the month following the beginning of the fiscal year (beginning with fiscal year 2005), the Secretary of the Treasury with respect to each Federal department, establishment, or agency receiving water services from the District of Columbia shall submit a report to the Committee on Government Reform of the House of Representatives, the Committee on Governmental Affairs of the Senate, and the Committees on Appropriations of the House of Representatives and Senate analyzing the promptness of payment with respect to the services furnished to such department, establishment, or agency.''.

(b) SANITARY SEWER SERVICE CHARGES FOR UNITED STATES GOVERNMENT.—Section 212(b)(5) of the District of Columbia Public Works Act of 1954 (sec. 34–2112(b), D.C. Official Code), as amended by section 401 of the Miscellaneous Appropriations Act, 2001 (as enacted by reference in section 1(a)(4) of the Consolidated Appropriations Act, 2001), is amended to read as follows:

''(5) Not later than the 15th day of the month following the beginning of the fiscal year (beginning with fiscal year 2005), the Secretary of the Treasury with respect to each Federal department, establishment, or agency receiving sanitary sewer services from the District of Columbia shall submit a report to the Committee on Government Reform of the House of Representatives, the Committee on Governmental Affairs of the Senate, and the Committees on Appropriations of the House of Representatives and Senate analyzing the promptness of payment with respect to the services furnished to such department, establishment, or agency.''.

SEC. 1068. RECEIPT OF PAY BY RESERVES FROM CIVILIAN EMPLOYERS WHILE ON ACTIVE DUTY IN CONNECTION WITH A CONTINGENCY OPERATION.

Section 209 of title 18, United States Code, is amended by adding at the end the following new subsection:

"(h) This section does not prohibit a member of the reserve components of the armed forces on active duty pursuant to a call or order to active duty under a provision of law referred to in section 101(a)(13) of title 10 from receiving from any person that employed such member before the call or order to active duty any payment of any part of the salary or wages that such person would have paid the member if the member's employment had not been interrupted by such call or order to active duty.".

SEC. 1069. PROTECTION OF ARMED FORCES PERSONNEL FROM RETALIATORY ACTIONS FOR COMMUNICATIONS MADE THROUGH THE CHAIN OF COMMAND.

(a) PROTECTED COMMUNICATIONS.—Section 1034(b)(1)(B) of title 10, United States Code, is amended—

(1) by striking "or" at the end of clause (iii)"; and

(2) by striking clause (iv) and inserting the following:

"(iv) any person or organization in the chain of command; or

"(v) any other person or organization designated pursuant to regulations or other estab-

lished administrative procedures for such communications.''.

(b) EFFECTIVE DATE AND APPLICABILITY.—This section and the amendments made by this section shall take effect on the date of the enactment of this Act and shall apply with respect to any unfavorable personnel action taken or threatened, and any withholding of or threat to withhold a favorable personnel action, on or after that date.

SEC. 1070. MISSILE DEFENSE COOPERATION.

(a) DEPARTMENT OF STATE PROCEDURES FOR EXPEDITED REVIEW OF LICENSES FOR THE TRANSFER OF DEFENSE ITEMS RELATED TO MISSILE DEFENSE.—

(1) EXPEDITED PROCEDURES.—The Secretary of State shall, in consultation with the Secretary of Defense, establish procedures for considering technical assistance agreements and related amendments and munitions license applications for the export of defense items related to missile defense not later than 30 days after receiving such agreements, amendments, and munitions license applications, except in cases in which the Secretary of State determines that additional time is required to complete a review of a technical assistance agreement or related amendment or a munitions license application for

foreign policy or national security reasons, including concerns regarding the proliferation of ballistic missile technology.

(2) STUDY ON COMPREHENSIVE AUTHORIZATIONS FOR MISSILE DEFENSE.—The Secretary of State shall, in consultation with the Secretary of Defense, examine the feasibility of providing major project authorizations for programs related to missile defense similar to the comprehensive export authorization specified in section 126.14 of the International Traffic in Arms Regulations (section 126.14 of title 22, Code of Federal Regulations).

(3) REPORT.—Not later than 180 days after the date of the enactment of this Act, the Secretary of State shall, in consultation with the Secretary of Defense, submit to the Committee on Foreign Relations and the Committee on Armed Services of the Senate and the Committee on International Relations and the Committee on Armed Services of the House of Representatives a report on—

(A) the implementation of the expedited procedures required under paragraph (1); and

(B) the feasibility of providing the major project authorization for projects related to missile defense described in paragraph (2).

(b) DEPARTMENT OF DEFENSE PROCEDURES FOR EXPEDITED REVIEW OF LICENSES FOR THE TRANSFER OF DEFENSE ITEMS RELATED TO MISSILE DEFENSE.—

(1) PROCEDURES.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall, in consultation with the Secretary of State, prescribe procedures to increase the efficiency and transparency of the practices used by the Department of Defense to review technical assistance agreements and related amendments and munitions license applications related to international cooperation on missile defense that are referred to the Department.

(2) REPORT.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense, in consultation with the Secretary of State, shall submit to the Committee on Armed Services and the Committee on Foreign Relations of the Senate and the Committee on Armed Services and the Committee on International Relations of the House of Representatives a report—

(A) describing actions taken by the Secretary of Defense to coordinate with the Secretary of State the establishment of the expe-

dited review process described in subsection (a)(1);

(B) identifying key defense items related to missile defense that are suitable for comprehensive licensing procedures; and

(C) describing the procedures prescribed pursuant to paragraph (1).

(c) DEFINITION OF DEFENSE ITEMS.—In this section, the term ''defense items'' has the meaning given that term in section 38(j)(4)(A) of the Arms Export Control Act (22 U.S.C. 2778(j)(4)(A)).

SEC. 1071. POLICY ON NONPROLIFERATION OF BALLISTIC MISSILES.

(a) POLICY.—It is the policy of the United States to develop, support, and strengthen international accords and other cooperative efforts to curtail the proliferation of ballistic missiles and related technologies which could threaten the territory of the United States, allies and friends of the United States, and deployed members of the Armed Forces of the United States with weapons of mass destruction.

(b) SENSE OF CONGRESS.—(1) Congress makes the following findings:

(A) Certain countries are seeking to acquire ballistic missiles and related technologies that could

be used to attack the United States or place at risk United States interests, forward-deployed members of the Armed Forces, and allies and friends of the United States.

(B) Certain countries continue to actively transfer or sell ballistic missile technologies in contravention of standards of behavior established by the United States and allies and friends of the United States.

(C) The spread of ballistic missiles and related technologies worldwide has been slowed by a combination of national and international export controls, forward-looking diplomacy, and multilateral interdiction activities to restrict the development and transfer of such weapons and technologies.

(2) It is the sense of Congress that—

(A) the United States should vigorously pursue foreign policy initiatives aimed at eliminating, reducing, or retarding the proliferation of ballistic missiles and related technologies; and

(B) the United States and the international community should continue to support and strengthen established international accords and other cooperative efforts, including United Nations Security Council Resolution 1540 and the Missile Technology

Control Regime, that are designed to eliminate, reduce, or retard the proliferation of ballistic missiles and related technologies.

SEC. 1072. REIMBURSEMENT FOR CERTAIN PROTECTIVE, SAFETY, OR HEALTH EQUIPMENT PURCHASED BY OR FOR MEMBERS OF THE ARMED FORCES FOR DEPLOYMENT IN OPERATIONS IN IRAQ AND CENTRAL ASIA.

(a) REIMBURSEMENT REQUIRED.—(1) Subject to subsections (c) and (d), the Secretary of Defense shall reimburse a member of the Armed Forces, or a person or entity referred to in paragraph (2), for the cost (including shipping cost) of any protective, safety, or health equipment that was purchased by such member, or such person or entity on behalf of such member, before or during the deployment of such member in Operation Noble Eagle, Operation Enduring Freedom, or Operation Iraqi Freedom for the use of such member in connection with such operation if the unit commander of such member certifies that such equipment was critical to the protection, safety, or health of such member.

(2) A person or entity referred to in this paragraph is a family member or relative of a member of the Armed Forces, a non-profit organization, or a community group.

(b) COVERED PROTECTIVE, SAFETY, AND HEALTH EQUIPMENT.—(1) Subject to paragraph (2), protective, safety, and health equipment for which reimbursement shall be made under subsection (a) shall include personal body armor, collective armor or protective equipment (including armor or protective equipment for high mobility multi-purpose wheeled vehicles), and items provided through the Rapid Fielding Initiative of the Army such as the advanced (on-the-move) hydration system, the advanced combat helmet, the close combat optics system, a Global Positioning System (GPS) receiver, and a soldier intercommunication device.

(2) Non-military equipment may be treated as protective, safety, and health equipment for purposes of paragraph (1) only if such equipment provides protection, safety, or health benefits, as the case may be, such as would be provided by equipment meeting military specifications.

(c) LIMITATIONS REGARDING DATE OF PURCHASE OF EQUIPMENT.—(1) In the case of armor or protective equipment for high mobility multi-purpose wheeled vehicles (known as HUMVEEs), reimbursement shall be made under subsection (a) only for armor or equipment purchased during the period beginning on September 11, 2001, and ending on July 31, 2004 or any date thereafter as determined by the Secretary of Defense.

(2) In the case of any other protective, safety, and health equipment, reimbursement shall be made under subsection (a) only for equipment purchased during the period beginning on September 11, 2001, and ending on December 31, 2003 or any date thereafter as determined by the Secretary of Defense.

(d) LIMITATION REGARDING AMOUNT OF REIMBURSEMENT.—The aggregate amount of reimbursement provided under subsection (a) for any protective, safety, and health equipment purchased by or on behalf of any given member of the Armed Forces may not exceed the lesser of—

(1) the cost of such equipment (including shipping cost); or

(2) $1,100.

(e) OWNERSHIP OF EQUIPMENT.—The Secretary may provide, in regulations prescribed by the Secretary, that the United States shall assume title or ownership of any protective, safety, or health equipment for which reimbursement is provided under subsection (a).

(f) FUNDING.—Amounts for reimbursements under subsection (a) shall be derived from any amounts authorized to be appropriated by this Act.

SEC. 1073. PRESERVATION OF SEARCH AND RESCUE CAPABILITIES OF THE FEDERAL GOVERNMENT.

The Secretary of Defense may not reduce or eliminate search and rescue capabilities at any military installation in the United States unless the Secretary first certifies to the Committees on Armed Services of the Senate and the House of Representatives that equivalent search and rescue capabilities will be provided, without interruption and consistent with the policies and objectives set forth in the United States National Search and Rescue Plan entered into force on January 1, 1999, by—

(1) the Department of Interior, the Department of Commerce, the Department of Homeland Security, the Department of Transportation, the Federal Communications Commission, or the National Aeronautics and Space Administration; or

(2) the Department of Defense, either directly or through a Department of Defense contract with an emergency medical service provider or other private entity to provide such capabilities.

SEC. 1074. GRANT OF FEDERAL CHARTER TO KOREAN WAR VETERANS ASSOCIATION, INCORPORATED.

(a) GRANT OF CHARTER.—Part B of subtitle II of title 36, United States Code, is amended—

(1) by striking the following:

"CHAPTER 1201—[RESERVED]"; and

(2) by inserting the following:

"CHAPTER 1201—KOREAN WAR VETERANS 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.

"§ 120101. Organization

"(a) FEDERAL CHARTER.—Korean War Veterans Association, Incorporated (in this chapter, the 'corporation'), incorporated in the State of New York, is a federally chartered corporation.

"(b) EXPIRATION OF CHARTER.—If the corporation does not comply with the provisions of this chapter, the charter granted by subsection (a) expires.

"§ 120102. Purposes

"The purposes of the corporation are as provided in its articles of incorporation and include—

"(1) organizing, promoting, and maintaining for benevolent and charitable purposes an association of persons who have seen honorable service in

the Armed Forces during the Korean War, and of certain other persons;

''(2) providing a means of contact and communication among members of the corporation;

''(3) promoting the establishment of, and establishing, war and other memorials commemorative of persons who served in the Armed Forces during the Korean War; and

''(4) aiding needy members of the corporation, their wives and children, and the widows and children of persons who were members of the corporation at the time of their death.

