Calendar No. 362

105TH CONGRESS
2D SESSION

S. 2057

A BILL

To authorize appropriations for fiscal year 1999 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

MAY 11, 1998

Reported from the Committee on Armed Services, read twice, and placed on the calendar

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IN THE SENATE OF THE UNITED STATES

MAY 11, 1998

Mr. THURMOND, from the Committee on Armed Services, reported the following original bill; which was read twice and placed on the calendar

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A BILL

To authorize appropriations for fiscal year 1999 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''National Defense Authorization Act for Fiscal Year 1999''.

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

(a) DIVISIONS.—This Act is organized into three divisions as follows:

(1) Division A—Department of Defense Authorizations.

(2) Division B—Military Construction Authorizations.

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

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

DIVISION A—DEPARTMENT OF DEFENSE AUTHORIZATIONS

Sec. 1. Short title.
Sec. 2. Organization of Act into divisions; table of contents.
Sec. 3. Congressional defense committees defined.

TITLE I—PROCUREMENT

Subtitle A—Authorization of Appropriations

Sec. 101. Army.
Sec. 102. Navy and Marine Corps.
Sec. 103. Air Force.
Sec. 104. Defense-wide activities.
Sec. 105. Reserve components.
Sec. 106. Defense Inspector General.
Sec. 107. Chemical demilitarization program.
Sec. 108. Defense health programs.
Sec. 109. Defense export loan guarantee program.

Subtitle B—Army Programs

Sec. 111. Multiyear procurement authority for Longbow Hellfire missile program.
Sec. 112. Condition for award of more than one multiyear contract for the family of medium tactical vehicles.
Sec. 113. Armored system modernization.
Sec. 114. Reactive armor tiles.

Sec. 115. Annual reporting of costs associated with travel of members of Chemical Demilitarization Citizens' Advisory Commission.
Sec. 116. Extension of authority to carry out Armament Retooling and Manufacturing Support Initiative.

Subtitle C—Navy Programs

Sec. 121. CVN–77 nuclear aircraft carrier program.
Sec. 122. Increased amount to be excluded from cost limitation for Seawolf submarine program.
Sec. 123. Multiyear procurement authority for the medium tactical vehicle replacement.

Subtitle D—Air Force Programs

Sec. 131. Joint surveillance target attack radar system.
Sec. 132. Limitation on replacement of engines on military aircraft derived from Boeing 707 aircraft.
Sec. 133. F–22 aircraft program.
Sec. 134. C–130J aircraft program.

TITLE II—RESEARCH, DEVELOPMENT, TEST, AND EVALUATION

Subtitle A—Authorization of Appropriations

Sec. 201. Authorization of appropriations.
Sec. 202. Amount for basic and applied research.

Subtitle B—Program Requirements, Restrictions, and Limitations

Sec. 211. Crusader self-propelled artillery system program.
Sec. 212. CVN–77 nuclear aircraft carrier program.
Sec. 213. Unmanned aerial vehicle programs.
Sec. 214. Airborne laser program.
Sec. 215. Enhanced global positioning system program.
Sec. 216. Manufacturing Technology Program.
Sec. 217. Authority for use of major range and test facility installations by commercial entities.
Sec. 218. Extension of authority to carry out certain prototype projects.

Subtitle C—Other Matters

Sec. 231. Policy with respect to ballistic missile defense cooperation.

TITLE III—OPERATION AND MAINTENANCE

Subtitle A—Authorization of Appropriations

Sec. 301. Operation and maintenance funding.
Sec. 302. Working capital funds.
Sec. 303. Armed Forces Retirement Home.
Sec. 304. Transfer from the National Defense Stockpile Transaction Fund.

Subtitle B—Program Requirements, Restrictions, and Limitations

Sec. 311. Special Operations Command counterproliferation and counterterrorism activities.
Sec. 312. Tagging system for identification of hydrocarbon fuels used by the Department of Defense.
Sec. 313. Pilot program for acceptance and use of landing fees charged for use of domestic military airfields by civil aircraft.

Subtitle C—Environmental Provisions

Sec. 321. Transportation of polychlorinated biphenyls from abroad for disposal in the United States.
Sec. 322. Modification of deadline for submittal to Congress of annual reports on environmental activities.
Sec. 323. Submarine solid waste control.
Sec. 324. Payment of stipulated penalties assessed under CERCLA.
Sec. 325. Authority to pay negotiated settlement for environmental cleanup of formerly used defense sites in Canada.
Sec. 326. Settlement of claims of foreign governments for environmental cleanup of overseas sites formerly used by the Department of Defense.
Sec. 327. Arctic military environmental cooperation program.

Subtitle D—Counter-Drug Activities

Sec. 331. Patrol coastal craft for drug interdiction by Southern Command.
Sec. 332. Program authority for Department of Defense support for counter-drug activities.
Sec. 333. Southwest border fence.

Subtitle E—Other Matters

Sec. 341. Liquidity of working-capital funds.
Sec. 342. Termination of authority to manage working-capital funds and certain activities through the Defense Business Operations Fund.
Sec. 343. Clarification of authority to retain recovered costs of disposals in working-capital funds.
Sec. 344. Best commercial inventory practices for management of secondary supply items.
Sec. 345. Increased use of smart cards.
Sec. 346. Public-private competition in the provision of support services.
Sec. 347. Condition for providing financial assistance for support of additional duties assigned to the Army National Guard.
Sec. 348. Repeal of prohibition on joint use of Gray Army Airfield, Fort Hood, Texas.

TITLE IV—MILITARY PERSONNEL AUTHORIZATIONS

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Sec. 401. End strengths for active forces.
Sec. 402. Limited exclusions of joint duty officers from limitations on number of general and flag officers.
Sec. 403. Limitation on daily average of personnel on active duty in grades E–8 and E–9.
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Subtitle B—Reserve Forces

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Sec. 412. End strengths for Reserves on active duty in support of the reserves.
Sec. 413. End strengths for military technicians (dual status).
Sec. 414. Exclusion of additional reserve component general and flag officers from limitation on number of general and flag officers who may serve on active duty.
Sec. 415. Increase in numbers of members in certain grades authorized to be on active duty in support of the reserves.
Sec. 416. Consolidation of strength authorizations for active status Naval Reserve flag officers of the Navy Medical Department staff corps.

Subtitle C—Authorization of Appropriations

Sec. 421. Authorization of appropriations for military personnel.

TITLE V—MILITARY PERSONNEL POLICY

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Sec. 501. Streamlined selective retention process for regular officers.
Sec. 502. Permanent applicability of limitations on years of active naval service of Navy limited duty officers in grades of commander and captain.
Sec. 503. Involuntary separation pay denied for officer discharged for failure of selection for promotion requested by the officer.
Sec. 504. Term of office of the Chief of the Air Force Nurse Corps.

Subtitle B—Reserve Component Matters

Sec. 511. Service required for retirement of National Guard officer in higher grade.
Sec. 512. Reduced time-in-grade requirement for reserve general and flag officers involuntarily transferred from active status.
Sec. 513. Eligibility of Army and Air Force Reserve brigadier generals to be considered for promotion while on inactive status list.
Sec. 514. Composition of selective early retirement boards for rear admirals of the Naval Reserve and major generals of the Marine Corps Reserve.
Sec. 515. Use of Reserves for emergencies involving weapons of mass destruction.

Subtitle C—Other Matters

Sec. 521. Annual manpower requirements report.
Sec. 522. Four-year extension of certain force reduction transition period management and benefits authorities.
Sec. 523. Continuation of eligibility for voluntary separation incentive after involuntary loss of membership in Ready or Standby Reserve.
Sec. 524. Repeal of limitations on authority to set rates and waive requirement for reimbursement of expenses incurred for instruction at service academies of persons from foreign countries.
Sec. 525. Repeal of restriction on civilian employment of enlisted members.
Sec. 526. Extension of reporting dates for Commission on Military Training and Gender-Related Issues.

Sec. 527. Moratorium on changes of gender-related policies and practices pending completion of the work of the Commission on Military Training and Gender-Related Issues.
Sec. 528. Transitional compensation for abused dependent children not residing with the spouse or former spouse of a member convicted of dependent abuse.
Sec. 529. Pilot program for treating GED recipients as high school graduates for determinations of eligibility for enlisting in the Armed Forces.
Sec. 530. Waiver of time limitations for award of Distinguished Flying Cross in certain cases.

TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

Subtitle A—Pay and Allowances

Sec. 601. Increase in basic pay for fiscal year 1999.
Sec. 602. Rate of pay for cadets and midshipmen at the service academies.
Sec. 603. Payments for movements of household goods arranged by members.
Sec. 604. Leave without pay for suspended academy cadets and midshipmen.

Subtitle B—Bonuses and Special and Incentive Pays

Sec. 611. Three-month extension of certain bonuses and special pay authorities for reserve forces.
Sec. 612. Three-month extension of certain bonuses and special pay authorities for nurse officer candidates, registered nurses, and nurse anesthetists.
Sec. 613. Three-month extension of authorities relating to payment of other bonuses and special pays.
Sec. 614. Eligibility of Reserves for selective reenlistment bonus when reenlisting or extending to perform active guard and reserve duty.
Sec. 615. Repeal of ten-percent limitation on payments of selective reenlistment bonuses in excess of $20,000.
Sec. 616. Increase of maximum amount authorized for Army enlistment bonus.
Sec. 617. Education loan repayment program for health professions officers serving in Selected Reserve.
Sec. 618. Increase in amount of basic educational assistance under all-volunteer force program for personnel with critically short skills or specialties.
Sec. 619. Relationship of entitlements to enlistment bonuses and benefits under the All-Volunteer Force Educational Assistance Program.

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Sec. 621. Travel and transportation for rest and recuperation in connection with contingency operations and other duty.
Sec. 622. Payment for temporary storage of baggage of dependent student not taken on annual trip to overseas duty station of sponsor.
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Sec. 631. Paid-up coverage under Survivor Benefit Plan.

Sec. 632. Court-required Survivor Benefit Plan coverage effectuated through elections and deemed elections.
Sec. 633. Recovery, care, and disposition of remains of medically retired member who dies during hospitalization that begins while on active duty.

Subtitle E—Other Matters

Sec. 641. Definition of possessions of the United States for pay and allowances purposes.
Sec. 642. Federal employees' compensation coverage for students participating in certain officer candidate programs.
Sec. 643. Authority to provide financial assistance for education of certain defense dependents overseas.

TITLE VII—HEALTH CARE

Sec. 701. Dependents' dental program.
Sec. 702. Extension of authority for use of personal services contracts for provision of health care at military entrance processing stations and elsewhere outside medical treatment facilities.
Sec. 703. TRICARE Prime automatic enrollments and retiree payment options.
Sec. 704. Limited continued CHAMPUS coverage for persons unaware of a loss of CHAMPUS coverage resulting from eligibility for medicare.
Sec. 705. Enhanced Department of Defense organ and tissue donor program.
Sec. 706. Joint Department of Defense and Department of Veterans Affairs reviews relating to interdepartmental cooperation in the delivery of medical care.
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TITLE VIII—ACQUISITION POLICY, ACQUISITION MANAGEMENT, AND RELATED MATTERS

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Sec. 802. Procurement of travel services for official and unofficial travel under one contract.
Sec. 803. Limitation on use of price preference upon attainment of contract goal for small and disadvantaged businesses.
Sec. 804. Distribution of assistance under the Procurement Technical Assistance Cooperative Agreement Program.
Sec. 805. Defense commercial pricing management improvement.
Sec. 806. Department of Defense purchases through other agencies.
Sec. 807. Supervision of Defense Acquisition University structure by Under Secretary of Defense for Acquisition and Technology.
Sec. 808. Repeal of requirement for Director of Acquisition Education, Training, and Career Development to be within the Office of the Under Secretary of Defense for Acquisition and Technology.
Sec. 809. Eligibility of involuntarily downgraded employee for membership in an acquisition corps.
Sec. 810. Pilot programs for testing program manager performance of product support oversight responsibilities for life cycle of acquisition programs.
Sec. 811. Scope of protection of certain information from disclosure.

