

103^D CONGRESS
1ST SESSION

H. R. 3675

To provide for the establishment of alternate use committees at defense facilities to assist in the economic adjustment of communities, industries, and workers as a result of reductions or realignments in defense or aerospace spending and arms exports and the closure or realignment of military installations.

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 22, 1993

Mr. NADLER introduced the following bill; which was referred jointly to the Committees on Armed Services, Education and Labor, Foreign Affairs, Science, Space, and Technology, and Merchant Marine and Fisheries

A BILL

To provide for the establishment of alternate use committees at defense facilities to assist in the economic adjustment of communities, industries, and workers as a result of reductions or realignments in defense or aerospace spending and arms exports and the closure or realignment of military installations.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Defense Alternative Use Committee Act”.

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

- Sec. 1. Short title and table of contents.
- Sec. 2. Findings and purpose.
- Sec. 3. Definitions.
- Sec. 4. Establishment of alternative use committees at defense facilities.
- Sec. 5. Functions of alternative use committees.
- Sec. 6. Administrative provisions.
- Sec. 7. Elements of conversion plans.
- Sec. 8. Penalties.

3 **SEC. 2. FINDINGS AND PURPOSE.**

4 (a) FINDINGS.—The Congress finds that—

5 (1) during the past three decades the United
6 States has made heavy economic, scientific, and
7 technical commitments for defense;

8 (2) these commitments led to the development
9 of specialized skills and business practices not di-
10 rectly applicable in the civilian sector of the econ-
11 omy;

12 (3) as these commitments are modified to take
13 account of changing requirements for national secu-
14 rity and domestic needs, careful preparation is nec-
15 essary if serious economic dislocations are to be
16 avoided; and

17 (4) the economic ability of the Nation and of
18 management, labor, and capital to adjust to chang-
19 ing national security needs is consistent with the
20 general welfare of the United States.

1 (b) PURPOSE.—It is the purpose of this Act to pro-
2 vide the means through which the United States can pro-
3 mote orderly economic adjustment which will—

4 (1) minimize the dislocation of workers, com-
5 munities, and industries;

6 (2) assure that such dislocations do not
7 compound recessionary trends; and

8 (3) encourage conversion of technologies and
9 managerial and worker skills developed in defense
10 production to projects which serve the civilian sector.

11 **SEC. 3. DEFINITIONS.**

12 For purposes of this Act:

13 (1) The term “defense agency” means the De-
14 partment of Defense, the Nuclear Weapons Division
15 of the Department of Energy, the National Aero-
16 nautics and Space Administration, the Coast Guard,
17 and any other agency of the Federal Government to
18 the extent it conducts defense-related activities.

19 (2) The term “defense contract” means—

20 (A) any contract entered into between a
21 defense contractor and a defense agency to fur-
22 nish defense material or services to that agency;
23 and

24 (B) any contract entered into between a
25 defense contractor and any foreign country or

1 person acting on behalf of a foreign country to
2 furnish defense material or services to or for
3 such country pursuant to the Arms Export
4 Control Act (22 U.S.C. 2751 et seq.) or similar
5 law.

6 (3) The term “defense contractor” means any
7 person engaged in the furnishing of defense material
8 or services pursuant to the terms of the defense con-
9 tract, including subcontractors, component manufac-
10 turers, suppliers, service contractors and service sup-
11 pliers.

12 (4) The term “defense facility” means—

13 (A) any private plant or other establish-
14 ment (or part thereof) used under a defense
15 contract or engaged in the production, repair,
16 modification, storage, or handling of defense
17 material; or

18 (B) any Government-owned or Govern-
19 ment-leased facility, including military installa-
20 tions, bases, forts, shipyards, and depots.

21 (5) The term “defense materials or services”
22 means—

23 (A) any item of weaponry, munitions,
24 equipment, or specialized supplies or services
25 intended for use by a defense agency or for sale

1 to or for the use of a foreign country which has
2 primarily military applications; or

3 (B) the research, development, production,
4 test, inspection, or repair of any material de-
5 scribed in subparagraph (A) for use by a de-
6 fense agency or pursuant to a defense contract.