''§ 120103. Membership

''Eligibility for membership in the corporation, and the rights and privileges of members of the corporation, are as provided in the bylaws of the corporation.

''§ 120104. Governing body

''(a) BOARD OF DIRECTORS.—The board of directors of the corporation, and the responsibilities of the board of directors, are as provided in the articles of incorporation of the corporation.

''(b) OFFICERS.—The officers of the corporation, and the election of the officers of the corporation, are as provided in the articles of incorporation.

"§ 120105. Powers

''The corporation has only the powers provided in its bylaws and articles of incorporation filed in each State in which it is incorporated.

"§ 120106. Restrictions

''(a) STOCK AND DIVIDENDS.—The corporation may not issue stock or declare or pay a dividend.

''(b) POLITICAL ACTIVITIES.—The corporation, or a director or officer of the corporation as such, may not contribute to, support, or participate in any political activity or in any manner attempt to influence legislation.

''(c) LOAN.—The corporation may not make a loan to a director, officer, or employee of the corporation.

''(d) CLAIM OF GOVERNMENTAL APPROVAL OR AUTHORITY.—The corporation may not claim congressional approval, or the authority of the United States, for any of its activities.

"§ 120107. Duty to maintain corporate and tax-exempt status

''(a) CORPORATE STATUS.—The corporation shall maintain its status as a corporation incorporated under the laws of the State of New York.

''(b) TAX-EXEMPT STATUS.—The corporation shall maintain its status as an organization exempt from taxation under the Internal Revenue Code of 1986 (26 U.S.C. 1 et seq.).

"§ 120108. Records and inspection

''(a) RECORDS.—The corporation shall keep—

''(1) correct and complete records of account;

''(2) minutes of the proceedings of its members, board of directors, and committees having any of the authority of its board of directors; and

''(3) at its principal office, a record of the names and addresses of its members entitled to vote on matters relating to the corporation.

''(b) INSPECTION.—A member entitled to vote on matters relating to the corporation, or an agent or attorney of the member, may inspect the records of the corporation for any proper purpose, at any reasonable time.

"§ 120109. Service of process

''The corporation shall have a designated agent in the District of Columbia to receive service of process for the corporation. Notice to or service on the agent is notice to or service on the Corporation.

"§ 120110. Liability for acts of officers and agents

''The corporation is liable for the acts of its officers and agents acting within the scope of their authority.

"§ 120111. Annual report

''The corporation shall submit an annual report to Congress on the activities of the corporation during the preceding fiscal year. The report shall be submitted at the same time as the report of the audit required by section

10101 of this title. The report may not be printed as a public document.''.

(b) CLERICAL AMENDMENT.—The table of chapters at the beginning of subtitle II of title 36, United States Code, is amended by striking the item relating to chapter 1201 and inserting the following new item:

''1201. Korean War Veterans Association, Incorporated .....120101''.

SEC. 1075. COORDINATION OF USERRA WITH THE INTERNAL REVENUE CODE OF 1986.

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

(1) Employers of reservists called up for active duty are required to treat them as if they are on a leave of absence or furlough under the Uniformed Services Employment and Reemployment Rights Act of 1994 (in this section referred to as ''USERRA'').

(2) USERRA does not require employers to pay reservists who are on active duty, but many employers pay the reservists the difference between their military stipends and their regular salaries. Some employers provide this ''differential pay'' for up to 3 years.

(3) For employee convenience, many of these employers also allow deductions from the differential payments for contributions to employer-provided retirement savings plans.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the Internal Revenue Service should, to the extent it is able within its authority, provide guidance consistent with the goal of promoting and ensuring the validity of voluntary differential pay arrangements, benefits payments, and contributions to retirement savings plans related thereto.

SEC. 1076. AERIAL FIREFIGHTING EQUIPMENT.

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

(1) The National Interagency Fire Center does not possess an adequate number of aircraft for use in aerial firefighting and personnel at the Center rely on military aircraft to provide such firefighting services.

(2) It is in the national security interest of the United States for the National Interagency Fire Center to purchase aircraft for use in aerial firefighting so that military aircraft used for aerial firefighting may be available for use by the Armed Forces.

(b) AUTHORITY TO PURCHASE AERIAL FIREFIGHTING EQUIPMENT.—(1) The Secretary of Agriculture is authorized to purchase 10 aircraft, as described in para-

graph (2), for the National Interagency Fire Center for use in aerial firefighting.

(2) The aircraft referred to in paragraph (1) shall be—

(A) aircraft that are specifically designed and built for aerial firefighting;

(B) certified by the Administrator of the Federal Aviation Administration for use in aerial firefighting; and

(C) manufactured in a manner that is consistent with the recommendations for aircraft used in aerial firefighting contained in—

(i) the Blue Ribbon Panel Report to the Chief of the Forest Service and the Director of the Bureau of Land Management dated December 2002; and

(ii) the Safety Recommendation of the Chairman of the National Transportation Safety Board related to aircraft used in aerial firefighting dated April 23, 2004.

(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Secretary of Agriculture for fiscal year 2005 such funds as may be necessary to purchase the 10 aircraft described in subsection (b).

SEC. 1077. SENSE OF SENATE ON AMERICAN FORCES RADIO AND TELEVISION SERVICE.

(a) FINDINGS.—The Senate makes the following findings:

(1) It is the mission of the American Forces Radio and Television Service to provide United States military commanders overseas and at sea with a broadcast media resource to effectively communicate Department of Defense, Service-unique, theater, and local command information to personnel under their commands and to provide United States military members, Department of Defense civilians, and their families stationed outside the continental United States and at sea with the same type and quality of American radio and television news, information, sports, and entertainment that would be available to them if they were in the continental United States.

(2) Key principles of American Forces Radio and Television Service broadcasting policy, as outlined in Department of Defense Regulation 5120.20R, are to ensure political programming characterized by fairness and balance and to provide a free flow of political programming from United States commercial and public networks without manipulation or censorship of any news content to the

men and women of the Armed Forces and their dependents.

(3) The stated policy of the American Forces Radio and Television Service is to select programming that represents a cross-section of popular American radio and television offerings and to emulate stateside scheduling and programming seen and heard in the United States.

(4) It is the policy of American Forces Radio and Television Service to select news and public affairs programs for airing that provide balance and diversity from available nationally recognized program sources, including broadcast and cable networks, Headquarters, American Forces Radio and Television Service, the military departments, and other government or public service agencies.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the mission statement and policies of the American Forces Radio and Television Service appropriately state the goal of maintaining equal opportunity balance with respect to political programming and that the Secretary of Defense should therefore ensure that these policies are fully being implemented by developing appropriate methods of oversight to ensure presentation of all sides of important public questions with the fairness and

balance envisioned by the Department of Defense throughout the American Forces Radio and Television Service system.

SEC. 1078. SENSE OF CONGRESS ON AMERICA'S NATIONAL WORLD WAR I MUSEUM.

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

(1) The Liberty Memorial Museum in Kansas City, Missouri, was built in 1926 in honor of those individuals who served in World War I in defense of liberty and the Nation.

(2) The Liberty Memorial Association, a nonprofit organization which originally built the Liberty Memorial Museum, is responsible for the finances, operations, and collections management of the Liberty Memorial Museum.

(3) The Liberty Memorial Museum is the only public museum in the Nation that exists for the exclusive purpose of interpreting the experiences of the United States and its allies in the World War I years (1914–1918), both on the battlefield and on the home front.

(4) The Liberty Memorial Museum project began after the 1918 Armistice through the efforts of a large-scale, grass-roots civic and fundraising ef-

fort by the citizens and veterans of the Kansas City metropolitan area. After the conclusion of a national architectural design competition, ground was broken in 1921, construction began in 1923, and the Liberty Memorial Museum was opened to the public in 1926.

(5) In 1994, the Liberty Memorial Museum closed for a massive restoration and expansion project. The restored museum reopened to the public on Memorial Day, 2002, during a gala rededication ceremony.

(6) Exhibits prepared for the original museum buildings presaged the dramatic, underground expansion of core exhibition gallery space, with over 30,000 square feet of new interpretive and educational exhibits currently in development. The new exhibits, along with an expanded research library and archives, will more fully utilize the many thousands of historical objects, books, maps, posters, photographs, diaries, letters, and reminiscences of World War I participants that are preserved for posterity in the Liberty Memorial Museum's collections. The new core exhibition is scheduled to open on Veterans Day, 2006.

(7) The City of Kansas City, the State of Missouri, and thousands of private donors and philanthropic foundations have contributed millions of dollars to build and later to restore this national treasure. The Liberty Memorial Museum continues to receive the strong support of residents from the States of Missouri and Kansas and across the Nation.

(8) Since the restoration and rededication of 2002, the Liberty Memorial Museum has attracted thousands of visitors from across the United States and many foreign countries.

(9) There remains a need to preserve in a museum setting evidence of the honor, courage, patriotism, and sacrifice of those Americans who offered their services and who gave their lives in defense of liberty during World War I, evidence of the roles of women and African Americans during World War I, and evidence of other relevant subjects.

(10) The Liberty Memorial Museum seeks to educate a diverse group of audiences through its comprehensive collection of historical materials, emphasizing eyewitness accounts of the participants on the battlefield and the home front and the impact of World War I on individuals, then and now. The Lib-

erty Memorial Museum continues to actively acquire and preserve such materials.

(11) A great opportunity exists to use the invaluable resources of the Liberty Memorial Museum to teach the ''Lessons of Liberty'' to the Nation's schoolchildren through on-site visits, classroom curriculum development, distance learning, and other educational initiatives.

(12) The Liberty Memorial Museum should always be the Nation's museum of the national experience in the World War I years (1914–1918), where people go to learn about this critical period and where the Nation's history of this monumental struggle will be preserved so that generations of the 21st century may understand the role played by the United States in the preservation and advancement of democracy, freedom, and liberty in the early 20th century.

(13) This initiative to recognize and preserve the history of the Nation's sacrifices in World War I will take on added significance as the Nation approaches the centennial observance of this event.

(14) It is fitting and proper to refer to the Liberty Memorial Museum as ''America's National World War I Museum''.

(b) SENSE OF CONGRESS.—Congress—

(1) recognizes the Liberty Memorial Museum in Kansas City, Missouri, including the museum's future and expanded exhibits, collections, library, archives, and educational programs, as ''America's National World War I Museum'';

(2) recognizes that the continuing collection, preservation, and interpretation of the historical objects and other historical materials held by the Liberty Memorial Museum enhance the knowledge and understanding of the Nation's people of the American and allied experience during the World War I years (1914–1918), both on the battlefield and on the home front;

(3) commends the ongoing development and visibility of ''Lessons of Liberty'' educational outreach programs for teachers and students throughout the Nation; and

(4) encourages the need for present generations to understand the magnitude of World War I, how it shaped the Nation, other countries, and later world events, and how the sacrifices made then helped preserve liberty, democracy, and other founding principles for generations to come.

SEC. 1079. REDUCTION OF BARRIERS FOR HISPANIC-SERVING INSTITUTIONS IN DEFENSE CONTRACTS, DEFENSE RESEARCH PROGRAMS, AND OTHER MINORITY-RELATED DEFENSE PROGRAMS.

Section 502(a)(5)(C) of the Higher Education Act of 1965 (20 U.S.C. 1101a(a)(5)(C)) is amended by inserting before the period the following: ", which assurances—

"(i) may employ statistical extrapolation using appropriate data from the Bureau of the Census or other appropriate Federal or State sources; and

"(ii) the Secretary shall consider as meeting the requirements of this subparagraph, unless the Secretary determines, based on a preponderance of the evidence, that the assurances do not meet the requirements".

SEC. 1080. EXTENSION OF SCOPE AND JURISDICTION FOR CURRENT FRAUD OFFENSES.