TITLE IX—DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT

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Sec. 902. Renaming of position of Assistant Secretary of Defense for Command, Control, Communications, and Intelligence.
Sec. 903. Authority to expand the National Defense University.
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Sec. 905. Permanent requirement for quadrennial defense review.
Sec. 906. Management reform for research, development, test, and evaluation.
Sec. 907. Restructuring of administration of Fisher Houses.

TITLE X—GENERAL PROVISIONS

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Sec. 1003. Authorization of prior emergency supplemental appropriations for fiscal year 1998.
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Sec. 1048. Pilot program on alternative notice of receipt of legal process for garnishment of federal pay for child support and alimony.
Sec. 1049. Costs payable to the Department of Defense and other federal agencies for services provided to the Defense Commissary Agency.
Sec. 1050. Collection of dishonored checks presented at commissary stores.
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Sec. 1054. Amounts recovered from claims against third parties for loss or damage to personal property shipped or stored at Government expense.
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Sec. 1056. Fees for providing historical information to the public.
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Sec. 1059. Act constituting presidential approval of vessel war risk insurance requested by the Secretary of Defense.
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Sec. 1102. Maximum pay rate comparability for faculty members of the United States Air Force Institute of Technology.
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Sec. 1202. Sense of Congress.
Sec. 1203. Reports on joint warfighting experimentation.

DIVISION B—MILITARY CONSTRUCTION AUTHORIZATIONS

Sec. 2001. Short title.

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Sec. 2101. Authorized Army construction and land acquisition projects.
Sec. 2102. Family housing.
Sec. 2103. Improvements to military family housing units.
Sec. 2104. Authorization of appropriations, Army.

Sec. 2105. Modification of authority to carry out fiscal year 1998 project.

TITLE XXII—NAVY

Sec. 2201. Authorized Navy construction and land acquisition projects.
Sec. 2202. Family housing.
Sec. 2203. Improvements to military family housing units.
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TITLE XXIII—AIR FORCE

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Sec. 2302. Family housing.
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TITLE XXIV—DEFENSE AGENCIES

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Sec. 2908. Memorandum of understanding.
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Sec. 2910. Management of withdrawn and acquired mineral resources.
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Sec. 3102. Environmental restoration and waste management.
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Sec. 3134. Continuation of processing, treatment, and disposition of legacy nuclear materials.
Sec. 3135. Authority for Department of Energy federally funded research and development centers to participate in merit-based technology research and development programs.
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Sec. 3141. Repeal of fiscal year 1998 statement of policy on stockpile stewardship program.
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Sec. 3143. Sense of Senate regarding treatment of Formerly Utilized Sites Remedial Action Program under a nondefense discretionary budget function.

TITLE XXXII—DEFENSE NUCLEAR FACILITIES SAFETY BOARD

Sec. 3201. Authorization.

TITLE XXXIII—NATIONAL DEFENSE STOCKPILE

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TITLE XXXIV—NAVAL PETROLEUM RESERVES

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TITLE XXXV—PANAMA CANAL COMMISSION

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Sec. 3502. Authorization of expenditures.
Sec. 3503. Purchase of vehicles.
Sec. 3504. Expenditures only in accordance with treaties.
Sec. 3505. Donations to the Commission.
Sec. 3506. Agreements for United States to provide post-transfer administrative services for certain employee benefits.
Sec. 3507. Sunset of United States overseas benefits just before transfer.
Sec. 3508. Central Examining Office.
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Sec. 3510. Placement of United States citizens in positions with the United States Government.
Sec. 3511. Panama Canal Board of Contract Appeals.
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SEC. 3. CONGRESSIONAL DEFENSE COMMITTEES DEFINED.

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

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

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

DIVISION A—DEPARTMENT OF DEFENSE AUTHORIZATIONS

TITLE I—PROCUREMENT

Subtitle A—Authorization of Appropriations

SEC. 101. ARMY.

Funds are hereby authorized to be appropriated for fiscal year 1999 for procurement for the Army as follows:

(1) For aircraft, $1,466,508,000.

(2) For missiles, $1,175,539,000.

(3) For weapons and tracked combat vehicles, $1,443,108,000.

(4) For ammunition, $1,010,155,000.

(5) For other procurement, $3,579,511,000.

SEC. 102. NAVY AND MARINE CORPS.

(a) NAVY.—Funds are hereby authorized to be appropriated for fiscal year 1999 for procurement for the Navy as follows:

(1) For aircraft, $7,499,934,000.

(2) For weapons, including missiles and torpedoes, $1,370,045,000.

(3) For shipbuilding and conversion, $6,067,272,000.

(4) For other procurement, $4,067,907,000.

(b) MARINE CORPS.—Funds are hereby authorized to be appropriated for fiscal year 1999 for procurement for the Marine Corps in the amount of $915,558,000.

(c) NAVY AND MARINE CORPS AMMUNITION.—Funds are hereby authorized to be appropriated for procurement of ammunition for the Navy and the Marine Corps in the amount of $459,539,000.

SEC. 103. AIR FORCE.

Funds are hereby authorized to be appropriated for fiscal year 1999 for procurement for the Air Force as follows:

(1) For aircraft, $8,303,839,000.

(2) For missiles, $2,375,803,000.

(3) For ammunition, $384,161,000.

(4) For other procurement, $6,792,081,000.

SEC. 104. DEFENSE-WIDE ACTIVITIES.

Funds are hereby authorized to be appropriated for fiscal year 1999 for Defense-wide procurement in the amount of $2,029,250,000.

SEC. 105. RESERVE COMPONENTS.

Funds are hereby authorized to be appropriated for fiscal year 1999 for procurement of aircraft, vehicles, communications equipment, and other equipment for the reserve components of the Armed Forces as follows:

(1) For the Army National Guard, $10,000,000.

(2) For the Air National Guard, $10,000,000.

(3) For the Army Reserve, $10,000,000.

(4) For the Naval Reserve, $10,000,000.

(5) For the Air Force Reserve, $10,000,000.

(6) For the Marine Corps Reserve, $10,000,000.

SEC. 106. DEFENSE INSPECTOR GENERAL.

Funds are hereby authorized to be appropriated for fiscal year 1999 for procurement for the Inspector General of the Department of Defense in the amount of $1,300,000.

SEC. 107. CHEMICAL DEMILITARIZATION PROGRAM.

There is hereby authorized to be appropriated for fiscal year 1999 the amount of $780,150,000 for—

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

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

SEC. 108. DEFENSE HEALTH PROGRAMS.

Funds are hereby authorized to be appropriated for fiscal year 1999 for the Department of Defense for procurement for carrying out health care programs, projects, and activities of the Department of Defense in the total amount of $402,387,000.

SEC. 109. DEFENSE EXPORT LOAN GUARANTEE PROGRAM.

Funds are hereby authorized to be appropriated for fiscal year 1999 for the Department of Defense for carrying out the Defense Export Loan Guarantee Program

under section 2540 of title 10, United States Code, in the total amount of $1,250,000.

Subtitle B—Army Programs

SEC. 111. MULTIYEAR PROCUREMENT AUTHORITY FOR LONGBOW HELLFIRE MISSILE PROGRAM.

Beginning with the fiscal year 1999 program year, the Secretary of the Army may, in accordance with section 2306b of title 10, United States Code, enter into a multiyear procurement contract for the procurement of the Longbow Hellfire missile. The contract may be for a term of five years.

SEC. 112. CONDITION FOR AWARD OF MORE THAN ONE MULTIYEAR CONTRACT FOR THE FAMILY OF MEDIUM TACTICAL VEHICLES.

Before awarding a multiyear procurement contract for the production of the Family of Medium Tactical Vehicles to more than one contractor under the authority of section 112(b) of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 1648), the Secretary of the Army shall certify in writing to the congressional defense committees that—

(1) the total quantity of Family of Medium Tactical Vehicles trucks required by the Army to be delivered in any 12-month period exceeds the production capacity of any single prime contractor; or

(2)(A) the total cost of the procurements to the Army under all such contracts over the period of the contracts will be the same as or lower than the amount that would be the total cost of the procurements if only one such contract were awarded; and

(B) the vehicles to be produced by all contractors under the contracts will be produced with common components that will be interchangeable among similarly configured models.

SEC. 113. ARMORED SYSTEM MODERNIZATION.

(a) LIMITATION.—Of the funds authorized to be appropriated under section 101(3), $20,300,000 of the funds available for the M1A1D Application Integration Kit may not be obligated for the procurement of the Kit until 30 days after the Secretary of the Army submits the report required under subsection (b).

(b) REPORT.—Not later than January 31, 1999, the Secretary of the Army shall submit a report on armored system modernization to the congressional defense committees. The report shall contain an assessment of the current acquisition and fielding strategies for the M1A2 Abrams Tank and M2A3 Bradley Fighting Vehicle and an assessment of alternatives to those strategies. The report shall specifically include an assessment of an alternative fielding strategy that provides for placing all of the

armored vehicles configured in the latest variant into one heavy corps. The assessment of each alternative strategy shall include the following:

(1) The relative effects on warfighting capabilities in terms of operational effectiveness and training and support efficiencies, taking into consideration the joint warfighting context.

(2) How the alternative strategy would facilitate the transition to the Future Scout and Cavalry System, the Future Combat System, or other armored systems for the future force structure known as the Army After Next.

(3) How the alternative strategy fits into the context of overall armored system modernization through 2020.

(4) Budgetary implications.

(5) Implications for the national technology and industrial base.

SEC. 114. REACTIVE ARMOR TILES.

(a) LIMITATION.—None of the funds authorized to be appropriated under section 101(3) or 102(b) may be obligated for the procurement of reactive armor tiles until 30 days after the date on which the Secretary of Defense submits to the congressional defense committees the study required by subsection (c).

(b) EXCEPTION.—The limitation in subsection (a) does not apply to the obligation of any funds for the procurement of armor tiles for an armored vehicle for which the Secretary of the Army or, in the case of the Marine Corps, the Secretary of the Navy, had established a requirement for such tiles before the date of the enactment of this Act.

(c) STUDY REQUIRED.—(1) The Secretary of Defense shall contract with an entity independent of the Department of Defense to conduct a study of the present and future operational requirements of the Army and the Marine Corps for reactive armor tiles for armored vehicles and to submit to the Secretary a report on the results of the study.

(2) The study shall include the following:

(A) A detailed assessment of the operational requirements of the Army and the Marine Corps for reactive armor tiles for each of the armored vehicles presently in use, including the requirements for each vehicle in its existing configurations and in configurations proposed for the vehicle.