7 (6) The term “displace”, with respect to any
8 worker (including a civilian employee of a defense
9 agency and an employee of a defense contractor en-
10 gaged in the provision of defense materials or serv-
11 ices under a defense contract), means the separa-
12 tion, on a permanent or temporary basis, of the
13 worker from employment with the facility or agency.

14 **SEC. 4. ESTABLISHMENT OF ALTERNATIVE USE COMMIT-**
15 **TEES AT DEFENSE FACILITIES.**

16 (a) **CONDITION OF DEFENSE CONTRACTS.**—The
17 head of each defense agency shall require as a condition
18 of each defense contract with a private defense contractor
19 for the provision of defense materials or services to that
20 agency that the defense contractor agree to establish an
21 alternative use committee pursuant to this section at each
22 defense facility that employs at least 100 employees and
23 is used under the contract. The President shall require
24 as a condition on the eligibility for export of defense mate-
25 rials or services under section 38 of the Arms Export Con-

1 trol Act (22 U.S.C. 2778) or similar law that the private
2 defense contractor involved in such export agree to estab-
3 lish an alternative use committee pursuant to this section
4 at each defense facility that employs at least 100 employ-
5 ees and is used under the defense contract involved.

6 (b) FEDERAL FACILITIES.—In the case of a Govern-
7 ment defense facility (as defined in section 3(4)(B)), the
8 head of the facility shall establish an alternative use com-
9 mittee pursuant to this section composed of not less than
10 eight members, with equal representation of the facility
11 management and the civilian employees of the installation
12 (including representatives of union bargaining units and
13 democratically elected representatives of unorganized civil-
14 ians).

15 (c) MEMBERSHIP AND PURPOSES.—An alternative
16 use committee for a defense facility shall be composed of
17 not less than eight members, with equal representation of
18 the facility's management and labor (including representa-
19 tives of union bargaining units and democratically elected
20 representatives of unorganized workers). The committee
21 shall undertake economic conversion planning and prepa-
22 ration for the employment of the employees at the defense
23 facility and the utilization of the equipment and facilities
24 in the event of a reduction or closure of any defense facil-

1 ity or the curtailment, conclusion, or disapproval of any
2 defense contract.

3 (d) COMMUNITY REPRESENTATIVES.—The chief ex-
4 ecutive officer of any unit of general local government
5 within which a defense facility is located may appoint
6 nonvoting representatives of the alternative use commu-
7 nity for that facility to participate in activities of the alter-
8 native use committee in an advisory capacity. The rep-
9 resentatives appointed under this subsection shall not in-
10 clude individuals employed at the facility. The number of
11 such representatives shall not exceed a number equal to
12 one-half the total number of voting representatives on the
13 committee.

14 (e) PROHIBITIONS AGAINST DISCRIMINATION
15 AGAINST REPRESENTATIVES OF UNORGANIZED LABOR.—
16 The representatives of the unorganized civilian workers on
17 any alternative use committee shall not be discriminated
18 against in any manner for their participation in the
19 committee.

20 (f) FUNDS.—Funds for performing the planning and
21 reporting requirements imposed by this Act, including
22 market research, independent studies, and the employ-
23 ment of specialized personnel, shall be paid from funds
24 derived from the defense contract or, in the case of a Gov-
25 ernment defense facility, the operating account of the fa-

1 cility. Office space shall be provided to the alternative use
2 committee by the management of the facility without
3 charge.

4 (g) APPLICATION OF SECTION.—This section shall
5 apply with respect to each defense contract referred to in
6 subsection (a) that is entered into by the agency after the
7 date of the enactment of this Act

8 **SEC. 5. FUNCTIONS OF ALTERNATIVE USE COMMITTEES.**

9 (a) EVALUATION OF DEFENSE FACILITY ASSETS.—
10 The alternative use committee established for a defense
11 facility shall evaluate the assets of the defense facility and
12 the resources and requirements of the local community in
13 terms of physical property, manpower skills and expertise,
14 accessibility, environment, and economic needs.