(a) STATEMENTS OR ENTRIES GENERALLY.—Section 1001 of title 18, United States Code, is amended by adding at the end the following:

"(d) JURISDICTION.—There is extraterritorial Federal jurisdiction over an offense under this section.

"(e) PROSECUTION.—A prosecution for an offense under this section may be brought—

"(1) in accordance with chapter 211 of this title; or

"(2) in any district where any act in furtherance of the offense took place.".

(b) MAJOR FRAUD AGAINST THE UNITED STATES.—Section 1031 of title 18, United States Code, is amended by adding at the end the following:

"(i) JURISDICTION.—There is extraterritorial Federal jurisdiction over an offense under this section.

"(j) PROSECUTION.—A prosecution for an offense under this section may be brought—

"(1) in accordance with chapter 211 of this title;

"(2) in any district where any act in furtherance of the offense took place; or

"(3) in any district where any party to the contract or provider of goods or services is located.".

SEC. 1081. CONTRACTOR ACCOUNTABILITY.

Section 3267(1)(A) of title 18, United States Code, is amended to read as follows:

"(A) employed as—

"(i) a civilian employee of—

"(I) the Department of Defense (including a nonappropriated fund instrumentality of the Department); or

"(II) any other Federal agency, or any provisional authority, to the extent such employment relates to supporting the mission of the Department of Defense overseas;

"(ii) a contractor (including a subcontractor at any tier) of—

"(I) the Department of Defense (including a nonappropriated fund instrumentality of the Department); or

"(II) any other Federal agency, or any provisional authority, to the extent such employment relates to supporting the mission of the Department of Defense overseas; or

"(iii) an employee of a contractor (or subcontractor at any tier) of—

"(I) the Department of Defense (including a nonappropriated fund instrumentality of the Department); or

"(II) any other Federal agency, or any provisional authority, to the

extent such employment relates to supporting the mission of the Department of Defense overseas;''.

SEC. 1082. DEFINITION OF UNITED STATES.

Section 2340(3) of title 18, United States Code, is amended to read as follows:

''(3) 'United States' means the several States of the United States, the District of Columbia, and the commonwealths, territories, and possessions of the United States.''.

SEC. 1083. MENTOR-PROTEGE PILOT PROGRAM.

Section 831(m)(2) of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510; 10 U.S.C. 2302 note) is amended—

(1) in subparagraph (D), by striking ''or'' at the end;

(2) in subparagraph (E), by striking the period at the end and inserting a semicolon; and

(3) by adding at the end the following:

''(F) a small business concern owned and controlled by service–disabled veterans (as defined in section 8(d)(3) of the Small Business Act); and

"(G) a qualified HUBZone small business concern (as defined in section 3(p) of the Small Business Act).".

SEC. 1084. BROADCAST DECENCY ENFORCEMENT ACT OF 2004.

(a) SHORT TITLE.—This section may be cited as the "Broadcast Decency Enforcement Act of 2004".

(b) PURPOSE.—The purpose of this section is to increase the Federal Communications Commission's (FCC) authority to fine for indecent broadcasts and prevent further relaxation of the media ownership rules in order to stem the rise of indecent programming.

(c) FINDINGS.—The Congress makes the following findings:

(1) Since 1996 there has been significant consolidation in the media industry, including:

(A) RADIO.—Clear Channel Communications went from owning 43 radio stations prior to 1996 to over 1,200 as of January 2003; Cumulus Broadcasting, Inc. was established in 1997 and owned 266 stations as of December 2003, making it the second-largest radio ownership company in the country; and Infinity Broadcasting Corporation went from owning 43

radio stations prior to 1996 to over 185 stations as of June 2004;

(B) TELEVISION.—Viacom/CBS's national ownership of television stations increased from 31.53 percent of United States television households prior to 1996 to 38.9 percent in 2004; GE/NBC's national ownership of television stations increased from 24.65 percent prior to 1996 to 33.56 percent in 2004; News Corp./Fox's national ownership of television stations increased from 22.05 percent prior to 1996 to 37.7 percent in 2004;

(C) MEDIA MERGERS.—In 2000, Viacom merged with CBS and UPN; in 2002, GE/NBC merged with Telemundo Communications, Inc. and in 2004 with Vivendi Universal Entertainment; in 2003 News Corp./Fox acquired a controlling interest in DirecTV; in 2000, Time Warner, Inc. merged with America Online.

(2) Over the same period that there has been significant consolidation in the media industry, the number of indecency complaints also has increased dramatically. The largest owners of television and radio broadcast holdings have received the greatest

number of indecency complaints and the largest fines, including:

(A) Over 80 percent of the fines proposed by the Federal Communications Commission for indecent broadcasts were against stations owned by two of the top three radio companies. The top radio company alone accounts for over two-thirds of the fines proposed by the FCC;

(B) Two of the largest fines proposed by the FCC were against two of the top three radio companies;

(C) In 2004, the FCC received over 500,000 indecency complaints in response to the Superbowl Halftime show aired on CBS and produced by MTV, both of which are owned by Viacom. This is the largest number of complaints ever received by the FCC for a single broadcast;

(D) The number of indecency complaints increased from 111 in 2000 to 240,350 in 2003;

(3) Media conglomerates do not consider or reflect local community standards.

(A) The FCC has no record of a television station owned by one of the big four networks

(Viacom/CBS, Disney/ABC, News Corp./Fox or GE/NBC) pre-empting national programming for failing to meet community standards;

(B) FCC records show that non-network owned stations have often rejected national network programming found to be indecent and offensive to local community standards;

(C) A letter from an owned and operated station manager to a viewer stated that programming decisions are made by network headquarters and not the local owned and operated television station management;

(D) The Parents Television Council has found that the ''losers'' of network ownership ''are the local communities whose standards of decency are being ignored;''

(4) The Senate Commerce Committee has found that the current fines do not deter indecent broadcast because they are merely the cost of doing business for large media companies. Therefore, in order to prevent the continued rise of indecency violations, the FCC's authority for indecency fines should be increased and further media consolidation should be prevented.

(d) INCREASE IN PENALTIES FOR OBSCENE, INDECENT, AND PROFANE BROADCAST.—Section 503(b)(2) of the Communications Act of 1934 (47 U.S.C. 503(b)(2)) is amended.—

(1) by redesignating subparagraphs (C) and (D) as subparagraphs (D) and (E), respectively;

(2) by inserting after subparagraph (B) the following new subparagraph:

''(C) Notwithstanding subparagraph (A), if the violator is—

''(i)(I) a broadcast station licensee or permittee; or

''(II) an applicant for any broadcast license, permit, certificate, or other instrument or authorization issued by the Commission; and

''(ii) determined by the Commission under paragraph (1) to have broadcast obscene, indecent, or profane language, the amount of any forfeiture penalty determined under this subsection shall not exceed $275,000 for each violation or each day of a continuing violation, except that the amount assessed for any continuing violation shall not exceed a total of $3,000,000 for any single act or failure to act.''; and

(3) in subparagraph (D), as redesignated by paragraph (1), by striking ''subparagraph (A) or (B)'' and inserting ''subparagraph (A), (B), or (C)''.

(e) NEW BROADCAST MEDIA OWNERSHIP RULES SUSPENDED.—

(1) SUSPENSION.—Subject to the provisions of paragraphs(d)(2), the broadcast media ownership rules adopted by the Federal Communications Commission on June 2, 2003, pursuant to its proceeding on broadcast media ownership rules, Report and Order FCC–03–127, published at 68 FR 46286, August 5, 2003, shall be invalid and without legal effect.

(2) CLARIFICATION.—The provisions of paragraph (1) shall not supersede the amendments made by section 629 of the Miscellaneous Appropriations and Offsets Act, 2004 (Public Law 108–199).

(f) ADDITIONAL FACTORS IN INDECENCY PENALTIES; EXCEPTION.—Section 503(b)(2) of the Communications Act of 1934 (47 U.S.C. 503(b)(2)), is further amended by adding at the end the following:

''(F) In the case of a violation in which the violator is determined by the Commission under paragraph (1) to have uttered obscene, indecent, or profane material, the Commission shall take into account, in addition to the

matters described in subparagraph (E), the following factors with respect to the degree of culpability of the violator:

"(i) Whether the material uttered by the violator was live or recorded, scripted or unscripted.

"(ii) Whether the violator had a reasonable opportunity to review recorded or scripted programming or had a reasonable basis to believe live or unscripted programming would contain obscene, indecent, or profane material.

"(iii) If the violator originated live or unscripted programming, whether a time delay blocking mechanism was implemented for the programming.

"(iv) The size of the viewing or listening audience of the programming.

"(v) Whether the obscene incident or profane language was within live programming not produced by the station licensee or permitee.

"(vi) The size of the market.

"(vii) Whether the violation occurred during a children's television program (as such term is used in the Children's Television Programming Policy referenced in section 73.4050(c) of the Commission's regulations (47 C.F.R. 73.4050(c)) or during a tele-

vision program rated TVY, TVY7, TVY7FV, or TVG under the TV Parental Guidelines as such ratings were approved by the Commission in implementation of section 551 of the Telecommunications Act of 1996, Video Programming Ratings, Report and Order, CS Docket No. 97-55, 13 F.C.C. Rcd. 8232 (1998)), and, with respect to a radio broadcast station licensee, permittee, or applicant, whether the target audience was primarily comprised of, or should reasonably have been expected to be primarily comprised of, children.''

''(G) The Commission may double the amount of any forfeiture penalty (not to exceed $550,000 for the first violation, $750,000 for the second violation, and $1,000,000 for the third or any subsequent violation not to exceed up to $3,000,000 for all violations in a 24-hour time period notwithstanding section 503(b)(2)(C)) if the Commission determines additional factors are present which are aggravating in nature, including—

''(i) whether the material uttered by the violator was recorded or scripted;

''(ii) whether the violator had a reasonable opportunity to review recorded or scripted programming or had a reasonable basis to believe live or

unscripted programming would contain obscene, indecent, or profane material;

''(iii) whether the violator failed to block live or unscripted programming;

''(iv) whether the size of the viewing or listening audience of the programming was substantially larger than usual, such as a national or international championship sporting event or awards program; and

''(v) whether the violation occured during a children's television program (as defined in subparagraph (F) (vii)).''

SEC. 1085. CHILDREN'S PROTECTION FROM VIOLENT PROGRAMMING ACT.

(a) SHORT TITLE.—This section may be cited as the ''Children's Protection from Violent Programming Act''.

(b) FINDINGS.—The Congress makes the following findings:

(1) Television influences children's perception of the values and behavior that are common and acceptable in society.

(2) Broadcast television, cable television, and video programming are—

(A) uniquely pervasive presences in the lives of all American children; and

(B) readily accessible to all American children.

(3) Violent video programming influences children, as does indecent programming.

(4) There is empirical evidence that children exposed to violent video programming at a young age have a higher tendency to engage in violent and aggressive behavior later in life than those children not so exposed.

(5) There is empirical evidence that children exposed to violent video programming have a greater tendency to assume that acts of violence are acceptable behavior and therefore to imitate such behavior.

(6) There is empirical evidence that children exposed to violent video programming have an increased fear of becoming a victim of violence, resulting in increased self-protective behaviors and increased mistrust of others.

(7) There is a compelling governmental interest in limiting the negative influences of violent video programming on children.

(8) There is a compelling governmental interest in channeling programming with violent content to periods of the day when children are not likely to

comprise a substantial portion of the television audience.

(9) A significant amount of violent programming that is readily accessible to minors remains unrated specifically for violence and therefore cannot be blocked solely on the basis of its violent content.

(10) Age-based ratings that do not include content rating for violence do not allow parents to block programming based solely on violent content thereby rendering ineffective any technology-based blocking mechanism designed to limit violent video programming.

(11) The most recent study of the television ratings system by the Kaiser Family Foundation concludes that 79 percent of violent programming is not specifically rated for violence.