(B) For each armored vehicle, an analysis of the costs and benefits of the procurement and installation of the tiles, including a comparison of those

costs and benefits with the costs and benefits of any existing upgrade program for the armored vehicle.

(3) The entity carrying out the study shall request the views of the Secretary of the Army and the Secretary of the Navy.

(d) SUBMISSION TO CONGRESS.—Not later than April 1, 1999, the Secretary of Defense shall submit to the congressional defense committees—

(1) the report on the study;

(2) the comments of the Secretary of the Army and the Secretary of the Navy on the study; and

(3) for each vehicle for which it is determined that a requirement for reactive armor tiles exists, the Secretary's recommendations as to the number of vehicles to be equipped with the tiles.

SEC. 115. ANNUAL REPORTING OF COSTS ASSOCIATED WITH TRAVEL OF MEMBERS OF CHEMICAL DEMILITARIZATION CITIZENS' ADVISORY COMMISSION.

(a) INFORMATION TO BE INCLUDED IN ANNUAL REPORT ON CHEMICAL DEMILITARIZATION PROGRAM.—Section 1412(g)(2) of the Department of Defense Authorization Act, 1986 (50 U.S.C. 1521(g)(2)) is amended by adding at the end the following:

"(C) An accounting of all funds expended (for the fiscal year covered by the report) for travel and associated travel costs for Citizens' Advisory Commissioners under section 172(g) of Public Law 102–484 (50 U.S.C. 1521 note).".

(b) TECHNICAL AMENDMENT.—Section 1412(g) of section 1412 of such Act is amended by striking out "(g) PERIODIC REPORTS.—" and inserting in lieu thereof "(g) ANNUAL REPORT.—".

SEC. 116. EXTENSION OF AUTHORITY TO CARRY OUT ARMAMENT RETOOLING AND MANUFACTURING SUPPORT INITIATIVE.

Section 193(a) of the Armament Retooling and Manufacturing Support Act of 1992 (subtitle H of title I of Public Law 102–484; 10 U.S.C. 2501 note) is amended by striking out "During fiscal years 1993 through 1998" and inserting in lieu thereof "During fiscal years 1993 through 1999".

Subtitle C—Navy Programs

SEC. 121. CVN–77 NUCLEAR AIRCRAFT CARRIER PROGRAM.

Of the amount authorized to be appropriated under section 102(a)(3) for fiscal year 1999, $124,500,000 is available for the advance procurement and advance construction of components (including nuclear components) for the CVN–77 nuclear aircraft carrier program.

SEC. 122. INCREASED AMOUNT TO BE EXCLUDED FROM COST LIMITATION FOR SEAWOLF SUBMARINE PROGRAM.

Section 123(a) of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 1650) is amended by striking out ''$272,400,000'' and inserting in lieu thereof ''$557,600,000''.

SEC. 123. MULTIYEAR PROCUREMENT AUTHORITY FOR THE MEDIUM TACTICAL VEHICLE REPLACEMENT.

Beginning with the fiscal year 1999 program year, the Secretary of the Navy may, in accordance with section 2306b of title 10, United States Code, enter into a multiyear procurement contract for the procurement of the Medium Tactical Vehicle Replacement. The contract may be for a term of five years.

Subtitle D—Air Force Programs

SEC. 131. JOINT SURVEILLANCE TARGET ATTACK RADAR SYSTEM.

(a) AMOUNT FOR FOLLOW-ON OPTIONS.—Of the amount authorized to be appropriated under section 103(1) for the Joint Surveillance Target Attack Radar System (JSTARS) program, $72,000,000 is available for funding the following options:

(1) Advance procurement of long-lead items for two additional E–8C JSTARS aircraft.

(2) Payment of expenses associated with termination of production of JSTARS aircraft, together with augmentation of other funding for the program for development of an improved joint surveillance target attack radar, known as the radar technology insertion program.

(b) LIMITATION.—None of the funds available in accordance with subsection (a) for funding an option described in that subsection may be obligated until 30 days after the date on which the Secretary of Defense submits to Congress a plan for using the funds. The plan shall specify the option selected, the reasons for the selection of that option, and details about how the funds are to be used for that option.

SEC. 132. LIMITATION ON REPLACEMENT OF ENGINES ON MILITARY AIRCRAFT DERIVED FROM BOEING 707 AIRCRAFT.

None of the funds authorized to be appropriated under this title may be obligated or expended for the replacement of engines on aircraft of the Department of Defense that are derived from the Boeing 707 aircraft until the Secretary of Defense has submitted the analysis required by section 133 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 1652).

SEC. 133. F–22 AIRCRAFT PROGRAM.

(a) LIMITATION ON ADVANCE PROCUREMENT.—(1) Amounts available for the Department of Defense for any fiscal year for the F–22 aircraft program may not be obligated for advance procurement for the six Lot II F–22 aircraft before the date that is 30 days after date that is applicable under paragraph (2) or (3).

(2) The applicable date for the purposes of paragraph (1) is the date on which the Secretary of Defense submits a certification under subsection (b)(1) unless the Secretary submits a report under subsection (b)(2).

(3) If the Secretary submits a report under subsection (b)(2), the applicable date for the purposes of paragraph (1) is the later of—

(A) the date on which the Secretary of Defense submits the report; or

(B) the date on which the Director of Operational Test and Evaluation submits the certification required under subsection (c).

(b) CERTIFICATION BY SECRETARY OF DEFENSE.—(1) Upon the completion of 433 hours of flight testing of F–22 flight test vehicles, the Secretary of Defense shall submit to the congressional defense committees a certification of the completion of that amount of flight testing. A certification is not required under this paragraph if the Secretary submits a report under paragraph (2).

(2) If the Secretary determines that a number of hours of flight testing of F–22 flight test vehicles less than 433 hours provides the Defense Acquisition Board with a sufficient basis for deciding to proceed into production of Lot II F–22 aircraft, the Secretary may submit a report to the congressional defense committees upon the completion of that lesser number of hours of flight testing. A report under this paragraph shall contain the following:

(A) A certification of the number of hours of flight testing completed.

(B) The reasons for the Secretary's determination that the lesser number of hours is a sufficient basis for a decision by the board.

(C) A discussion of the extent to which the Secretary's determination is consistent with each decision made by the Defense Acquisition Board since January 1997 in the case of a major aircraft acquisition program that the amount of flight testing completed for the program was sufficient or not sufficient to justify a decision to proceed into low-rate initial production.

(D) A determination by the Secretary that it is more financially advantageous for the Department to proceed into production of Lot II F–22 aircraft than to delay production until completion of 433 hours of

flight testing, together with the reasons for that determination.

(c) CERTIFICATION BY THE DIRECTOR OF OPERATIONAL TEST AND EVALUATION.—Upon the completion of 183 hours of the flight testing of F–22 flight test vehicles provided for in the test and evaluation master plan for the F–22 aircraft program, as in effect on October 1, 1997, the Director of Operational Test and Evaluation shall submit to the congressional defense committees a certification of the completion of that flight testing.

SEC. 134. C–130J AIRCRAFT PROGRAM.

Not later than March 1, 1999, the Secretary of Defense shall review the C–130J aircraft program and submit a report on the program to the congressional defense committees. The report shall include at least the following:

(1) A discussion of the testing planned and the testing conducted under the program, including—

(A) the testing schedule intended at the beginning of the program;

(B) the testing schedule as of when the testing commenced; and

(C) an explanation of the time taken for the testing.

(2) The cost and schedule of the program, including—

(A) whether the Department has exercised or plans to exercise contract options for fiscal years 1996, 1997, 1998, and 1999;

(B) when the Department expects the aircraft to be delivered and how the delivery dates compare to the delivery dates specified in the contract;

(C) whether the Department expects to make any modification to the negotiated contract price for these aircraft, and the amount and basis for any such modification; and

(D) whether the Department expects the reported delays and overruns in the development of the aircraft to have any other impact on the cost, schedule, or performance of the aircraft.

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 1999 for the use of the Department of Defense for research, development, test, and evaluation as follows:

(1) For the Army, $4,838,145,000.

(2) For the Navy, $8,199,102,000.

(3) For the Air Force, $13,398,993,000.

(4) For Defense-wide activities, $9,837,764,000, of which—

(A) $249,106,000 is authorized for the activities of the Director, Test and Evaluation; and

(B) $25,245,000 is authorized for the Director of Operational Test and Evaluation.

SEC. 202. AMOUNT FOR BASIC AND APPLIED RESEARCH.

(a) FISCAL YEAR 1999.—Of the amounts authorized to be appropriated by section 201, $4,186,817,000 shall be available for basic research and applied research projects.

(b) BASIC RESEARCH AND APPLIED RESEARCH DEFINED.—For purposes of this section, the term ''basic research and applied research'' means work funded in program elements for defense research and development under Department of Defense category 6.1 or 6.2.

Subtitle B—Program Requirements, Restrictions, and Limitations

SEC. 211. CRUSADER SELF-PROPELLED ARTILLERY SYSTEM PROGRAM.

(a) LIMITATION.—Of the amount authorized to be appropriated for the Army pursuant to section 201(1), not more than $223,000,000 may be obligated for the Crusader self-propelled artillery system program until 30 days after the date on which the Secretary of the Army submits the report required under subsection (b).

(b) REQUIREMENT FOR REPORT.—The Secretary of the Army shall submit to the congressional defense committees a report on the Crusader self-propelled artillery system. The report shall include the following:

(1) An assessment of the risks associated with the current Crusader program technology.

(2) The total requirements for the Crusader system, taking into consideration revisions in force structure resulting from the redesign of heavy and light divisions to achieve a force structure known as the Army After Next.

(3) The potential for reducing the weight of the Crusader system by as much as 50 percent.

(4) The potential for using alternative propellants for the artillery projectile for the Crusader system and the effects on the overall program schedule that would result from taking the actions and time necessary to develop mature technologies for alternative propellants.

(5) An analysis of the costs and benefits of delaying procurement of Crusader to avoid affordability issues associated with the current schedule and to allow for maturation of weight and propellant technologies.

(c) SUBMISSION OF REPORT.—The Secretary of the Army shall submit the report not later than March 1, 1999.

SEC. 212. CVN–77 NUCLEAR AIRCRAFT CARRIER PROGRAM.

(a) AMOUNT FOR NEW TECHNOLOGIES.—Of the amounts authorized to be appropriated under section 201(2) for aircraft carrier system development, $50,000,000 shall be available only for research, development, test, and evaluation, and for acquisition, of technologies described in subsection (b) for use in the CVN–77 nuclear aircraft carrier program.

(b) TECHNOLOGIES.—The technologies for which amounts are available under subsection (a) are technologies that are designed—

(1) for a transition from the CVN–77 aircraft carrier program to the CV(X) aircraft carrier program; and

(2) for—

(A) demonstrating enhanced capabilities for the CV(X) aircraft carrier program; or

(B) mitigating the cost or technical risks of that program.

SEC. 213. UNMANNED AERIAL VEHICLE PROGRAMS.

(a) TERMINATION OF DARK STAR PROGRAM.—The Secretary of Defense shall terminate the Dark Star unmanned aerial vehicle program. Except as provided in subsection (b), funds available for that program may be obligated after the date of the enactment of this Act only for costs necessary for terminating the program.