15 (b) DEVELOPMENT OF CONVERSION PLANS.—Con-
16 sistent with section 7, the alternative use committee estab-
17 lished for a defense facility shall develop and review at
18 least biennially a plan for the conversion of the facility
19 to efficient, nondefense-related productive activity to be
20 carried out in the event the facility is closed or adversely
21 affected by the termination of a defense contract or the
22 disapproval of a license to sell or export defense materials
23 or services.

24 (c) RETRAINING AND REEMPLOYMENT.—The alter-
25 native use committee shall arrange for the provision of oc-

1 cupational retraining and reemployment counseling serv-
2 ices for all employees to be displaced by the implementa-
3 tion of a conversion plan or the closing of the facility as
4 soon as the date of commencement of the implementation
5 of that plan or the permanent closing of that facility is
6 known.

7 (d) DISSOLUTION.—A alternative use committee shall
8 dissolve itself and return all assets to the control of the
9 management of the defense facility involved immediately
10 upon final completion of the conversion.

11 **SEC. 6. ADMINISTRATIVE PROVISIONS.**

12 (a) STAFF.—The alternative use committees may
13 hire staff personnel as well as any specialists it may deter-
14 mine necessary.

15 (b) INFORMATION.—The alternative use committees
16 may obtain a complete and detailed inventory of all land,
17 building, capital equipment, and other equipment, includ-
18 ing its condition, and are authorized to obtain information
19 of a general nature regarding the occupations and skills
20 of civilian employees, and information concerning existing
21 collective-bargaining contracts. Any defense agency or
22 contractor and any department, agency, or other instru-
23 mentality of the Government shall provide any such inven-
24 tory or information upon request from an alternative use
25 committee.

1 **SEC. 7. ELEMENTS OF CONVERSION PLANS.**

2 (a) ELEMENTS OF PLAN.—Conversion plans devel-
3 oped by an alternative use committee shall—

4 (1) be so designed as to maximize the extent to
5 which the personnel required for the efficient oper-
6 ation of the converted facility can be drawn from
7 personnel with the types and levels of skill approxi-
8 mating skill levels and types possessed by civilian
9 personnel employed at the defense facility prior to
10 its conversion;

11 (2) specify the numbers of civilian personnel, by
12 type and level of skill, employed at the facility prior
13 to conversion, whose continued employment is not
14 consistent with the efficient operation of the non-de-
15 fense-related converted facility;

16 (3) specify the numbers of positions, by level
17 and type of skill, if any, that will be needed at the
18 converted facility because personnel employed at the
19 preconverted facility do not possess the levels or
20 types of skills required;

21 (4) indicate in detail what new plant and equip-
22 ment and modifications to existing plant and equip-
23 ment are required for the converted facility; and

24 (5) include an estimate of financing require-
25 ments and a financial plan for the conversion; and

1 (6) provide for completion of the entire conver-
2 sion process within a period of not less than two
3 years.

4 (b) EXTENSION OF EXISTING AGREEMENTS.—No
5 plan shall be approved by an alternative use committee
6 unless the plan provides for extension of wage, labor con-
7 tract provisions, and other benefits to workers at a defense
8 facility until conversion to non-defense-related operations
9 is completed.

10 **SEC. 8. PENALTIES.**

11 If the head of a defense agency determines that a
12 defense contractor fails to establish an alternative use
13 committee or refuses or fails to carry out the provisions
14 of a conversion plan prepared by an alternative use com-
15 mittee of the defense contractor (as determined by the
16 head of the defense agency concerned), the defense con-
17 tractor shall lose eligibility for defense contracts for a pe-
18 riod of three years, for contract termination payments,
19 and for tax credits.

○