(12) Technology-based solutions, such as the V-chip, may be helpful in protecting some children, but cannot achieve the compelling governmental interest in protecting all children from violent programming when parents are only able to block programming that has, in fact, been rated for violence.

(13) Restricting the hours when violent programming can be shown protects the interests of children whose parents are unavailable, unable to su-

pervise their children's viewing behavior, do not have the benefit of technology-based solutions, are unable to afford the costs of technology-based solutions, or are unable to determine the content of those shows that are only subject to age-based ratings.

(14) After further study, pursuant to a rulemaking, the Federal Communications Commission may conclude that content-based ratings and blocking technology do not effectively protect children from the harm of violent video programming.

(15) If the Federal Communications Commission reaches the conclusion described in paragraph (14), the channeling of violent video programming will be the least restrictive means of limiting the exposure of children to the harmful influences of violent video programming.

SEC. 1086. ASSESSMENT OF EFFECTIVENESS OF CURRENT RATING SYSTEM FOR VIOLENCE AND EFFECTIVENESS OF V-CHIP IN BLOCKING VIOLENT PROGRAMMING.

(a) REPORT.—The Federal Communications Commission shall—

(1) assess the effectiveness of measures to require television broadcasters and multichannel video programming distributors (as defined in section

602(13) of the Communications Act of 1934 (47 U.S.C. 522(13)) to rate and encode programming that could be blocked by parents using the V-chip undertaken under section 715 of the Communications Act of 1934 (47 U.S.C. 715) and under subsections (w) and (x) of section 303 of that Act (47 U.S.C. 303(w) and (x)) in accomplishing the purposes for which they were enacted; and

(2) report its findings to the Committee on Commerce, Science, and Transportation of the United States Senate and the Committee on Energy and Commerce of the United States House of Representatives, within 12 months after the date of enactment of this Act, and annually thereafter.

(b) ACTION.—If the Commission finds at any time, as a result of its ongoing assessment under subsection (a), that the measures referred to in subsection (a)(1) are insufficiently effective, then the Commission shall complete a rulemaking within 270 days after the date on which the Commission makes that finding to prohibit the distribution of violent video programming during the hours when children are reasonably likely to comprise a substantial portion of the audience.

(c) DEFINITIONS.—Any term used in this section that is defined in section 715 of the Communications Act

of 1934 (47 U.S.C. 715), or in regulations under that section, has the same meaning as when used in that section or in those regulations.

SEC. 1087. UNLAWFUL DISTRIBUTION OF VIOLENT VIDEO PROGRAMMING THAT IS NOT SPECIFICALLY RATED FOR VIOLENCE AND THEREFORE IS NOT BLOCKABLE.

Title VII of the Communications Act of 1934 (47 U.S.C. 701 et seq.) is amended by adding at the end the following:

"SEC. 715. UNLAWFUL DISTRIBUTION OF VIOLENT VIDEO PROGRAMMING NOT SPECIFICALLY BLOCKABLE BY ELECTRONIC MEANS.

"(a) UNLAWFUL DISTRIBUTION.—It shall be unlawful for any person to distribute to the public any violent video programming not blockable by electronic means specifically on the basis of its violent content during hours when children are reasonably likely to comprise a substantial portion of the audience.

"(b) RULEMAKING PROCEEDING.—The Commission shall conduct a rulemaking proceeding to implement the provisions of this section and shall promulgate final regulations pursuant to that proceeding not later than 9 months after the date of enactment of the Children's Pro-

tection from Violent Programming Act. As part of that proceeding, the Commission—

"(1) may exempt from the prohibition under subsection (a) programming (including news programs and sporting events) whose distribution does not conflict with the objective of protecting children from the negative influences of violent video programming, as that objective is reflected in the findings in section 551(a) of the Telecommunications Act of 1996;

"(2) shall exempt premium and pay-per-view cable programming and premium and pay-per-view direct-to-home satellite programming; and

"(3) shall define the term 'hours when children are reasonably likely to comprise a substantial portion of the audience' and the term 'violent video programming'.

"(c) ENFORCEMENT.—

"(1) FORFEITURE PENALTY.—The forfeiture penalties established by section 503(b) for violations of section 1464 of title 18, United States Code, shall apply to a violation of this section, or any regulation promulgated under it in the same manner as if a violation of this section, or such a regulation, were

a violation of law subject to a forfeiture penalty under that section.

"(2) LICENSE REVOCATION.—If a person repeatedly violates this section or any regulation promulgated under this section, the Commission shall, after notice and opportunity for hearing, revoke any license issued to that person under this Act.

"(3) LICENSE RENEWALS.—The Commission shall consider, among the elements in its review of an application for renewal of a license under this Act, whether the licensee has complied with this section and the regulations promulgated under this section.

"(d) DEFINITIONS.—For purposes of this section—

"(1) BLOCKABLE BY ELECTRONIC MEANS.—The term 'blockable by electronic means' means blockable by the feature described in section 303(x).

"(2) DISTRIBUTE.—The term 'distribute' means to send, transmit, retransmit, telecast, broadcast, or cablecast, including by wire, microwave, or satellite, but it does not include the transmission, retransmission, or receipt of any voice, data, graphics, or video telecommunications accessed through an interactive computer service as defined in section 230(f)(2) of the Communications Act of 1934 (47

U.S.C. 230(f)(2)), which is not originated or transmitted in the ordinary course of business by a television broadcast station or multichannel video programming distributor as defined in section 602(13) of that Act (47 U.S.C. 522(13)).

"(3) VIOLENT VIDEO PROGRAMMING.—The term 'violent video programming' as defined by the Commission may include matter that is excessive or gratuitous violence within the meaning of the 1992 Broadcast Standards for the Depiction of Violence in Television Programs, December 1992.".

SEC. 1088. SEPARABILITY.

If any provision of this title, or any provision of an amendment made by this title, or the application thereof to particular persons or circumstances, is found to be unconstitutional, the remainder of this title or that amendment, or the application thereof to other persons or circumstances shall not be affected.

SEC. 1089. EFFECTIVE DATE.

The prohibition contained in section 715 of the Communications Act of 1934 (as added by section 204 of this title) and the regulations promulgated thereunder shall take effect 1 year after the regulations are adopted by the Commission.

SEC. 1090. PILOT PROGRAM ON CRYPTOLOGIC SERVICE TRAINING.

(a) PROGRAM AUTHORIZED.—The Director of the National Security Agency may carry out a pilot program on cryptologic service training for the intelligence community.

(b) OBJECTIVE OF PROGRAM.—The objective of the pilot program is to increase the number of qualified entry-level language analysts and intelligence analysts available to the National Security Agency and the other elements of the intelligence community through the directed preparation and recruitment of qualified entry-level language analysts and intelligence analysts who commit to a period of service or a career in the intelligence community.

(c) PROGRAM SCOPE.—The pilot program shall be national in scope.

(d) PROGRAM PARTICIPANTS.—(1) Subject to the provisions of this subsection, the Director shall select the participants in the pilot program from among individuals qualified to participate in the pilot program utilizing such procedures as the Director considers appropriate for purposes of the pilot program.

(2) Each individual who receives financial assistance under the pilot program shall perform one year of obligated service with the National Security Agency, or another element of the intelligence community approved by

the Director, for each academic year for which such individual receives such financial assistance upon such individual's completion of post-secondary education.

(3) Each individual selected to participate in the pilot program shall be qualified for a security clearance appropriate for the individual under the pilot program.

(4) The total number of participants in the pilot program at any one time may not exceed 400 individuals.

(e) PROGRAM MANAGEMENT.—In carrying out the pilot program, the Director shall—

(1) identify individuals interested in working in the intelligence community, and committed to taking college-level courses that will better prepare them for a career in the intelligence community as a language analysts or intelligence analyst;

(2) provide each individual selected for participation in the pilot program—

(A) financial assistance for the pursuit of courses at institutions of higher education selected by the Director in fields of study that will qualify such individual for employment by an element of the intelligence community as a language analyst or intelligence analyst; and

(B) educational counseling on the selection of courses to be so pursued; and

(3) provide each individual so selected information on the opportunities available for employment in the intelligence community.

(f) DURATION OF PROGRAM.—(1) The Director shall terminate the pilot program not later than six years after the date of the enactment of this Act.

(2) The termination of the pilot program under paragraph (1) shall not prevent the Director from continuing to provide assistance, counseling, and information under subsection (e) to individuals who are participating in the pilot program on the date of termination of the pilot program throughout the academic year in progress as of that date.

SEC. 1091. ENERGY SAVINGS PERFORMANCE CONTRACTS.

(a) IN GENERAL.—Section 801(c) of the National Energy Conservation Policy Act (42 U.S.C. 8287(c)) is amended by striking ''2003'' and inserting ''2005''.

(b) PAYMENT OF COSTS.—Section 802 of the National Energy Conservation Policy Act (42 U.S.C. 8287a) is amended by inserting '', water, or wastewater treatment'' after ''payment of energy''.

(c) ENERGY SAVINGS.—Section 804(2) of the National Energy Conservation Policy Act (42 U.S.C. 8287c(2)) is amended to read as follows:

"(2) The term 'energy savings' means a reduction in the cost of energy, water, or wastewater treatment, from a base cost established through a methodology set forth in the contract, used in an existing federally owned building or buildings or other federally owned facilities as a result of—

"(A) the lease or purchase of operating equipment, improvements, altered operation and maintenance, or technical services;

"(B) the increased efficient use of existing energy sources by cogeneration or heat recovery, excluding any cogeneration process for other than a federally owned building or buildings or other federally owned facilities; or

"(C) the increased efficient use of existing water sources in either interior or exterior applications.".

(d) ENERGY SAVINGS CONTRACT.—Section 804(3) of the National Energy Conservation Policy Act (42 U.S.C. 8287c(3)) is amended to read as follows:

"(3) The terms 'energy savings contract' and 'energy savings performance contract' mean a contract that provides for the performance of services for the design, acquisition, installation, testing, and, where appropriate, operation, maintenance, and re-

pair, of an identified energy or water conservation measure or series of measures at 1 or more locations. Such contracts shall, with respect to an agency facility that is a public building (as such term is defined in section 3301 of title 40, United States Code), be in compliance with the prospectus requirements and procedures of section 3307 of title 40, United States Code.''.

(e) ENERGY OR WATER CONSERVATION MEASURE.—Section 804(4) of the National Energy Conservation Policy Act (42 U.S.C. 8287c(4)) is amended to read as follows:

''(4) The term 'energy or water conservation measure' means—

''(A) an energy conservation measure, as defined in section 551; or

''(B) a water conservation measure that improves the efficiency of water use, is life-cycle cost-effective, and involves water conservation, water recycling or reuse, more efficient treatment of wastewater or stormwater, improvements in operation or maintenance efficiencies, retrofit activities, or other related activities, not at a Federal hydroelectric facility.''.

(f) REVIEW.—Not later than 180 days after the date of the enactment of this Act, the Secretary of Energy shall complete a review of the Energy Savings Performance Contract program to identify statutory, regulatory, and administrative obstacles that prevent Federal agencies from fully utilizing the program. In addition, this review shall identify all areas for increasing program flexibility and effectiveness, including audit and measurement verification requirements, accounting for energy use in determining savings, contracting requirements, including the identification of additional qualified contractors, and energy efficiency services covered. The Secretary shall report these findings to Congress and shall implement identified administrative and regulatory changes to increase program flexibility and effectiveness to the extent that such changes are consistent with statutory authority.

(g) EXTENSION OF AUTHORITY.—Any energy savings performance contract entered into under section 801 of the National Energy Conservation Policy Act (42 U.S.C. 8287) after October 1, 2003, and before the date of enactment of this Act, shall be deemed to have been entered into pursuant to such section 801 as amended by subsection (a) of this section.

SEC. 1092. CLARIFICATION OF FISCAL YEAR 2004 FUNDING LEVEL FOR A NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY ACCOUNT.