(b) GLOBAL HAWK PROGRAM.—Of the unobligated balance of the funds available for the Dark Star unmanned aerial vehicle program, $32,500,000 shall be available for the procurement of three Global Hawk unmanned aerial vehicles. However, none of the funds made available for the Global Hawk unmanned aerial vehicle program under the preceding sentence may be obligated or expended for that program until phase II testing of the Global Hawk unmanned aerial vehicle has been completed.

SEC. 214. AIRBORNE LASER PROGRAM.

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

(1) The development plan of the Department of Defense for the Airborne Laser Program does not include the basic validation of certain key technologies until 2002, which is shortly before the program is scheduled to enter the engineering and manufacturing development phase of development.

(2) It is possible that the technical risk of the Airborne Laser Program could be substantially reduced by restructuring the program to include a technology demonstration using a low power laser device to collect optical data in an operationally representative environment.

(3) Department of Defense officials are currently planning to have expended approximately $1,300,000,000 on the Airborne Laser Program by the end of fiscal year 2002, and a total of $6,300,000,000 by the end of fiscal year 2008 for the development of the system and the procurement of seven airborne laser aircraft.

(4) Due to the likely vulnerability of an airborne laser system to air defense threats, the limited lethal range of the laser device, and other operational limitations of the system, the utility of the

airborne laser system will be severely restricted under a wide range of operational scenarios.

(b) ASSESSMENT OF TECHNICAL AND OPERATIONAL LIMITATIONS.—The Secretary of Defense shall conduct an assessment of the technical obstacles and operational shortcomings expected for the Airborne Laser Program. In conducting the assessment, the Secretary shall—

(1) require the Panel on Reducing Risk in Ballistic Missile Defense Test Programs to evaluate the adequacy of the test program for the Airborne Laser Program; and

(2) establish an independent team of persons from outside the Department of Defense who are experts in relevant fields to review the operational limitations and issues associated with the Airborne Laser Program.

(c) REPORT ON ASSESSMENT.—Not later than March 15, 1999, the Secretary shall submit a report on the assessment to Congress. The report shall include the Secretary's findings and any recommendations that the Secretary considers appropriate.

(d) FUNDING FOR PROGRAM.—Of the amount authorized to be appropriated under section 201(3), $195,219,000 shall be available for the Airborne Laser Program.

(e) LIMITATION.—Of the amount made available pursuant to subsection (d), not more than $150,000,000 may be obligated until 30 days after the Secretary submits the report required under subsection (c).

SEC. 215. ENHANCED GLOBAL POSITIONING SYSTEM PROGRAM.

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

(1) Section 152(b) of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160; 107 Stat. 1578) prohibits the obligation of funds, after September 30, 2000, to modify or procure any Department of Defense aircraft, ship, armored vehicle, or indirect-fire weapon system that is not equipped with a Global Positioning System receiver.

(2) Section 279(b) of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 243) requires the Secretary of Defense to prepare a plan for enhancing the Global Positioning System and to provide in that plan for—

(A) the development of capabilities to deny hostile military forces the ability to use the Global Positioning System without hindering the ability of United States military forces and

civil users to have access to and use of the system; and

(B) the development and acquisition of receivers for the Global Positioning System and other techniques for weapons and weapon systems that provide substantially improved resistance to jamming and other forms of electronic interference or disruption.

(3) Section 2281 of title 10, United States Code, requires the Secretary of Defense—

(A) to develop appropriate measures for preventing hostile use of the Global Positioning System so as to make it unnecessary for the Secretary to use the selective availability feature of the system continuously while not hindering the use of the Global Positioning System by the United States and its allies for military purposes;

(B) to ensure that the Armed Forces of the United States have the capability to use the Global Positioning System effectively despite hostile attempts to prevent the use of the system by such forces; and

(C) to develop measures for preventing hostile use of the Global Positioning System in

a particular area without hindering peaceful civil use of the system elsewhere.

(b) POLICY ON PRIORITY FOR DEVELOPMENT OF ENHANCED GPS SYSTEM.—The development of an enhanced Global Positioning System is an urgent national security priority.

(c) DEVELOPMENT REQUIRED.—To fulfill the requirements described in subsection (a), the Secretary of Defense shall develop an enhanced Global Positioning System in accordance with the priority declared in subsection (b). The enhanced Global Positioning System shall consist of the following elements:

(1) An evolved satellite system that includes dynamic frequency reconfiguration and regional-level directional signal enhancements.

(2) Enhanced receivers and user equipment that are capable of providing military users with direct access to encrypted Global Positioning System signals.

(3) To the extent funded by the Secretary of Transportation, additional civil frequencies and other enhancements for civil users.

(d) SENSE OF CONGRESS REGARDING FUNDING.—It is the sense of Congress that—

(1) the Secretary of Defense should ensure that the future-years defense program provides for sufficient funding to develop and deploy an enhanced Global Positioning System system in accordance with the priority declared in subsection (b); and

(2) the Secretary of Transportation should provide sufficient funding to support additional civil frequencies for the Global Positioning System and other enhancements of the system for civil users.

(e) PLAN FOR DEVELOPMENT OF ENHANCED GLOBAL POSITIONING SYSTEM.—Not later than April 15, 1999, the Secretary of Defense shall submit to Congress a plan for carrying out the requirements of subsection (c).

(f) DELAYED EFFECTIVE DATE FOR LIMITATION ON PROCUREMENT OF SYSTEMS NOT GPS-EQUIPPED.—Section 152(b) of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160; 107 Stat. 1578) is amended by striking out ''2000'' and inserting in lieu thereof ''2005''.

(g) FUNDING FROM AUTHORIZED APPROPRIATIONS FOR FISCAL YEAR 1999.—Of the amounts authorized to be appropriated under section 201(3), $44,000,000 shall be available to establish and carry out an enhanced Global Positioning System program.

SEC. 216. MANUFACTURING TECHNOLOGY PROGRAM.

(a) COMPETITION AND COST SHARING.—Subsection (d) of section 2525 of title 10, United States Code, is amended by striking out paragraphs (2), (3), and (4) and inserting in lieu thereof the following:

''(2) Except as provided in paragraph (3), the costs of a project carried out under the program shall be shared by the Department of Defense and the other parties to the grant, contract, cooperative agreement, or other transaction involved if any results of the project are likely to have an immediate and direct commercial application. The cost share—

''(A) in the case of a grant, contract, cooperative agreement, or other transaction that is awarded using a competitive selection process, shall be the cost share proposed in the application or offer selected for the award; or

''(B) in a case in which there is only one applicant or offeror, shall be the cost share negotiated with the applicant or offeror that provides the best value for the Government.

''(3)(A) Cost-sharing is not required of the non-Federal Government parties to a grant, contract, cooperative agreement, or other transaction under paragraph (2) if the project is determined as being sufficiently high risk

to discourage cost-sharing by non-Federal Government sources.

"(B) A determination under subparagraph (A) that cost-sharing is not required in the case of a particular grant, contract, cooperative agreement or other transaction shall be made by—

"(i) the Secretary of the military department awarding the grant or entering into the contract, cooperative agreement, or other transaction; or

"(ii) the Secretary of Defense for any other grant, contract, cooperative agreement, or transaction.

"(C) The transaction file for a case in which cost-sharing is determined as not being required shall include written documentation of the reasons for the determination.".

(b) FIVE-YEAR PLAN.—Subsection (e)(2) of such section is amended to read as follows:

"(2) The plan shall include the following:

"(A) An assessment of the effectiveness of the program.

"(B) An assessment of the extent to which the costs of projects are being shared by the following:

"(i) Commercial enterprises in the private sector.

"(ii) Department of Defense program offices, including weapon system program offices.

"(iii) Departments and agencies of the Federal Government outside the Department of Defense.

"(iv) Institutions of higher education.

"(v) Other institutions not operated for profit.

"(vi) Other sources.".

SEC. 217. AUTHORITY FOR USE OF MAJOR RANGE AND TEST FACILITY INSTALLATIONS BY COMMERCIAL ENTITIES.

(a) PERMANENT AUTHORITY.—Subsection (g) of section 2681 of title 10, United States Code, is repealed.

(b) REPEAL OF EXECUTED REPORTING REQUIREMENT.—Subsection (h) of such section is repealed.

SEC. 218. EXTENSION OF AUTHORITY TO CARRY OUT CERTAIN PROTOTYPE PROJECTS.

Section 845(c) of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160; 10 U.S.C. 2371 note) is amended by striking out "September 30, 1999" and inserting in lieu thereof "September 30, 2001".

Subtitle C—Other Matters

SEC. 231. POLICY WITH RESPECT TO BALLISTIC MISSILE DEFENSE COOPERATION.

As the United States proceeds with efforts to develop defenses against ballistic missile attack, it should seek to foster a climate of cooperation with Russia on matters related to missile defense. In particular, the United States and its NATO allies should seek to cooperate with Russia in such areas as early warning.

TITLE III—OPERATION AND MAINTENANCE

Subtitle A—Authorization of Appropriations

SEC. 301. OPERATION AND MAINTENANCE FUNDING.

(a) AMOUNTS AUTHORIZED.—Funds are hereby authorized to be appropriated for fiscal year 1999 for the use of the Armed Forces and other activities and agencies of the Department of Defense for expenses, not otherwise provided for, for operation and maintenance, in amounts as follows:

(1) For the Army, $17,395,563,000.

(2) For the Navy, $22,001,302,000.

(3) For the Marine Corps, $2,638,703,000.

(4) For the Air Force, $19,213,404,000.

(5) For the Special Operations Command, $1,251,503,000.

(6) For Defense-wide activities, $9,025,598,000.

(7) For the Army Reserve, $1,217,622,000.

(8) For the Naval Reserve, $943,639,000.

(9) For the Marine Corps Reserve, $134,593,000.

(10) For the Air Force Reserve, $1,759,696,000.

(11) For the Army National Guard, $2,476,815,000.

(12) For the Air National Guard, $3,113,933,000.

(13) For the Defense Inspector General, $130,764,000.

(14) For the United States Court of Appeals for the Armed Forces, $7,324,000.

(15) For Environmental Restoration, Army, $370,640,000.

(16) For Environmental Restoration, Navy, $274,600,000.

(17) For Environmental Restoration, Air Force, $372,100,000.

(18) For Environmental Restoration, Defense-wide, $23,091,000.

(19) For Environmental Restoration, Formerly Used Defense Sites, $195,000,000.

(20) For Overseas Humanitarian, Demining, and CINC Initiatives, $50,000,000.

(21) For Drug Interdiction and Counter-drug Activities, Defense-wide, $727,582,000.

(22) For the Kaho'olawe Island Conveyance, Remediation, and Environmental Restoration Trust Fund, $15,000,000.

(23) For Medical Programs, Defense, $9,653,435,000.

(24) For Cooperative Threat Reduction programs, $440,400,000.

(25) For Overseas Contingency Operations Transfer Fund, $746,900,000.

(26) For Impact Aid, $35,000,000.

(b) GENERAL LIMITATION.—Notwithstanding paragraphs (1) through (25) of subsection (a), the total amount authorized to be appropriated for fiscal year 1999 under those paragraphs is $93,875,207,000.

SEC. 302. WORKING CAPITAL FUNDS.

Funds are hereby authorized to be appropriated for fiscal year 1999 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, Air Force, $30,800,000.

(2) For Defense Working-Capital Fund, Defense-wide, $63,700,000.