For the purposes of applying sections 204 and 605 of the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 2004 (division B of Public Law 108–199) to matters in title II of such Act under the heading ''NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY'' (118 Stat.69), in the account under the heading ''INDUSTRIAL TECHNOLOGY SERVICES'', the Secretary of Commerce shall make all determinations based on the Industrial Technology Services funding level of $218,782,000 for reprogramming and transferring of funds for the Manufacturing Extension Partnership program and shall submit such a reprogramming or transfer, as the case may be, to the appropriate committees within 30 days after the date of the enactment of this Act.

SEC. 1093. REPORT ON OFFSET REQUIREMENTS UNDER CERTAIN CONTRACTS.

Section 8138(b) of the Department of Defense Appropriations Act, 2004 (Public Law 108–87; 117 Stat. 1106; 10 U.S.C. 2532 note) is amended by adding at the end the following new paragraph:

''(4) The extent to which any foreign country imposes, whether by law or practice, offsets in excess

of 100 percent on United States suppliers of goods or services, and the impact of such offsets with respect to employment in the United States, sales revenue relative to the value of such offsets, technology transfer of goods that are critical to the national security of the United States, and global market share of United States companies.''.

TITLE XI—DEPARTMENT OF DEFENSE CIVILIAN PERSONNEL POLICY

SEC. 1101. SCIENCE, MATHEMATICS, AND RESEARCH FOR TRANSFORMATION (SMART) DEFENSE SCHOLARSHIP PILOT PROGRAM.

(a) REQUIREMENT FOR PROGRAM.—(1) The Secretary of Defense shall carry out a pilot program to provide financial assistance for education in science, mathematics, engineering, and technology skills and disciplines that, as determined by the Secretary, are critical to the national security functions of the Department of Defense and are needed in the Department of Defense workforce.

(2) The pilot program under this section shall be carried out for three years beginning on October 1, 2004.

(b) SCHOLARSHIPS.—(1) Under the pilot program, the Secretary of Defense may award a scholarship in accordance with this section to a person who—

(A) is a citizen of the United States;

(B) is pursuing an undergraduate or advanced degree in a critical skill or discipline described in subsection (a) at an institution of higher education; and

(C) enters into a service agreement with the Secretary of Defense as described in subsection (c).

(2) The amount of the financial assistance provided under a scholarship awarded to a person under this subsection shall be the amount determined by the Secretary of Defense as being necessary to pay all educational expenses incurred by that person, including tuition, fees, cost of books, laboratory expenses, and expenses of room and board. The expenses paid, however, shall be limited to those educational expenses normally incurred by students at the institution of higher education involved.

(c) SERVICE AGREEMENT FOR RECIPIENTS OF ASSISTANCE.—(1) To receive financial assistance under this section—

(A) in the case of an employee of the Department of Defense, the employee shall enter into a written agreement to continue in the employment of the department for the period of obligated service determined under paragraph (2); and

(B) in the case of a person not an employee of the Department of Defense, the person shall enter into a written agreement to accept and continue employment in the Department of Defense for the period of obligated service determined under paragraph (2).

(2) For the purposes of this subsection, the period of obligated service for a recipient of a scholarship under this section shall be the period determined by the Secretary of Defense as being appropriate to obtain adequate service in exchange for the financial assistance provided under the scholarship. In no event may the period of service required of a recipient be less than the total period of pursuit of a degree that is covered by the scholarship. The period of obligated service is in addition to any other period for which the recipient is obligated to serve in the civil service of the United States.

(3) An agreement entered into under this subsection by a person pursuing an academic degree shall include any terms and conditions that the Secretary of Defense determines necessary to protect the interests of the United States or otherwise appropriate for carrying out this section.

(d) REFUND FOR PERIOD OF UNSERVED OBLIGATED SERVICE.—(1) A person who voluntarily terminates serv-

ice before the end of the period of obligated service required under an agreement entered into under subsection (c) shall refund to the United States an amount determined by the Secretary of Defense as being appropriate to obtain adequate service in exchange for financial assistance.

(2) An obligation to reimburse the United States imposed under paragraph (1) is for all purposes a debt owed to the United States.

(3) The Secretary of Defense may waive, in whole or in part, a refund required under paragraph (1) if the Secretary determines that recovery would be against equity and good conscience or would be contrary to the best interests of the United States.

(4) A discharge in bankruptcy under title 11, United States Code, that is entered less than five years after the termination of an agreement under this section does not discharge the person signing such agreement from a debt arising under such agreement or under this subsection.

(e) RELATIONSHIP TO OTHER PROGRAMS.—The pilot program under this section is in addition to the authorities provided in chapter 111 of title 10, United States Code. The Secretary of Defense shall coordinate the provision of financial assistance under the authority of this section with the provision of financial assistance under the au-

1 thorities provided in such chapter in order to maximize
2 the benefits derived by the Department of Defense from
3 the exercise of all such authorities.

4 (f) RECOMMENDATION ON PILOT PROGRAM.—Not
5 later than February 1, 2007, the Secretary of Defense
6 shall submit to the Committees on Armed Services of the
7 Senate and the House of Representatives, the Committee
8 on Governmental Affairs of the Senate, and the Com-
9 mittee on Government Reform of the House of Represent-
10 atives a plan for expanding and improving the national
11 defense science and engineering workforce educational as-
12 sistance pilot program carried out under this section as
13 appropriate to improve recruitment and retention to meet
14 the requirements of the Department of Defense for its
15 science and engineering workforce on a short-term basis
16 and on a long-term basis.

17 (g) CRITICAL HIRING NEED.—Section 3304(a)(3) of
18 title 5, United States Code, is amended by striking sub-
19 paragraph (B) and inserting the following:

20 "(B)(i) the Office of Personnel Manage-
21 ment has determined that there exists a severe
22 shortage of candidates or there is a critical hir-
23 ing need; or

24 "(ii) the candidate is a participant in the
25 Science, Mathematics, and Research for Trans-

formation (SMART) Defense Scholarship Pilot Program under section 1101 of the National Defense Authorization Act for Fiscal Year 2005.''.

(h) INSTITUTION OF HIGHER EDUCATION DEFINED.—In this section, the term ''institution of higher education'' has the meaning given such term in section 101 of the Higher Education Act of 1965 (21 U.S.C. 1001).

SEC. 1102. FOREIGN LANGUAGE PROFICIENCY PAY.

(a) ELIGIBILITY FOR SERVICE NOT RELATED TO CONTINGENCY OPERATIONS.—Section 1596a(a)(2) of title 10, United States Code, is amended by striking ''during a contingency operation supported by the armed forces''.

(b) EFFECTIVE DATE AND APPLICABILITY.—The amendment by this section shall take effect on October 1, 2004, and shall apply with respect to months beginning on or after such date.

SEC. 1103. PAY AND PERFORMANCE APPRAISAL PARITY FOR CIVILIAN INTELLIGENCE PERSONNEL.

(a) PAY RATES.—Section 1602(a) of title 10, United States Code, is amended by striking ''in relation to the rates of pay provided in subpart D of part III of title 5 for positions subject to that subpart which have cor-

responding levels of duties and responsibilities'' and inserting ''in relation to the rates of pay provided for comparable positions in the Department of Defense, including Senior Executive Service positions (as defined in section 3132 of title 5) or other senior level positions''.

(b) PERFORMANCE APPRAISAL SYSTEM.—Section 1606 of such title is amended by adding at the end the following new subsection:

''(d) PERFORMANCE APPRAISALS.—(1) The Defense Intelligence Senior Executive Service shall be subject to a performance appraisal system which, as designed and applied, is certified by the Secretary of Defense under section 5307 of title 5 as making meaningful distinctions based on relative performance.

''(2) The performance appraisal system applicable to the Defense Intelligence Senior Executive Service under paragraph (1) may be the same performance appraisal system that is established and implemented within the Department of Defense for members of the Senior Executive Service.''.

SEC. 1104. ACCUMULATION OF ANNUAL LEAVE BY INTELLIGENCE SENIOR LEVEL EMPLOYEES.

Section 6304(f)(1) of title 5, United States Code, is amended—

(1) in the matter preceding subparagraph (A), by striking ''in a position'';

(2) in subparagraphs (A), (B), (C), (D), and (E), by inserting ''a position in'' before ''the'';

(3) by striking ''or'' at the end of subparagraph (D);

(4) by striking the period at the end of subparagraph (E) and inserting ''; or''; and

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

''(F) a position designated as an Intelligence Senior Level position under section 1607(a) of title 10.''.

SEC. 1105. PAY PARITY FOR SENIOR EXECUTIVES IN DEFENSE NONAPPROPRIATED FUND INSTRUMENTALITIES.

(a) AUTHORITY.—Chapter 81 of title 10, United States Code, is amended by inserting after section 1587 the following new section:

''§ 1587a. Employees of nonappropriated fund instrumentalities: senior executive pay levels

''(a) AUTHORITY.—To achieve the objective stated in subsection (b), the Secretary of Defense may regulate the amount of total compensation that is provided for senior executives of nonappropriated fund instrumentalities who,

for the fixing of pay by administrative action, are under the jurisdiction of the Secretary of Defense or the Secretary of a military department.

"(b) PAY PARITY.—The objective of an action taken with respect to the compensation of a senior executive under subsection (a) is to provide for parity between the total compensation provided for such senior executive and total compensation that is provided for Department of Defense employees in Senior Executive Service positions or other senior executive positions.

"(c) STANDARDS OF COMPARABILITY.—Subject to subsection (d), the Secretary of Defense shall prescribe the standards of comparison that are to apply in the making of the determinations necessary to achieve the objective stated in subsection (b).

"(d) ESTABLISHMENT OF PAY RATES.—The Secretary of Defense shall apply subsections (a) and (b) of section 5382 of title 5 in the regulation of compensation under this section.

"(e) RELATIONSHIP TO PAY LIMITATION.—The Secretary of Defense may exercise the authority provided in subsection (a) without regard to section 5373 of title 5.

"(f) DEFINITIONS.—In this section:

"(1) The term 'compensation' includes rate of basic pay.

"(2) The term 'Senior Executive Service position' has the meaning given such term in section 3132 of title 5.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1587 the following new item:

"1587a. Employees of nonappropriated fund instrumentalities: senior executive pay levels.".

SEC. 1106. HEALTH BENEFITS PROGRAM FOR EMPLOYEES OF NONAPPROPRIATED FUND INSTRUMENTALITIES.

(a) ESTABLISHMENT.—(1) Chapter 81 of title 10, United States Code, as amended by section 1105(a), is further amended by inserting after section 1587a the following new section:

"§ 1587b. Employees of nonappropriated fund instrumentalities: health benefits program

"(a) PROGRAM REQUIRED.—The Secretary of Defense shall provide a uniform health benefits program for employees of the Department of Defense assigned to a nonappropriated fund instrumentality of the United States.

"(b) EXEMPTION FROM STATE AND LOCAL LAWS, TAXES, AND OTHER REQUIREMENTS.—The exemption in section 8909(f) of title 5 shall apply to the program under

subsection (a) and to a carrier, underwriting contractor, and plan administration contractor under such program in the same manner and to the same extent as such exemption applies under section 8909(f) of such title to an approved health benefits plan under chapter 89 of such title and a carrier, underwriting subcontractor, and plan administration subcontractor, respectively, of such a plan.''.

(2) The table of sections at the beginning of such chapter, as amended by section 1105(b), is further amended by inserting after the item relating to section 1587a the following new item:

''1587b. Employees of nonappropriated fund instrumentalities: health benefits program.''.

(b) REPEAL OF SUPERSEDED LAW.—Section 349 of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 108 Stat. 2727; 10 U.S.C. 1587 note) is repealed.

SEC. 1107. BID PROTESTS BY FEDERAL EMPLOYEES IN ACTIONS UNDER OFFICE OF MANAGEMENT AND BUDGET CIRCULAR A–76.