(3) For the National Defense Sealift Fund, $669,566,000.

SEC. 303. ARMED FORCES RETIREMENT HOME.

There is hereby authorized to be appropriated for fiscal year 1999 from the Armed Forces Retirement Home Trust Fund the sum of $70,745,000 for the operation of the Armed Forces Retirement Home, including the United States Soldiers' and Airmen's Home and the Naval Home.

SEC. 304. TRANSFER FROM THE NATIONAL DEFENSE STOCKPILE TRANSACTION FUND.

(a) TRANSFER AUTHORITY.—To the extent provided in appropriations Acts, not more than $150,000,000 is authorized to be transferred from the National Defense Stockpile Transaction Fund to operation and maintenance accounts for fiscal year 1999 in amounts as follows:

(1) For the Army, $50,000,000.

(2) For the Navy, $50,000,000.

(3) For the Air Force, $50,000,000.

(b) TREATMENT OF TRANSFERS.—Amounts transferred under this section—

(1) shall be merged with, and be available for the same purposes and the same period as, the amounts in the accounts to which transferred; and

(2) may not be expended for an item that has been denied authorization of appropriations by Congress.

(c) RELATIONSHIP TO OTHER TRANSFER AUTHORITY.—The transfer authority provided in this section is in addition to the transfer authority provided in section 1001.

Subtitle B—Program Requirements, Restrictions, and Limitations

SEC. 311. SPECIAL OPERATIONS COMMAND COUNTERPROLIFERATION AND COUNTERTERRORISM ACTIVITIES.

Of the amount authorized to be appropriated under section 301(a)(5), the $18,500,000 available for the Special Operations Command that is not needed for the operation of six of the patrol coastal craft of the Department of Defense in the Caribbean Sea and Eastern Pacific Ocean in support of the drug interdiction efforts of the United States Southern Command by reason of section

331 shall be available for increased training and related operations in support of that command's counterproliferation of weapons of mass destruction and the command's counterterrorism activities. The amount available under the preceding sentence is in addition to other funds authorized to be appropriated under section 301(a)(5) for the Special Operations Command for such purposes.

SEC. 312. TAGGING SYSTEM FOR IDENTIFICATION OF HYDROCARBON FUELS USED BY THE DEPARTMENT OF DEFENSE.

(a) AUTHORITY TO CONDUCT PILOT PROGRAM.—The Secretary of Defense may conduct a pilot program using existing technology to determine—

(1) the feasibility of tagging hydrocarbon fuels used by the Department of Defense for the purposes of analyzing and identifying such fuels;

(2) the deterrent effect of such tagging on the theft and misuse of fuels purchased by the Department; and

(3) the extent to which such tagging assists in determining the source of surface and underground pollution in locations having separate fuel storage facilities of the Department and of civilian companies.

(b) SYSTEM ELEMENTS.—The tagging system under the pilot program shall have the following characteristics:

(1) The tagging system does not harm the environment.

(2) Each chemical used in the tagging system is—

(A) approved for use under the Toxic Substances Control Act (15 U.S.C. 2601 et seq.); and

(B) substantially similar to the fuel to which added, as determined in accordance with criteria established by the Environmental Protection Agency for the introduction of additives into hydrocarbon fuels.

(3) The tagging system permits a determination if a tag is present and a determination if the concentration of a tag has changed in order to facilitate identification of tagged fuels and detection of dilution of tagged fuels.

(4) The tagging system does not impair or degrade the suitability of tagged fuels for their intended use.

(c) REPORT.—Not later than 30 days after the completion of the pilot program, the Secretary shall submit to Congress a report setting forth the results of the pilot

program and including any recommendations for legislation relating to the tagging of hydrocarbon fuels by the Department that the Secretary considers appropriate.

(d) FUNDING.—Of the amounts authorized to be appropriated under section 301(a)(6) for operation and maintenance for defense-wide activities, not more than $5,000,000 shall be available for the pilot program.

SEC. 313. PILOT PROGRAM FOR ACCEPTANCE AND USE OF LANDING FEES CHARGED FOR USE OF DOMESTIC MILITARY AIRFIELDS BY CIVIL AIRCRAFT.

(a) PILOT PROGRAM AUTHORIZED.—The Secretary of each military department may carry out a pilot program to demonstrate the use of landing fees as a source of funding for the operation and maintenance of airfields of the department.

(b) IMPOSITION OF LANDING FEES.—Under a pilot program carried out under this section, the Secretary of a military department may prescribe and impose landing fees for use of any military airfield of the department in the United States by civil aircraft during fiscal years 1999 and 2000. No fee may be charged under the pilot program for a landing after September 30, 2000.

(c) USE OF PROCEEDS.—Amounts received for a fiscal year in payment of landing fees imposed under the

pilot program for use of a military airfield shall be credited to the appropriation that is available for that fiscal year for the operation and maintenance of the military airfield, shall be merged with amounts in the appropriation to which credited, and shall be available for that military airfield for the same period and purposes as the appropriation is available.

(d) REPORT.—Not later than March 31, 2000, the Secretary of Defense shall submit to Congress a report on the pilot programs carried out under this section by the Secretaries of the military departments. The report shall specify the amounts of fees received and retained by each military department under the pilot program as of December 31, 1999.

Subtitle C—Environmental Provisions

SEC. 321. TRANSPORTATION OF POLYCHLORINATED BIPHENYLS FROM ABROAD FOR DISPOSAL IN THE UNITED STATES.

(a) AUTHORITY.—Chapter 157 of title 10, United States Code, is amended by adding at the end the following:

"§ 2646. Transportation of polychlorinated biphenyls from abroad; disposal

''(a) AUTHORITY TO TRANSPORT.—(1) Subject to paragraph (2), the Secretary of the Defense and the Secretaries of the military departments may provide for the transportation into the customs territory of the United States of polychlorinated biphenyls generated by or under the control of the Department of Defense for purposes of their disposal, treatment, or storage in the customs territory of the United States.

''(2) Polychlorinated biphenyls may be transported into the customs territory of the United States under paragraph (1) only if the Administrator of the Environmental Protection Agency determines that the transportation will not result in an unreasonable risk of injury to health or the environment.

''(b) DISPOSAL.—(1) The disposal, treatment, and storage of polychlorinated biphenyls transported into the customs territory of the United States under subsection (a) shall be governed by the provisions of the Toxic Substances Control Act (15 U.S.C. 2601 et seq.).

''(2) A chemical waste landfill may not be used for the disposal, treatment, or storage of polychlorinated biphenyls transported into the customs territory of the United States under subsection (a) unless the landfill meets all of the technical requirements specified in section

761.75(b)(3) of title 40, Code of Federal Regulations, as in effect on the date that was one year before the date of enactment of the National Defense Authorization Act for Fiscal Year 1999.

"(c) CUSTOMS TERRITORY OF THE UNITED STATES DEFINED.—In this section, the term 'customs territory of the United States' has the meaning given that term in General Note 2. of the Harmonized Tariff Schedule of the United States.".

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

"2646. Transportation of polychlorinated biphenyls from abroad; disposal.".

SEC. 322. MODIFICATION OF DEADLINE FOR SUBMITTAL TO CONGRESS OF ANNUAL REPORTS ON ENVIRONMENTAL ACTIVITIES.

Section 2706 of title 10, United States Code, is amended by striking out "not later than 30 days" each place it appears in subsections (a), (b), (c), and (d) and inserting in lieu thereof "not later than 45 days".

SEC. 323. SUBMARINE SOLID WASTE CONTROL.

(a) SOLID WASTE DISCHARGE REQUIREMENTS.—Subsection (c)(2) of section 3 of the Act to Prevent Pollution from Ships (33 U.S.C. 1902) is amended—

(1) in subparagraph (A), by adding at the end the following:

"(iii) With regard to submersibles, non-plastic garbage that has been compacted and weighted to ensure negative buoyancy."; and

(2) in subparagraph (B)(ii), by striking out "subparagraph (A)(ii)" and inserting in lieu thereof "clauses (ii) and (iii) of subparagraph (A)".

(b) CONFORMING AMENDMENT.—Subsection (e)(3)(A) of that section is amended by striking out "garbage that contains more than the minimum amount practicable of".

SEC. 324. PAYMENT OF STIPULATED PENALTIES ASSESSED UNDER CERCLA.

The Secretary of Defense may pay, from amounts in the Department of Defense Base Closure Account 1990 established by section 2906(a)(1) of the Defense Base Closure and Realignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note), not more than $15,000 as payment of pay stipulated civil penalties assessed under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.) against McClellan Air Force Base, California.

SEC. 325. AUTHORITY TO PAY NEGOTIATED SETTLEMENT FOR ENVIRONMENTAL CLEANUP OF FORMERLY USED DEFENSE SITES IN CANADA.

(a) FINDINGS.—Congress makes the following findings with respect to the authorization of payment of settlement with Canada in subsection (b) regarding environmental cleanup at formerly used defense sites in Canada:

(1) A unique and longstanding national security alliance exists between the United States and Canada.

(2) The sites covered by the settlement were formerly used by the United States and Canada for their mutual defense.

(3) There is no formal treaty or international agreement between the United States and Canada regarding the environmental cleanup of the sites.

(4) Environmental contamination at some of the sites could pose a substantial risk to the health and safety of the United States citizens residing in States near the border between the United States and Canada.

(5) The United States and Canada reached a negotiated agreement for an ex-gratia reimbursement of Canada in full satisfaction of claims of Canada relating to environmental contamination which agreement was embodied in an exchange of Notes

between the Government of the United States and the Government of Canada.

(6) There is a unique factual basis for authorizing a reimbursement of Canada for environmental cleanup at sites in Canada after the United States departure from such sites.

(7) The basis for and authorization of such reimbursement does not extend to similar claims by other nations.

(8) The Government of Canada is committed to spending the entire $100,000,000 of the reimbursement authorized in subsection (b) in the United States, which will benefit United States industry and United States workers.

(b) AUTHORITY TO MAKE PAYMENTS.—(1) Subject to paragraph (3), the Secretary of Defense may, using funds specified under subsection (c), make a payment described in paragraph (2) in each of fiscal years 1999 through 2008 for purposes of the ex-gratia reimbursement of Canada in full satisfaction of any and all claims asserted against the United States by Canada for environmental cleanup of sites in Canada that were formerly used for the mutual defense of the United States and Canada.

(2) A payment referred to in paragraph (1) is a payment of $10,000,000, in constant fiscal year 1996 dollars,

into the Foreign Military Sales Trust Account for purposes of Canada.

(3) A payment may be made under paragraph (1) in any fiscal year after fiscal year 1999 only if the Secretary of Defense submits to Congress with the budget for such fiscal year under section 1105 of title 31, United States Code, evidence that the cumulative amount expended by the Government of Canada for environmental cleanup activities in Canada during any fiscal years before such fiscal year in which a payment under that paragraph was authorized was an amount equal to or greater than the aggregate amount of the payments under that paragraph during such fiscal years.

(c) SOURCE OF FUNDS.—A payment may be made under subsection (b) in a fiscal year from amounts appropriated pursuant to the authorization of appropriations for the Department of Defense for such fiscal year for Operation and Maintenance, Defense-Wide.