(a) ELIGIBILITY TO PROTEST.—(1) Section 3551(2) of title 31, United States Code, is amended to read as follows:

''(2) The term 'interested party'—

"(A) with respect to a contract or a solicitation or other request for offers described in paragraph (1), means an actual or prospective bidder or offeror whose direct economic interest would be affected by the award of the contract or by failure to award the contract; and

"(B) with respect to a public-private competition conducted under Office of Management and Budget Circular A–76 regarding performance of an activity or function of a Federal agency, includes—

"(i) any official who submitted the agency tender in such competition; and

"(ii) any one person who, for the purpose of representing them in a protest under this subchapter that relates to such competition, has been designated as their agent by a majority of the employees of such Federal agency who are engaged in the performance of such activity or function.".

(2)(A) Subchapter V of chapter 35 of such title is amended by adding at the end the following new section:

"§ 3557. Expedited action in protests for public-private competitions

''For protests in cases of public-private competitions conducted under Office of Management and Budget Circular A–76 regarding performance of an activity or function of Federal agencies, the Comptroller General shall administer the provisions of this subchapter in a manner best suited for expediting final resolution of such protests and final action in such competitions.''.

(B) The chapter analysis at the beginning of such chapter is amended by inserting after the item relating to section 3556 the following new item:

''3557. Expedited action in protests for public-private competitions.''.

(b) RIGHT TO INTERVENE IN CIVIL ACTION.—Section 1491(b) of title 28, United States Code, is amended by adding at the end the following new paragraph:

''(5) If a private sector interested party commences an action described in paragraph (1) in the case of a public-private competition conducted under Office of Management and Budget Circular A–76 regarding performance of an activity or function of a Federal agency, then an official or person described in section 3551(2)(B) of title 31 shall be entitled to intervene in that action.''.

(c) APPLICABILITY.—Subparagraph (B) of section 3551(2) of title 31, United States Code (as added by subsection (a)), and paragraph (5) of section 1491(b) of title

28, United States Code (as added by subsection (b)), shall apply to—

(1) protests and civil actions that challenge final selections of sources of performance of an activity or function of a Federal agency that are made pursuant to studies initiated under Office of Management and Budget Circular A–76 on or after January 1, 2004; and

(2) any other protests and civil actions that relate to public-private competitions initiated under Office of Management and Budget Circular A–76 on or after the date of the enactment of this Act.

SEC. 1108. REPORT ON HOW TO RECRUIT AND RETAIN INDIVIDUALS WITH FOREIGN LANGUAGE SKILLS.

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

(1) The Federal Government has a requirement to ensure that the employees of its departments and agencies with national security responsibilities are prepared to meet the challenges of this evolving international environment.

(2) According to a 2002 General Accounting Office report, Federal agencies have shortages in translators and interpreters and an overall shortfall in the language proficiency levels needed to carry

out their missions which has adversely affected agency operations and hindered United States military, law enforcement, intelligence, counterterrorism, and diplomatic efforts.

(3) Foreign language skills and area expertise are integral to, or directly support, every foreign intelligence discipline and are essential factors in national security readiness, information superiority, and coalition peacekeeping or warfighting missions.

(4) Communicating in languages other than English and understanding and accepting cultural and societal differences are vital to the success of peacetime and wartime military and intelligence activities.

(5) Proficiency levels required for foreign language support to national security functions have been raised, and what was once considered proficiency is no longer the case. The ability to comprehend and articulate technical and complex information in foreign languages has become critical.

(6) According to the Joint Intelligence Committee Inquiry into the 9/11 Terrorist Attacks, the Intelligence Community had insufficient linguists prior to September 11, 2001, to handle the challenge it faced in translating the volumes of foreign lan-

guage counterterrorism intelligence it collected. Agencies within the Intelligence Community experienced backlogs in material awaiting translation, a shortage of language specialists and language-qualified field officers, and a readiness level of only 30 percent in the most critical terrorism-related languages that are used by terrorists.

(7) Because of this shortage, the Federal Government has had to enter into private contracts to procure linguist and translator services, including in some positions that would be more appropriately filled by permanent Federal employees or members of the United States Armed Forces.

(b) REPORT.—In its fiscal year 2006 budget request, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives and the Select Committee on Intelligence of the Senate and the Permanent Select Committee on Intelligence of the House of Representatives, a plan for expanding and improving the national security foreign language workforce of the Department of Defense as appropriate to improve recruitment and retention to meet the requirements of the Department for its foreign language workforce on a short-term basis and on a long-term basis.

SEC. 1109. PLAN ON IMPLEMENTATION AND UTILIZATION OF FLEXIBLE PERSONNEL MANAGEMENT AUTHORITIES IN DEPARTMENT OF DEFENSE LABORATORIES.

(a) PLAN REQUIRED.—The Under Secretary of Defense for Acquisition, Technology, and Logistics and the Under Secretary of Defense for Personnel and Readiness shall jointly develop a plan for the effective utilization of the personnel management authorities referred to in subsection (b) in order to increase the mission responsiveness, efficiency, and effectiveness of Department of Defense laboratories.

(b) COVERED AUTHORITIES.—The personnel management authorities referred to in this subsection are the personnel management authorities granted to the Secretary of Defense by the provisions of law as follows:

(1) Section 342(b) of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 108 Stat. 2721), as amended by section 1114 of the Floyd D. Spence National Defense Authorization Act for Fiscal Year 2001 (as enacted into law by Public Law 106–398 (114 Stat. 1654A–315)).

(2) Section 1101 of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Public Law 105–261; 5 U.S.C. 3104 note).

(3) Such other provisions of law as the Under Secretaries jointly consider appropriate for purposes of this section.

(c) PLAN ELEMENTS.—The plan under subsection (a) shall—

(1) include such elements as the Under Secretaries jointly consider appropriate to provide for the effective utilization of the personnel management authorities referred to in subsection (b) as described in subsection (a), including the recommendations of the Under Secretaries for such additional authorities, including authorities for demonstration programs or projects, as are necessary to achieve the effective utilization of such personnel management authorities; and

(2) include procedures, including a schedule for review and decisions, on proposals to modify current demonstration programs or projects, or to initiate new demonstration programs or projects, on flexible personnel management at Department laboratories

(d) SUBMITTAL TO CONGRESS.—The Under Secretaries shall jointly submit to Congress the plan under subsection (a) not later than February 1, 2006.

SEC. 1110. NONREDUCTION IN PAY WHILE FEDERAL EMPLOYEE IS PERFORMING ACTIVE SERVICE IN THE UNIFORMED SERVICES OR NATIONAL GUARD.

(a) SHORT TITLE.—This section may be cited as the ''Reservists Pay Security Act of 2004''.

(b) IN GENERAL.—Subchapter IV of chapter 55 of title 5, United States Code, is amended by adding at the end the following:

''§ 5538. Nonreduction in pay while serving in the uniformed services or National Guard

''(a) An employee who is absent from a position of employment with the Federal Government in order to perform active duty in the uniformed services pursuant to a call or order to active duty under a provision of law referred to in section 101(a)(13)(B) of title 10 shall be entitled, while serving on active duty, to receive, for each pay period described in subsection (b), an amount equal to the amount by which—

''(1) the amount of basic pay which would otherwise have been payable to such employee for such pay period if such employee's civilian employment with the Government had not been interrupted by that service, exceeds (if at all)

''(2) the amount of pay and allowances which (as determined under subsection (d))—

"(A) is payable to such employee for that service; and

"(B) is allocable to such pay period.

"(b)(1) Amounts under this section shall be payable with respect to each pay period (which would otherwise apply if the employee's civilian employment had not been interrupted)—

"(A) during which such employee is entitled to reemployment rights under chapter 43 of title 38 with respect to the position from which such employee is absent (as referred to in subsection (a)); and

"(B) for which such employee does not otherwise receive basic pay (including by taking any annual, military, or other paid leave) to which such employee is entitled by virtue of such employee's civilian employment with the Government.

"(2) For purposes of this section, the period during which an employee is entitled to reemployment rights under chapter 43 of title 38—

"(A) shall be determined disregarding the provisions of section 4312(d) of title 38; and

"(B) shall include any period of time specified in section 4312(e) of title 38 within which an employee may report or apply for employment or reem-

ployment following completion of service on active duty to which called or ordered as described in subsection (a).

''(c) Any amount payable under this section to an employee shall be paid—

''(1) by such employee's employing agency;

''(2) from the appropriation or fund which would be used to pay the employee if such employee were in a pay status; and

''(3) to the extent practicable, at the same time and in the same manner as would basic pay if such employee's civilian employment had not been interrupted.

''(d) The Office of Personnel Management shall, in consultation with Secretary of Defense, prescribe any regulations necessary to carry out the preceding provisions of this section.

''(e)(1) The head of each agency referred to in section 2302(a)(2)(C)(ii) shall, in consultation with the Office, prescribe procedures to ensure that the rights under this section apply to the employees of such agency.

''(2) The Administrator of the Federal Aviation Administration shall, in consultation with the Office, prescribe procedures to ensure that the rights under this section apply to the employees of that agency.

"(f) For purposes of this section—

"(1) the terms 'employee', 'Federal Government', and 'uniformed services' have the same respective meanings as given them in section 4303 of title 38;

"(2) the term 'employing agency', as used with respect to an employee entitled to any payments under this section, means the agency or other entity of the Government (including an agency referred to in section 2302(a)(2)(C)(ii)) with respect to which such employee has reemployment rights under chapter 43 of title 38; and

"(3) the term 'basic pay' includes any amount payable under section 5304.".

(c) CLERICAL AMENDMENT.—The table of sections for chapter 55 of title 5, United States Code, is amended by inserting after the item relating to section 5537 the following:

"5538. Nonreduction in pay while serving in the uniformed services or National Guard.".

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply with respect to pay periods (as described in section 5538(b) of title 5, United States Code, as amended by this section) beginning on or after the date of enactment of this Act.

(2) CONDITIONAL RETROACTIVE APPLICATION.—

(A) IN GENERAL.—The amendments made by this section shall apply with respect to pay periods (as described in section 5538(b) of title 5, United States Code, as amended by this section) beginning on or after October 11, 2002 through the date of enactment of this Act, subject to the availability of appropriations.

(B) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $100,000,000 for purposes of subparagraph (A).

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

SEC. 1201. SPECIFICATION OF COOPERATIVE THREAT REDUCTION PROGRAMS AND FUNDS.

(a) SPECIFICATION OF CTR PROGRAMS.—For purposes of section 301 and other provisions of this Act, Cooperative Threat Reduction programs are the programs specified in section 1501(b) of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201; 110 Stat. 2731; 50 U.S.C. 2362 note).

(b) FISCAL YEAR 2005 COOPERATIVE THREAT REDUCTION FUNDS DEFINED.—As used in this title, the term ''fiscal year 2005 Cooperative Threat Reduction funds'' means the funds appropriated pursuant to the authorization of appropriations in section 301 for Cooperative Threat Reduction programs.

(c) AVAILABILITY OF FUNDS.—Funds appropriated pursuant to the authorization of appropriations in section 301 for Cooperative Threat Reduction programs shall be available for obligation for three fiscal years.

SEC. 1202. FUNDING ALLOCATIONS.

(a) FUNDING FOR SPECIFIC PURPOSES.—Of the $409,200,000 authorized to be appropriated to the Department of Defense for fiscal year 2005 in section 301(19) for Cooperative Threat Reduction programs, the following amounts may be obligated for the purposes specified:

(1) For strategic offensive arms elimination in Russia, $58,522,000.

(2) For nuclear weapons storage security in Russia, $48,672,000.

(3) For nuclear weapons transportation security in Russia, $26,300,000.

(4) For weapons of mass destruction proliferation prevention in the states of the former Soviet Union, $40,030,000.

(5) For chemical weapons destruction in Russia, $158,400,000.

(6) For biological weapons proliferation prevention in the former Soviet Union, $54,959,000.

(7) For defense and military contacts, $8,000,000.

(8) For activities designated as Other Assessments/Administrative Support, $14,317,000.

(b) REPORT ON OBLIGATION OR EXPENDITURE OF FUNDS FOR OTHER PURPOSES.—No fiscal year 2005 Cooperative Threat Reduction funds may be obligated or expended for a purpose other than a purpose listed in paragraphs (1) through (8) of subsection (a) until 30 days after the date that the Secretary of Defense submits to Congress a report on the purpose for which the funds will be obligated or expended and the amount of funds to be obligated or expended. Nothing in the preceding sentence shall be construed as authorizing the obligation or expenditure of fiscal year 2005 Cooperative Threat Reduction funds for a purpose for which the obligation or expenditure of such funds is specifically prohibited under this title or any other provision of law.

(c) LIMITED AUTHORITY TO VARY INDIVIDUAL AMOUNTS.—(1) Subject to paragraphs (2) and (3), in any case in which the Secretary of Defense determines that it is necessary to do so in the national interest, the Secretary may obligate amounts appropriated for fiscal year 2005 for a purpose listed in any of the paragraphs in subsection (a) in excess of the specific amount authorized for that purpose.

(2) An obligation of funds for a purpose stated in any of the paragraphs in subsection (a) in excess of the specific amount authorized for such purpose may be made using the authority provided in paragraph (1) only after—

(A) the Secretary submits to Congress notification of the intent to do so together with a complete discussion of the justification for doing so; and

(B) 15 days have elapsed following the date of the notification.

(3) The Secretary may not, under the authority provided in paragraph (1), obligate amounts for a purpose stated in any of paragraphs (5) through (8) of subsection (a) in excess of 125 percent of the specific amount authorized for such purpose.

SEC. 1203. MODIFICATION AND WAIVER OF LIMITATION ON USE OF FUNDS FOR CHEMICAL WEAPONS DESTRUCTION FACILITIES IN RUSSIA.

(a) MODIFICATION OF LIMITATION.—Section 1305 of the National Defense Authorization Act for Fiscal Year 2000 (22 U.S.C. 5952 note) is amended by striking ''or expended''.

(b) WAIVER AUTHORITY.—The conditions described in section 1305 of the National Defense Authorization Act for Fiscal Year 2000, as amended by subsection (a), shall not apply to the obligation of funds during a fiscal year for the planning, design, or construction of a chemical weapons destruction facility in Russia if the President submits to Congress a written certification with respect to such fiscal year that includes—

(1) a statement as to why the waiver of the conditions during the fiscal year covered by such certification is consistent with the national security interests of the United States; and

(2) a plan to promote a full and accurate disclosure by Russia regarding the size, content, status, and location of its chemical weapons stockpile.

SEC. 1204. INCLUSION OF DESCRIPTIVE SUMMARIES IN ANNUAL COOPERATIVE THREAT REDUCTION REPORTS AND BUDGET JUSTIFICATION MATERIALS.

Section 1307 of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Public Law 105–261; 112 Stat. 2165; 22 U.S.C. 5952 note) is amended—

(1) in subsection (a), by striking ''as part of the Secretary's annual budget request to Congress'' in the matter preceding paragraph (1) and inserting ''in the materials and manner specified in subsection (c)''; and

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

''(c) INCLUSION IN CERTAIN MATERIALS SUBMITTED TO CONGRESS.—The summary required to be submitted to Congress in a fiscal year under subsection (a) shall be set forth by project category, and by amounts specified in paragraphs (1) and (2) of that subsection in connection with such project category, in each of the following:

''(1) The annual report on activities and assistance under Cooperative Threat Reduction programs required in such fiscal year under section 1308 of the Floyd D. Spence National Defense Authorization

Act for Fiscal Year 2001 (as enacted into law by Public Law 106–398).

"(2) The budget justification materials submitted to Congress in support of the Department of Defense budget for the fiscal year succeeding such fiscal year (as submitted with the budget of the President under section 1105(a) of title 31, United States Code).".

TITLE XIII—MEDICAL READINESS TRACKING AND HEALTH SURVEILLANCE

SEC. 1301. ANNUAL MEDICAL READINESS PLAN AND JOINT MEDICAL READINESS OVERSIGHT COMMITTEE.

(a) REQUIREMENT FOR PLAN.—The Secretary of Defense shall develop a comprehensive plan to improve medical readiness, and Department of Defense tracking of the health status, of members of the Armed Forces throughout their service in the Armed Forces, and to strengthen medical readiness and tracking before, during, and after deployment of the personnel overseas. The matters covered by the comprehensive plan shall include all elements that are described in this title and the amendments made by this title and shall comply with requirements in law.

(b) JOINT MEDICAL READINESS OVERSIGHT COMMITTEE.—

(1) ESTABLISHMENT.—The Secretary of Defense shall establish a Joint Medical Readiness Oversight Committee.

(2) COMPOSITION.—The members of the Committee are as follows:

(A) The Under Secretary of Defense for Personnel and Readiness, who shall chair the Committee.

(B) The Assistant Secretary of Defense for Health Affairs.

(C) The Assistant Secretary of Defense for Reserve Affairs.

(D) The Surgeons General of the Armed Forces.

(E) The Assistant Secretary of the Army for Manpower and Reserve Affairs.

(F) The Assistant Secretary of the Navy for Manpower and Reserve Affairs.

(G) The Assistant Secretary of the Air Force for Manpower, Reserve Affairs, Installations, and Environment.

(H) The Chief of the National Guard Bureau.

(I) The Chief of Army Reserve.

(J) The Chief of Naval Reserve.

(K) The Chief of Air Force Reserve.

(L) The Commander, Marine Corps Reserve.

(M) The Director of the Defense Manpower Data Center.

(N) A representative of the Department of Veterans Affairs designated by the Secretary of Veterans Affairs.

(O) Representatives of veterans and military health advocacy organizations appointed to the Committee by the Secretary of Defense.

(P) An individual from civilian life who is recognized as an expert on military health care treatment, including research relating to such treatment.

(3) DUTIES.—The duties of the Committee are as follows:

(A) To advise the Secretary of Defense on the medical readiness and health status of the members of the active and reserve components of the Armed Forces.

(B) To advise the Secretary of Defense on the compliance of the Armed Forces with the

medical readiness tracking and health surveillance policies of the Department of Defense.

(C) To oversee the development and implementation of the comprehensive plan required by subsection (a) and the actions required by this title and the amendments made by this title, including with respect to matters relating to—

(i) the health status of the members of the reserve components of the Armed Forces;

(ii) accountability for medical readiness;

(iii) medical tracking and health surveillance;

(iv) declassification of information on environmental hazards;

(v) postdeployment health care for members of the Armed Forces; and

(vi) compliance with Department of Defense and other applicable policies on blood serum repositories.

(D) To ensure unity and integration of efforts across functional and organizational lines within the Department of Defense with regard

to medical readiness tracking and health status surveillance of members of the Armed Forces.

(E) To establish and monitor compliance with the medical readiness standards that are applicable to members and those that are applicable to units.

(F) To improve continuity of care in coordination with the Secretary of Veterans Affairs, for members of the Armed Forces separating from active service with service-connected medical conditions.

(G) To prepare and submit to the Secretary of Defense and to the Committees on Armed Services of the Senate and the House of Representatives, not later than February 1 of each year, a report on—

(i) the health status and medical readiness of the members of the Armed Forces, including the members of reserve components, based on the comprehensive plan required under subsection (a) and the actions required by this title and the amendments made by this title; and

(ii) compliance with Department of Defense policies on medical readiness tracking and health surveillance.

(4) FIRST MEETING.—The first meeting of the Committee shall be held not later than 90 days after the date of the enactment of this Act.

SEC. 1302. MEDICAL READINESS OF RESERVES.

(a) COMPTROLLER GENERAL STUDY OF HEALTH OF RESERVES ORDERED TO ACTIVE DUTY FOR OPERATIONS ENDURING FREEDOM AND IRAQI FREEDOM.—

(1) REQUIREMENT FOR STUDY.—The Comptroller General of the United States shall carry out a study of the health of the members of the reserve components of the Armed Forces who have been called or ordered to active duty for a period of more than 30 days in support of Operation Enduring Freedom and Operation Iraqi Freedom. The Comptroller General shall commence the study not later than 180 days after the date of the enactment of this Act.

(2) PURPOSES.—The purposes of the study under this subsection are as follows:

(A) To review the health status and medical fitness of the activated Reserves when they were called or ordered to active duty.

(B) To review the effects, if any, on logistics planning and the deployment schedules for the operations referred to in paragraph (1) that resulted from deficiencies in the health or medical fitness of activated Reserves.

(C) To review compliance of military personnel with Department of Defense policies on medical and physical fitness examinations and assessments that are applicable to the reserve components of the Armed Forces.

(3) REPORT.—The Comptroller General shall, not later than one year after the date of the enactment of this Act, submit a report on the results of the study under this subsection to the Committees on Armed Services of the Senate and the House of Representatives. The report shall include the following matters:

(A) With respect to the matters reviewed under subparagraph (A) of paragraph (2)—

(i) the percentage of activated Reserves who were determined to be medically unfit for deployment, together with an analysis of the reasons why the member was unfit, including medical illnesses or conditions most commonly found among

the activated Reserves that were grounds for determinations of medical unfitness for deployment; and

(ii) the percentage of the activated Reserves who, before being deployed, needed medical care for health conditions identified when called or ordered to active duty, together with an analysis of the types of care that were provided for such conditions and the reasons why such care was necessary.

(B) With respect to the matters reviewed under subparagraph (B) of paragraph (2)—

(i) the delays and other disruptions in deployment schedules that resulted from deficiencies in the health status or medical fitness of activated Reserves; and

(ii) an analysis of the extent to which it was necessary to merge units or otherwise alter the composition of units, and the extent to which it was necessary to merge or otherwise alter objectives, in order to compensate for limitations on the deployability of activated Reserves result-

ing from deficiencies in the health status or medical fitness of activated Reserves.

(C) With respect to the matters reviewed under subparagraph (C) of paragraph (2), an assessment of the extent of the compliance of reserve component personnel with Department of Defense policies on routine medical and physical fitness examinations that are applicable to the reserve components of the Armed Forces.

(D) An analysis of the extent to which the medical care, if any, provided to activated Reserves in each theater of operations referred to in paragraph (1) related to preexisting conditions that were not adequately addressed before the deployment of such personnel to the theater.

(4) DEFINITIONS.—In this subsection:

(A) The term ''activated Reserves'' means the members of the Armed Forces referred to in paragraph (1).

(B) The term ''active duty for a period of more than 30 days'' has the meaning given such term in section 101(d) of title 10, United States Code.

(C) The term ''health condition'' includes a mental health condition and a dental condition.

(D) The term ''reserve components of the Armed Forces'' means the reserve components listed in section 10101 of title 10, United States Code.

(b) ACCOUNTABILITY FOR INDIVIDUAL AND UNIT MEDICAL READINESS.—

(1) POLICY.—The Secretary of Defense shall issue a policy to ensure that individual members and commanders of reserve component units fulfill their responsibilities for medical and dental readiness of members of the units on the basis of—

(A) frequent periodic health assessment of members (not less frequently than once every two years) using the predeployment assessment procedure required under section 1074f of title 10, United States Code, as the minimum standard of medical readiness; and

(B) any other information on the health status of the members that is available to the commanders.

(2) REVIEW AND FOLLOWUP CARE.—The regulations under this subsection shall provide for review of the health assessments under paragraph (1) by a

medical professional and for any followup care and treatment that is needed for medical or dental readiness.

(3) MODIFICATION OF PREDEPLOYMENT HEALTH ASSESSMENT SURVEY.—In meeting the policy under paragraph (1), the Secretary shall—

(A) to the extent practicable, modify the predeployment health assessment survey to bring such survey into conformity with the detailed postdeployment health assessment survey in use as of October 1, 2004; and

(B) ensure the use of the predeployment health assessment survey, as so modified, for predeployment health assessments after that date.

(c) UNIFORM POLICY ON DEFERRAL OF MEDICAL TREATMENT PENDING DEPLOYMENT TO THEATERS OF OPERATIONS.—

(1) REQUIREMENT FOR POLICY.—The Secretary of Defense shall prescribe, for uniform applicability throughout the Armed Forces, a policy on deferral of medical treatment of members pending deployment.