SEC. 326. SETTLEMENT OF CLAIMS OF FOREIGN GOVERNMENTS FOR ENVIRONMENTAL CLEANUP OF OVERSEAS SITES FORMERLY USED BY THE DEPARTMENT OF DEFENSE.

(a) NOTICE OF NEGOTIATIONS.—The President shall notify Congress before entering into any negotiations for the ex-gratia settlement of the claims of a government of

another country against the United States for environmental cleanup of sites in that country that were formerly used by the Department of Defense.

(b) AUTHORIZATION REQUIRED FOR USE FUNDS FOR PAYMENT OF SETTLEMENT.—Notwithstanding any other provision of law, no funds may be utilized for any payment under an ex-gratia settlement of any claims described in subsection (a) unless the use of the funds for that purpose is specifically authorized by law, treaty, or international agreement.

SEC. 327. ARCTIC MILITARY ENVIRONMENTAL COOPERATION PROGRAM.

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

(1) The Secretary of Defense has developed a program to address environmental matters relating to the military activities of the Department of Defense in the Arctic region. The program is known as the "Arctic Military Environmental Cooperation Program".

(2) The Secretary has carried out the Arctic Military Environmental Cooperation Program using funds appropriated for Cooperative Threat Reduction programs.

(b) ACTIVITIES UNDER PROGRAM.—(1) Subject to paragraph (2), activities under the Arctic Military Environmental Cooperation Program shall include cooperative activities on environmental matters in the Arctic region with the military departments and agencies of other countries, including the Russian Federation.

(2) Activities under the Arctic Military Environmental Cooperation Program may not include any activities for purposes for which funds for Cooperative Threat Reduction programs have been denied, including the purposes for which funds were denied by section 1503 of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201; 110 Stat. 2732).

(c) AVAILABILITY OF FISCAL YEAR 1999 FUNDS.—(1) Of the amount authorized to be appropriated by section 301(a)(6), $4,000,000 shall be available for carrying out the Arctic Military Environmental Program.

(2) Amounts available for the Arctic Military Environmental Cooperation Program under paragraph (1) may not be obligated or expended for that Program until 45 days after the date on which the Secretary of Defense submits to the congressional defense committees a plan for the Program under paragraph (3).

(3) The plan for the Arctic Military Environmental Cooperation Program under this paragraph shall include the following:

(A) A statement of the overall goals and objectives of the Program.

(B) A statement of the proposed activities under the Program and the relationship of such activities to the national security interests of the United States.

(C) An assessment of the compatibility of the activities set forth under subparagraph (B) with the purposes of the Cooperative Threat Reduction programs of the Department of Defense (including with any prohibitions and limitations applicable to such programs).

(D) An estimate of the funding to be required and requested in future fiscal years for the activities set forth under subparagraph (B).

(E) A proposed termination date for the Program.

Subtitle D—Counter-Drug Activities

SEC. 331. PATROL COASTAL CRAFT FOR DRUG INTERDICTION BY SOUTHERN COMMAND.

Of the funds authorized to be appropriated under section 301(a)(21), relating to drug interdiction and counter-drug activities, $18,500,000 shall be available for the equipping and operation of six of the Cyclone class coastal defense ships of the Department of Defense in the Caribbean Sea and Eastern Pacific Ocean in support of the drug interdiction efforts of the United States Southern Command.

SEC. 332. PROGRAM AUTHORITY FOR DEPARTMENT OF DEFENSE SUPPORT FOR COUNTER-DRUG ACTIVITIES.

(a) EXTENSION OF AUTHORITY.—Subsection (a) of section 1004 of the National Defense Authorization Act for Fiscal Year 1991 (10 U.S.C. 374 note) is amended by striking out ''through 1999'' and inserting in lieu thereof ''through 2004''.

(b) BASES AND FACILITIES SUPPORT.—(1) Subsection (b)(4) of such section is amended by inserting ''of the Department of Defense or any Federal, State, local, or foreign law enforcement agency'' after ''counter-drug activities''.

(2) Section 1004 of such Act is further amended by adding at the end the following:

"(h) CONGRESSIONAL NOTIFICATION OF FACILITIES PROJECTS.—(1) Not later than 21 days before obligating funds for beginning the work on a project described in paragraph (2), the Secretary of Defense shall submit to the congressional defense committees a notification of the project, including the scope and estimated total cost of the project.

"(2) Paragraph (1) applies to a project for the modification or repair of a Department of Defense facility for the purpose set forth in subsection (b)(4) that is estimated to cost more than $500,000.".

SEC. 333. SOUTHWEST BORDER FENCE.

(a) LIMITATION OF FUNDING FOR EXPANSION.—None of the funds authorized to be appropriated for the Department of Defense by this Act may be used to expand the Southwest border fence until the Secretary of Defense submits the report required by subsection (b).

(b) REPORT.—The Secretary of Defense shall submit to the congressional defense committees a report on the extent to which the Southwest border fence has reduced the illegal transportation of narcotics and other drugs into the United States.

(c) SOUTHWEST BORDER FENCE DEFINED.—In this section, the term ''Southwest border fence'' means the fence that was constructed, at Department of Defense expense, along the southwestern border of the United States for the purpose of preventing or reducing the illegal transportation of narcotics and other drugs into the United States.

Subtitle E—Other Matters

SEC. 341. LIQUIDITY OF WORKING-CAPITAL FUNDS.

(a) INCREASED CASH BALANCES.—The Secretary of Defense shall administer the working-capital funds of the Department of Defense during fiscal year 1999 so as to ensure that the total amount of the cash balances in such funds on September 30, 1999, exceeds the total amount of the cash balances in such funds on September 30, 1998, by $1,300,000,000.

(b) ACTIONS REGARDING UNBUDGETED LOSSES AND GAINS.—(1) In order to achieve the increase in cash balances in working-capital funds required under subsection (a), the Under Secretary of Defense (Comptroller) shall—

(A) assess surcharges on the rates charged to Department of Defense activities for the performance of depot-level maintenance and repair workloads for those activities in fiscal year 1999 as necessary to recoup for the working-capital funds the

amounts of any operational losses that are incurred in the performance of those workloads in excess of the amounts of the losses that are budgeted for fiscal year 1999; and

(B) return to Department of Defense activities any amounts that—

(i) are realized for the working-capital funds for depot-level maintenance and repair workloads in excess of the estimated revenues budgeted for the performance of those workloads that originate in those activities; and

(ii) are not needed to achieve the required increase in cash balances.

(2) The Under Secretary of Defense (Comptroller) shall prescribe policies and procedures for carrying out paragraph (1). The policies and procedures shall include a prohibition on applying assessments of surcharges to a Department of Defense activity more frequently than once every six months.

(c) WAIVER.—(1) The Secretary of Defense may waive the requirements of this section upon certifying to Congress, in writing, that the waiver is necessary to meet requirements associated with—

(A) a contingency operation (as defined in section 101(a)(13) of title 10, United States Code); or

(B) an operation of the Armed Forces that commenced before October 1, 1998, and continues during fiscal year 1999.

(2) The waiver authority under paragraph (1) may not be delegated to any official other than the Deputy Secretary of Defense.

(d) SEMIANNUAL REPORT.—(1) The Under Secretary shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives—

(A) not later than May 1, 1999, a report on the administration of this section for the 6-month period ending on March 31, 1999; and

(B) not later than November 1, 1999, a report on the administration of this section for the 6-month period ending on September 30, 1999.

(2) Each report shall include, for the 6-month period covered by the report, the following:

(A) The profit and loss status of each working-capital fund activity.

(B) The actions taken by the Secretary of each military department to use assessments of surcharges to correct for unbudgeted losses and gains.

SEC. 342. TERMINATION OF AUTHORITY TO MANAGE WORKING-CAPITAL FUNDS AND CERTAIN ACTIVITIES THROUGH THE DEFENSE BUSINESS OPERATIONS FUND.

(a) REVISION OF CERTAIN DBOF PROVISIONS AND REENACTMENT TO APPLY TO WORKING-CAPITAL FUNDS GENERALLY.—Section 2208 of title 10, United States Code, is amended by adding at the end the following:

''(m) CAPITAL ASSET SUBACCOUNTS.—Amounts charged for depreciation of capital assets shall be credited to a separate capital asset subaccount established within a working-capital fund.

''(n) SEPARATE ACCOUNTING, REPORTING, AND AUDITING OF FUNDS AND ACTIVITIES.—The Secretary of Defense, with respect to the working-capital funds of each Defense Agency, and the Secretary of each military department, with respect to the working-capital funds of the military department, shall provide in accordance with this subsection for separate accounting, reporting, and auditing of funds and activities managed through the working-capital funds.

''(o) CHARGES FOR GOODS AND SERVICES PROVIDED THROUGH THE FUND.—(1) Charges for goods and services provided for an activity through a working-capital fund shall include the following:

"(A) Amounts necessary to recover the full costs of the goods and services provided for that activity.

"(B) Amounts for depreciation of capital assets, set in accordance with generally accepted accounting principles.

"(2) Charges for goods and services provided through a working-capital fund may not include the following:

"(A) Amounts necessary to recover the costs of a military construction project (as defined in section 2801(b) of this title), other than a minor construction project financed by the fund pursuant to section 2805(c)(1) of this title.

"(B) Amounts necessary to cover costs incurred in connection with the closure or realignment of a military installation.

"(C) Amounts necessary to recover the costs of functions designated by the Secretary of Defense as mission critical, such as ammunition handling safety, and amounts for ancillary tasks not directly related to the mission of the function or activity managed through the fund.

"(p) PROCEDURES FOR ACCUMULATION OF FUNDS.—The Secretary of Defense, with respect to each working-capital fund of a Defense Agency, and the Sec-

retary of a military department, with respect to each working-capital fund of the military department, shall establish billing procedures to ensure that the balance in that working-capital fund does not exceed the amount necessary to provide for the working-capital requirements of that fund, as determined by the Secretary concerned.

"(q) ANNUAL REPORTS AND BUDGET.—The Secretary of Defense, with respect to each working-capital fund of a Defense Agency, and the Secretary of each military department, with respect to each working-capital fund of the military department, shall annually submit to Congress, at the same time that the President submits the budget under section 1105 of title 31, the following:

"(1) A detailed report that contains a statement of all receipts and disbursements of the fund (including such a statement for each subaccount of the fund) for the fiscal year ending in the year preceding the year in which the budget is submitted.

"(2) A detailed proposed budget for the operation of the fund for the fiscal year for which the budget is submitted.

"(3) A comparison of the amounts actually expended for the operation of the fund for the fiscal year referred to in paragraph (1) with the amount

proposed for the operation of the fund for that fiscal year in the President's budget.

"(4) A report on the capital asset subaccount of the fund that contains the following information:

"(A) The opening balance of the subaccount as of the beginning of the fiscal year in which the report is submitted.

"(B) The estimated amounts to be credited to the subaccount in the fiscal year in which the report is submitted.

"(C) The estimated amounts of outlays to be paid out of the subaccount in the fiscal year in which the report is submitted.

"(D) The estimated balance of the subaccount at the end of the fiscal year in which the report is submitted.

"(E) A statement of how much of the estimated balance at the end of the fiscal year in which the report is submitted will be needed to pay outlays in the immediately following fiscal year that are in excess of the amount to be credited to the subaccount in the immediately following fiscal year.".