(2) CONTENT.—The policy prescribed under paragraph (1) shall specify the following matters:

(A) The circumstances under which treatment for medical conditions may be deferred to be provided within a theater of operations in order to prevent delay or other disruption of a deployment to that theater.

(B) The circumstances under which medical conditions are to be treated before deployment to that theater.

SEC. 1303. BASELINE HEALTH DATA COLLECTION PROGRAM.

(a) REQUIREMENT FOR PROGRAM.—

(1) IN GENERAL.—Chapter 55 of title 10, United States Code, is amended by inserting after section 1092 the following new section:

"§ 1092a. Persons entering the armed forces: baseline health data

''(a) PROGRAM REQUIRED.—The Secretary of Defense shall carry out a program—

''(1) to collect baseline health data from all persons entering the armed forces;

''(2) to provide for computerized compilation and maintenance of the baseline health data; and

''(3) to analyze the data.

''(b) PURPOSES.—The program under this section shall be designed to achieve the following purposes:

"(1) To facilitate understanding of how exposures related to service in the armed forces affect health.

"(2) To facilitate development of early intervention and prevention programs to protect health and readiness.".

(2) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1092 the following new item:

"1092a. Persons entering the armed forces: baseline health data.".

(3) TIME FOR IMPLEMENTATION.—The Secretary of Defense shall implement the program required under section 1092a of title 10, United States Code (as added by paragraph (1)), not later than two years after the date of the enactment of this Act.

(b) INTERIM STANDARDS FOR BLOOD SAMPLING.—The Secretary of Defense shall require under the medical tracking system administered under section 1074f of title 10, United States Code, that—

(1) the blood samples necessary for the predeployment medical examination of a member of the Armed Forces required under subsection (b) of such section be drawn not earlier than 60 days before the date of the deployment; and

(2) the blood samples necessary for the postdeployment medical examination of a member of the Armed Forces required under such subsection be drawn not later than 30 days after the date on which the deployment ends.

SEC. 1304. MEDICAL CARE AND TRACKING AND HEALTH SURVEILLANCE IN THE THEATER OF OPERATIONS.

(a) RECORDKEEPING POLICY.—The Secretary of Defense shall prescribe a policy that requires the records of all medical care provided to a member of the Armed Forces in a theater of operations to be maintained as part of a complete health record for the member.

(b) IN-THEATER MEDICAL TRACKING AND HEALTH SURVEILLANCE.—

(1) REQUIREMENT FOR EVALUATION.—The Secretary of Defense shall evaluate the system for the medical tracking and health surveillance of members of the Armed Forces in theaters of operations and take such actions as may be necessary to improve the medical tracking and health surveillance.

(2) REPORT.—Not later than one year after the date of the enactment of this Act, the Secretary of Defense shall submit a report on the actions taken under paragraph (1) to the Committees on Armed

Services of the Senate and the House of Representatives. The report shall include the following matters:

(A) An analysis of the strengths and weaknesses of the medical tracking system administered under section 1074f of title 10, United States Code.

(B) An analysis of the efficacy of health surveillance systems as a means of detecting—

(i) any health problems (including mental health conditions) of members of the Armed Forces contemporaneous with the performance of the assessment under the system; and

(ii) exposures of the assessed members to environmental hazards that potentially lead to future health problems.

(C) An analysis of the strengths and weaknesses of such medical tracking and surveillance systems as a means for supporting future research on health issues.

(D) Recommended changes to such medical tracking and health surveillance systems.

(E) A summary of scientific literature on blood sampling procedures used for detecting

and identifying exposures to environmental hazards.

(F) An assessment of whether there is a need for changes to regulations and standards for drawing blood samples for effective tracking and health surveillance of the medical conditions of personnel before deployment, upon the end of a deployment, and for a followup period of appropriate length.

(c) PLAN TO OBTAIN HEALTH CARE RECORDS FROM ALLIES.—The Secretary of Defense shall develop a plan for obtaining all records of medical treatment provided to members of the Armed Forces by allies of the United States in Operation Enduring Freedom and Operation Iraqi Freedom. The plan shall specify the actions that are to be taken to obtain all such records.

(d) POLICY ON IN-THEATER PERSONNEL LOCATOR DATA.—Not later than one year after the date of the enactment of this Act, the Secretary of Defense shall prescribe a Department of Defense policy on the collection and dissemination of in-theater individual personnel location data.

SEC. 1305. DECLASSIFICATION OF INFORMATION ON EXPOSURES TO ENVIRONMENTAL HAZARDS.

(a) REQUIREMENT FOR REVIEW.—The Secretary of Defense shall review and, as determined appropriate, revise the classification policies of the Department of Defense with a view to facilitating the declassification of data that is potentially useful for the monitoring and assessment of the health of members of the Armed Forces who have been exposed to environmental hazards during deployments overseas, including the following data:

(1) In-theater injury rates.

(2) Data derived from environmental surveillance.

(3) Health tracking and surveillance data.

(b) CONSULTATION WITH COMMANDERS OF THEATER COMBATANT COMMANDS.—The Secretary shall, to the extent that the Secretary considers appropriate, consult with the senior commanders of the in-theater forces of the combatant commands in carrying out the review and revising policies under subsection (a).

SEC. 1306. ENVIRONMENTAL HAZARDS.

(a) REPORT ON TRAINING OF FIELD MEDICAL PERSONNEL.—

(1) REQUIREMENT FOR REPORT.—Not later than one year after the date of the enactment of this Act, the Secretary of Defense shall submit to the

Committees on Armed Services of the Senate and the House of Representatives a report on the training on environmental hazards that is provided by the Armed Forces to medical personnel of the Armed Forces who are deployable to the field in direct support of combat personnel.

(2) CONTENT.—The report under paragraph (1) shall include the following:

(A) An assessment of the adequacy of the training regarding—

(i) the identification of common environmental hazards and exposures to such hazards; and

(ii) the prevention and treatment of adverse health effects of such exposures.

(B) A discussion of the actions taken and to be taken to improve such training.

(c) REPORT ON RESPONSES TO HEALTH CONCERNS OF MEMBERS.—

(1) REQUIREMENT FOR REPORT.—Not later than 180 days after the date of the enactment of this Act, the Assistant Secretary of Defense for Health Affairs shall submit to the Secretary of Defense and the Committees on Armed Services of the Senate and the House of Representatives a report on

Department of Defense responses to concerns expressed by members of the Armed Forces during post-deployment health assessments about possibilities that the members were exposed to environmental hazards deleterious to the members' health during a deployment overseas.

(2) CONTENT.—The report regarding health concerns submitted under paragraph (1) shall include the following:

(A) A discussion of the actions taken by Department of Defense officials to investigate the circumstances underlying such concerns in order to determine the validity of the concerns.

(B) A discussion of the actions taken by Department of Defense officials to evaluate or treat members and former members of the Armed Forces who are confirmed to have been exposed to environmental hazards deleterious to their health during deployments of the Armed Forces.

SEC. 1307. POST-DEPLOYMENT MEDICAL CARE RESPONSIBILITIES OF INSTALLATION COMMANDERS.

(a) REQUIREMENT FOR REGULATIONS.—The Secretary of Defense shall prescribe a policy that requires the commander of each military installation at which members

of the Armed Forces are to be processed upon redeployment from an overseas deployment—

(1) to identify and analyze the anticipated health care needs of such members before the arrival of such members at that installation; and

(2) to report such needs to the Secretary.

(b) HEALTH CARE TO MEET NEEDS.—The policy under this section shall include procedures for the commander of each military installation described in subsection (a) to meet the anticipated health care needs that are identified by the commander in the performance of duties under the regulations, including the following:

(1) Arrangements for health care provided by the Secretary of Veterans Affairs.

(2) Procurement of services from local health care providers.

(3) Temporary employment of health care personnel to provide services at such installation.

SEC. 1308. FULL IMPLEMENTATION OF MEDICAL READINESS TRACKING AND HEALTH SURVEILLANCE PROGRAM AND FORCE HEALTH PROTECTION AND READINESS PROGRAM.

(a) IMPLEMENTATION AT ALL LEVELS.—The Secretary of Defense, in conjunction with the Secretaries of the military departments, shall take such actions as are

necessary to ensure that the Army, Navy, Air Force, and Marine Corps fully implement at all levels—

(1) the Medical Readiness Tracking and Health Surveillance Program under this title and the amendments made by this title; and

(2) the Force Health Protection and Readiness Program of the Department of Defense (relating to the prevention of injury and illness and the reduction of disease and noncombat injury threats).

(b) ACTION OFFICIAL.—The Secretary of Defense may act through the Under Secretary of Defense for Personnel and Readiness in carrying out subsection (a).

SEC. 1309. OTHER MATTERS.

(a) ANNUAL REPORTS.—

(1) REQUIREMENT FOR REPORTS.—

(A) Chapter 55 of title 10, United States Code, is amended by inserting after section 1073a the following new section:

"§ 1073b. Recurring reports

"(a) ANNUAL REPORT ON HEALTH PROTECTION QUALITY.—(1) The Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives each year a report on the Force Health Protection Quality Assurance Program of the De-

partment of Defense. The report shall include the following matters:

"(A) The results of an audit of the extent to which the serum samples required to be obtained from members of the armed forces before and after a deployment are stored in the serum repository of the Department of Defense.

"(B) The results of an audit of the extent to which the health assessments required for members of the armed forces before and after a deployment are being maintained in the electronic database of the Defense Medical Surveillance System.

"(C) An analysis of the actions taken by the Department of Defense personnel to respond to health concerns expressed by members of the armed forces upon return from a deployment.

"(D) An analysis of the actions taken by the Secretary to evaluate or treat members and former members of the armed forces who are confirmed to have been exposed to occupational or environmental hazards deleterious to their health during a deployment.

"(2) The Secretary of Defense shall act through the Assistant Secretary of Defense for Health Affairs in carrying out this subsection.

"(b) ANNUAL REPORT ON RECORDING OF HEALTH ASSESSMENT DATA IN MILITARY PERSONNEL RECORDS.—The Secretary of Defense shall issue each year a report on the compliance by the military departments with applicable policies on the recording of health assessment data in military personnel records. The report shall include a discussion of the extent to which immunization status and predeployment and postdeployment health care data is being recorded in such records.".

(B) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1073a the following new item:

"1073b. Recurring reports.".

(2) INITIAL REPORT.—The first report under section 1073b(a) of title 10, United States Code (as added by paragraph (1)), shall be completed not later than 180 days after the date of the enactment of this Act.

(b) INTERNET ACCESSIBILITY OF HEALTH ASSESSMENT INFORMATION FOR MEMBERS OF THE ARMED FORCES.—Not later than one year after the date of the enactment of this Act, the Chief Information Officer of each military department shall ensure that the online portal website of that military department includes the following information relating to health assessments:

(1) Information on the Department of Defense policies regarding predeployment and postdeployment health assessments, including policies on the following matters:

(A) Health surveys.

(B) Physical examinations.

(C) Collection of blood samples and other tissue samples.

(2) Procedural information on compliance with such policies, including the following information:

(A) Information for determining whether a member is in compliance.

(B) Information on how to comply.

(3) Health assessment surveys that are either—

(A) web-based; or

(B) accessible (with instructions) in printer-ready form by download.

SEC. 1310. USE OF CIVILIAN EXPERTS AS CONSULTANTS.

Nothing in this title or an amendment made by this title shall be construed to limit the authority of the Secretary of Defense to procure the services of experts outside the Federal Government for performing any function to comply with requirements for readiness tracking and

1 health surveillance of members of the Armed Forces that
2 are applicable to the Department of Defense.

Passed the Senate June 23 (legislative day, June 22), 2004.

Attest:

Secretary.

108TH CONGRESS
2D SESSION

S. 2401

AN ACT

To authorize appropriations for fiscal year 2005 for military activities of the Department of Defense, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.