(b) REPEAL OF AUTHORITY TO MANAGE THROUGH THE DEFENSE BUSINESS OPERATIONS FUND.—(1) Section 2216a of title 10, United States Code, is repealed.

(2) The table of sections at the beginning of chapter 131 of such title is amended by striking out the item relating to section 2216a.

SEC. 343. CLARIFICATION OF AUTHORITY TO RETAIN RECOVERED COSTS OF DISPOSALS IN WORKING-CAPITAL FUNDS.

Section 2210(a) of title 10, United States Code, is amended to read as follows:

''(a)(1) A working-capital fund established pursuant to section 2208 of this title may retain so much of the proceeds of disposals of property referred to in paragraph (2) as is necessary to recover the expenses incurred by the fund in disposing of such property. Proceeds from the sale or disposal of such property in excess of amounts necessary to recover the expenses may be credited to current applicable appropriations of the Department of Defense.

''(2) Paragraph (1) applies to disposals of supplies, material, equipment, and other personal property that were not financed by stock funds established under section 2208 of this title.''.

SEC. 344. BEST COMMERCIAL INVENTORY PRACTICES FOR MANAGEMENT OF SECONDARY SUPPLY ITEMS.

(a) DEVELOPMENT AND SUBMISSION OF SCHEDULE.—Not later than 180 days after the date of the enactment of this Act, the Secretary of each military department shall develop and submit to Congress a schedule for implementing within the military department, for secondary supply items managed by that military department, inventory practices identified by the Secretary as being the best commercial inventory practices for the acquisition and distribution of such supply items consistent with military requirements. The schedule shall provide for the implementation of such practices to be completed not later than five years after the date of the enactment of this Act.

(b) DEFINITION.—For purposes of this section, the term ''best commercial inventory practice'' includes cellular repair processes, use of third-party logistics providers, and any other practice that the Secretary determines will enable the military department to reduce inventory levels and holding costs while improving the responsiveness of the supply system to user needs.

(c) GAO REPORTS ON MILITARY DEPARTMENT AND DEFENSE LOGISTICS AGENCY SCHEDULES.—(1) Not later than 240 days after the date of the enactment of this Act, the Comptroller General shall submit to Congress

a report evaluating the extent to which the Secretary of each military department has complied with the requirements of this section.

(2) Not later than 18 months after the date on which the Director of the Defense Logistics Agency submits to Congress a schedule for implementing best commercial inventory practices under section 395 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 1718; 10 U.S.C. 2458 note), the Comptroller General shall submit to Congress an evaluation of the extent to which best commercial inventory practices are being implemented in the Defense Logistics Agency in accordance with that schedule.

SEC. 345. INCREASED USE OF SMART CARDS.

(a) FUNDING FOR INCREASED USE GENERALLY.—Of the funds available for the Navy for fiscal year 1999 for operation and maintenance, the Secretary of the Navy shall allocate sufficient amounts, up to $25,000,000, to making significant progress toward ensuring that smart cards having a multi-application, multi-technology automated reading capability are issued and used throughout the Navy and the Marine Corps for purposes for which such cards are suitable.

(b) DEPLOYMENT OF SMART CARDS.—(1) Not later than March 31, 1999, the Secretary of the Navy shall

equip with smart card technology at least one carrier battle group, one carrier air wing, and one amphibious readiness group (including the Marine Corps units embarked on the vessels of such battle and readiness groups) in each of the United States Atlantic Command and the United States Pacific Command.

(2) None of the funds appropriated pursuant to any authorization of appropriations in this Act may be expended after March 31, 1999, for the procurement of the Joint Uniformed Services Identification card for, or for the issuance of such card to, members of the Navy or the Marine Corps until the Secretary of the Navy certifies in writing to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives that the Secretary has completed the issuance of smart cards in accordance with paragraph (1).

(c) PLAN.—Not later than March 31, 1999, the Secretary of the Navy shall submit to the congressional defense committees a plan for equipping all operational naval units with smart card technology. The Secretary shall include in the plan estimates of the costs of, and the savings to be derived from, carrying out the plan.

(d) SMART CARD DEFINED.—In this section, the term ''smart card'' means a credit card size device that contains one or more integrated-circuits.

SEC. 346. PUBLIC-PRIVATE COMPETITION IN THE PROVISION OF SUPPORT SERVICES.

(a) SENSE OF THE SENATE.—It is the sense of the Senate that the Secretary of Defense should take action to initiate public-private competitions pursuant to Office of Management and Budget Circular A–76 for functions of the Department of Defense involving not fewer than a number of employees equivalent to 30,000 full-time employees for each of fiscal years 1999, 2000, 2001, 2002, 2003, and 2004.

(b) SMALL FUNCTIONS QUALIFIED FOR A WAIVER OF THE NOTIFICATION AND REPORTING REQUIREMENTS FOR CONVERSION TO CONTRACTOR PERFORMANCE.—(1) Section 2461(d) of title 10, United States Code, is amended by striking out ''20 or fewer'' and inserting in lieu thereof ''50 or fewer''.

(2) Notwithstanding any other provision of law, no study, notification, or report may be required pursuant to subsection (a), (b), or (c) of section 2461 of title 10, United States Code, or Office of Management and Budget Circular A–76 for functions that are being performed by 50 or fewer Department of Defense civilian employees.

(c) BEST OVERALL VALUE TO THE TAXPAYER.—Section 2462(a) of title 10, United States Code, is amended by striking out ''at a cost that is lower'' and all that follows through the period at the end and inserting in lieu

thereof: ''at a lower cost than the cost at which the Department can provide the same supply or service or at a better overall value than the value that the Department can provide for the same supply or service. Each determination regarding relative cost or relative overall value shall be based on an objective evaluation of cost and performance-related factors and shall include the consideration of any cost differential required by law, Executive order, or regulation.''.

(d) EFFECTIVE DATE.—Subsections (b) and (c), and the amendments made by such subsections, shall take effect on January 1, 2001.

SEC. 347. CONDITION FOR PROVIDING FINANCIAL ASSISTANCE FOR SUPPORT OF ADDITIONAL DUTIES ASSIGNED TO THE ARMY NATIONAL GUARD.

(a) COMPETITIVE SOURCE SELECTION.—Section 113(b) of title 32, United States Code, is amended to read as follows:

''(b) COVERED ACTIVITIES.—(1) Except as provided in paragraph (2), financial assistance may be provided for the performance of an activity by the Army National Guard under subsection (a) only if—

''(A) the activity is carried out in the performance of a responsibility of the Secretary of the Army

under paragraph (6), (10), or (11) of section 3013(b) of title 10; and

"(B) the Army National Guard was selected to perform the activity under competitive procedures that permit all responsible private-sector sources to submit offers and be considered for selection to perform the activity on the basis of the offers.

"(2) Paragraph (1)(B) does not apply to an activity that, on the date of the enactment of the National Defense Authorization Act for Fiscal Year 1999, was performed for the Federal Government by employees of the Federal Government or employees of a State.".

(b) PROSPECTIVE APPLICABILITY.—Subparagraph (B) of section 113(b)(1) of title 32, United States Code (as amended by subsection (a) of this section), does not apply to—

(1) financial assistance provided under that section before October 1, 1998; or

(2) financial assistance for an activity that, on or before May 8, 1998, the Secretary of the Army identified in writing as being under consideration for supporting with financial assistance under such section.

SEC. 348. REPEAL OF PROHIBITION ON JOINT USE OF GRAY ARMY AIRFIELD, FORT HOOD, TEXAS.

Section 319 of the National Defense Authorization Act for Fiscal Year 1987 (Public Law 99–661; 100 Stat. 3855), relating to a prohibition on the joint military-civilian use of Robert Gray Army Airfield, Fort Hood, Texas, is repealed.

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, 1999, as follows:

(1) The Army, 480,000.

(2) The Navy, 372,696.

(3) The Marine Corps, 172,200.

(4) The Air Force, 370,882.

SEC. 402. LIMITED EXCLUSIONS OF JOINT DUTY OFFICERS FROM LIMITATIONS ON NUMBER OF GENERAL AND FLAG OFFICERS.

(a) ONE ADDITIONAL EXEMPTION FROM PERCENTAGE LIMITATION ON NUMBER OF LIEUTENANT GENERALS AND VICE ADMIRALS.—Section 525(b)(4)(B) of title 10, United States Code, is amended by striking out ''six'' and inserting in lieu thereof ''seven''.

(b) EXTENSION OF AUTHORITY TO EXCLUDE UP TO 12 JOINT DUTY OFFICERS FROM LIMITATION ON AUTHORIZED GENERAL AND FLAG OFFICER STRENGTH.—Section 526(b)(2) of such title is amended by striking out ''October 1, 1998'' and inserting in lieu thereof ''October 1, 2002''.

SEC. 403. LIMITATION ON DAILY AVERAGE OF PERSONNEL ON ACTIVE DUTY IN GRADES E–8 AND E–9.

(a) FISCAL YEAR BASIS FOR APPLICATION OF LIMITATION.—The first sentence of section 517(a) of title 10, United States Code, is amended—

(1) by striking out ''a calendar year'' and inserting in lieu thereof ''a fiscal year''; and

(2) by striking out ''January 1 of that year'' and inserting in lieu thereof ''the first day of that fiscal year''.

(b) CORRECTION OF CROSS REFERENCE.—Such sentence is further amended by striking out ''Except as provided in section 307 of title 37, the'' and inserting in lieu thereof ''The''.

SEC. 404. REPEAL OF PERMANENT END STRENGTH REQUIREMENT FOR SUPPORT OF TWO MAJOR REGIONAL CONTINGENCIES.

(a) REPEAL.—Section 691 of title 10, United States Code, is repealed.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 39 of such title is amended by striking out the item relating to section 691.

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, 1999, as follows:

(1) The Army National Guard of the United States, 357,000.

(2) The Army Reserve, 208,000.

(3) The Naval Reserve, 90,843.

(4) The Marine Corps Reserve, 40,018.

(5) The Air National Guard of the United States, 106,991.

(6) The Air Force Reserve, 74,242.

(7) The Coast Guard Reserve, 8,000.

(b) WAIVER AUTHORITY.—The Secretary of Defense may vary an end strength authorized by subsection (a) by not more than 2 percent.

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

(1) the total authorized strength of units organized to serve as units of the Selected Reserve of

such component which are on active duty (other than for training) at the end of the fiscal year, and

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

Whenever such units or such individual members are released from active duty during any fiscal year, the end strength prescribed for such fiscal year for the Selected Reserve of such reserve component shall be proportionately increased by the total authorized strengths of such units and by the total number of such individual members.

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

Within the end strengths prescribed in section 411(a), the reserve components of the Armed Forces are authorized, as of September 30, 1999, 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, 21,763.

(2) The Army Reserve, 11,804.

(3) The Naval Reserve, 15,590.

(4) The Marine Corps Reserve, 2,362.

(5) The Air National Guard of the United States, 10,930.

(6) The Air Force Reserve, 991.

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

The reserve components of the Army and the Air Force are authorized strengths for military technicians (dual status) as of September 30, 1999, as follows:

(1) For the Army Reserve, 5,205.

(2) For the Army National Guard of the United States, 22,179.

(3) For the Air Force Reserve, 9,761.

(4) For the Air National Guard of the United States, 22,408.

SEC. 414. EXCLUSION OF ADDITIONAL RESERVE COMPONENT GENERAL AND FLAG OFFICERS FROM LIMITATION ON NUMBER OF GENERAL AND FLAG OFFICERS WHO MAY SERVE ON ACTIVE DUTY.

Section 526(d) of title 10, United States Code, is amended to read as follows:

"(d) EXCLUSION OF CERTAIN RESERVE OFFICERS.—(1) Subject to paragraph (2), the limitations of this section do not apply to the following reserve component general or flag officers:

"(A) A general or flag officer who is on active duty for training.

"(B) A general or flag officer who is on active duty under a call or order specifying a period of less than 180 days.

"(C) A general or flag officer who is on active duty under a call or order specifying a period of more than 179 days.

"(2) The number of general or flag officers of an armed force that are excluded from the applicability of the limitations of this section under paragraph (1)(C) at any one time may not exceed the number equal to three percent of the number specified for that armed force under subsection (a).".

SEC. 415. INCREASE IN NUMBERS OF MEMBERS IN CERTAIN GRADES AUTHORIZED TO BE ON ACTIVE DUTY IN SUPPORT OF THE RESERVES.

(a) OFFICERS.—The table in section 12011(a) of title 10, United States Code, is amended to read as follows:

"Grade	Army	Navy	Air Force	Marine Corps
Major or Lieutenant Commander	3,219	1,071	791	140
Lieutenant Colonel or Commander	1,524	520	713	90
Colonel or Navy Captain	438	188	297	30".

(b) SENIOR ENLISTED MEMBERS.—The table in section 12012(a) of title 10, United States Code, is amended to read as follows:

"Grade	Army	Navy	Air Force	Marine Corps
E–9	623	202	395	20
E–8	2,585	429	997	94".

SEC. 416. CONSOLIDATION OF STRENGTH AUTHORIZATIONS FOR ACTIVE STATUS NAVAL RESERVE FLAG OFFICERS OF THE NAVY MEDICAL DEPARTMENT STAFF CORPS.

Section 12004(c) of subtitle E of title 10, United States Code, is amended—

(1) in the table in paragraph (1)—

(A) by striking out the item relating to the Medical Corps and inserting in lieu thereof the following:

"Medical Department staff corps ..... 9";

and

(B) by striking out the items relating to the Dental Corps, the Nurse Corps, and the Medical Service Corps; and

(2) by adding at the end the following:

"(4)(A) For the purposes of paragraph (1), the Medical Department staff corps referred to in the table are as follows:

"(i) The Medical Corps.

"(ii) The Dental Corps.

"(iii) The Nurse Corps.

"(iv) The Medical Service Corps.

"(B) Each of the Medical Department staff corps is authorized one rear admiral (lower half) within the strength authorization distributed to the Medical Department staff corps under paragraph (1). The Secretary of the Navy shall distribute the remainder of the strength authorization for the Medical Department staff corps under that paragraph among those staff corps as the Secretary determines appropriate to meet the needs of the Navy.".

Subtitle C—Authorization of Appropriations

SEC. 421. AUTHORIZATION OF APPROPRIATIONS FOR MILITARY PERSONNEL.

There is hereby authorized to be appropriated to the Department of Defense for military personnel for fiscal year 1999 a total of $70,434,386,000. The authorization in the preceding sentence supersedes any other authorization of appropriations (definite or indefinite) for such purpose for fiscal year 1999.

TITLE V—MILITARY PERSONNEL POLICY

Subtitle A—Officer Personnel Policy

SEC. 501. STREAMLINED SELECTIVE RETENTION PROCESS FOR REGULAR OFFICERS.

(a) REPEAL OF REQUIREMENT FOR DUPLICATIVE BOARD.—Section 1183 of title 10, United States Code, is repealed.

(b) CONFORMING AMENDMENTS.—(1) Section 1182(c) of such title is amended by striking out ''send the record of proceedings to a board of review convened under section 1183 of this title'' and inserting in lieu thereof ''recommend to the Secretary concerned that the officer not be retained on active duty''.

(2) Section 1184 of such title is amended by striking out ''board of review convened under section 1183 of this title'' and inserting in lieu thereof ''board of inquiry convened under section 1182 of this title''.

(c) CLERICAL AMENDMENTS.—(1) The heading for section 1184 of such title is amended by striking out ''**review**'' and inserting in lieu thereof ''**inquiry**''.

(2) The table of sections at the beginning of chapter 60 of such title is amended by striking out the items relat-

ing to sections 1183 and 1184 and inserting in lieu thereof the following:

"1184. Removal of officer: action by Secretary upon recommendation of board of inquiry.".

SEC. 502. PERMANENT APPLICABILITY OF LIMITATIONS ON YEARS OF ACTIVE NAVAL SERVICE OF NAVY LIMITED DUTY OFFICERS IN GRADES OF COMMANDER AND CAPTAIN.

(a) COMMANDERS.—Section 633 of title 10, United States Code, is amended—

(1) by striking out "Except an officer" and all that follows through "or section 6383 of this title applies" and inserting in lieu thereof "Except an officer of the Navy or Marine Corps who is an officer designated for limited duty to whom section 5596(e) or 6383 of this title applies"; and

(2) by striking out the second sentence.

(b) CAPTAINS.—Section 634 of such title is amended—

(1) by inserting "an officer of the Navy who is designated for limited duty to whom section 6383(a)(4) of this title applies and except" in the first sentence after "Except"; and

(2) by striking out the second sentence.

(c) YEARS OF ACTIVE NAVAL SERVICE.—Section 6383(a) of such title is amended by striking out paragraph (5).

(d) LIMITATIONS ON SELECTIVE RETENTIONS.—Section 6383(k) of such title is amended by striking out the last sentence.

SEC. 503. INVOLUNTARY SEPARATION PAY DENIED FOR OFFICER DISCHARGED FOR FAILURE OF SELECTION FOR PROMOTION REQUESTED BY THE OFFICER.

(a) INELIGIBILITY FOR SEPARATION PAY.—Section 1174(a) of title 10, United States Code, is amended by adding at the end the following:

''(3) Notwithstanding paragraphs (1) and (2), an officer discharged for twice failing of selection for promotion to the next higher grade is not entitled to separation pay under this section if the officer submitted a request not to be selected for promotion to any selection board that considered and did not select the officer for promotion to that grade.''.

(b) REPORT OF SELECTION BOARD TO NAME OFFICERS REQUESTING NONSELECTION.—Section 617 of such title is amended by adding at the end the following:

''(c) A selection board convened under section 611(a) of this title shall include in its report to the Secretary con-

cerned the name of any regular officer considered and not recommended by the board for promotion who submitted to the board a request not to be selected for promotion.''.

(c) EFFECTIVE DATE.—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 selection boards convened under section 611(a) of title 10, United States Code, on or after that date.

SEC. 504. TERM OF OFFICE OF THE CHIEF OF THE AIR FORCE NURSE CORPS.

Section 8069(b) of title 10, United States Code, is amended in the third sentence by striking out ''and'' and inserting in lieu thereof the following: ''except that the Secretary may increase the limit to four years in any case in which the Secretary determines that special circumstances justify a longer term of service in the position. An officer appointed as Chief''.

Subtitle B—Reserve Component Matters

SEC. 511. SERVICE REQUIRED FOR RETIREMENT OF NATIONAL GUARD OFFICER IN HIGHER GRADE.

(a) REVISION OF REQUIREMENT.—Subparagraph (E) of section 1370(d)(3) of title 10, United States Code, is amended to read as follows:

"(E) To the extent authorized by the Secretary of the military department concerned, a person who, after having been found qualified for Federal recognition in a higher grade by a board under section 307 of title 32, serves in a position for which that grade is the minimum authorized grade and is appointed as a reserve officer in that grade may be credited for the purposes of subparagraph (A) as having served in that grade. The period of the service for which credit is afforded under the preceding sentence may only be the period for which the person served in the position after the Senate provides advice and consent for the appointment.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on the date of the enactment of this Act and shall apply with respect to appointments to higher grades that take effect after that date.

SEC. 512. REDUCED TIME-IN-GRADE REQUIREMENT FOR RESERVE GENERAL AND FLAG OFFICERS INVOLUNTARILY TRANSFERRED FROM ACTIVE STATUS.

(a) MINIMUM SERVICE IN ACTIVE STATUS.—Section 1370(d)(3) of title 10, United States Code, as amended by section 511, is further amended by adding at the end the following new subparagraph:

"(F) A person covered by subparagraph (A) who has completed at least six months of satisfactory service in a grade above colonel or (in the case of the Navy) captain and, while serving in an active status in such grade, is involuntarily transferred (other than for cause) from active status may be credited with satisfactory service in the grade in which serving at the time of such transfer, notwithstanding failure of the person to complete three years of service in that grade.".

(b) EFFECTIVE DATE.—Subparagraph (F) of such section, as added by subsection (a), shall take effect on the date of the enactment of this Act and shall apply with respect to transfers referred to in such subparagraph that are made on or after that date.

SEC. 513. ELIGIBILITY OF ARMY AND AIR FORCE RESERVE BRIGADIER GENERALS TO BE CONSIDERED FOR PROMOTION WHILE ON INACTIVE STATUS LIST.

(a) WAIVER OF ACTIVE STATUS REQUIREMENT.—Chapter 1405 of title 10, United States Code, is amended by adding at the end the following:

"§ 14318. Officers on inactive status list: eligibility of Army and Air Force reserve brigadier generals for consideration for promotion

''(a) WAIVER OF ONE-YEAR ACTIVE STATUS RULE.—The Secretary concerned may waive the eligibility requirements in section 14301(a) of this title (and the requirement in section 140101(a) of this title that an officer be on a reserve active-status list) in the case of a general officer referred to in subsection (b) and authorize the officer to be considered for promotion under this chapter by a promotion board convened under section 14101(a) of this title.

''(b) APPLICABILITY.—Subsection (a) applies to a reserve officer of the Army or Air Force who—

''(1) is on the inactive status list of the Standby Reserve in the grade of brigadier general pursuant to a transfer under section 14314(a)(2) of this title;

''(2) has been on the inactive status list pursuant to the transfer for less than one year as of the date of the convening of the promotion board that is to consider the officer for promotion; and

''(3) during the one-year period ending on the date of the transfer to the inactive status list, continuously performed service on either the reserve active-status list, the active-duty list, or a combination of both lists.''.

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

"14318. Officers on inactive status list: eligibility of Army and Air Force reserve brigadier generals for consideration for promotion.".

SEC. 514. COMPOSITION OF SELECTIVE EARLY RETIREMENT BOARDS FOR REAR ADMIRALS OF THE NAVAL RESERVE AND MAJOR GENERALS OF THE MARINE CORPS RESERVE.

Section 14705(b) of title 10, United States Code, is amended—

(1) by inserting "(1)" after "(b) BOARDS.—"; and

(2) by adding at the end the following:

"(2) In the case of a board convened to consider the early retirement of officers in the grade of rear admiral in the Naval Reserve or major general in the Marine Corps Reserve, the Secretary of the Navy may prescribe the composition of the board notwithstanding section 14102(b) of this title. In doing so, however, the Secretary shall ensure that each regular commissioned officer of the Navy or the Marine Corps appointed to the board holds a permanent grade higher than the grade of the officers under consideration by the board and that at least one member of the board is a reserve officer who holds the grade of rear admiral or major general.".

SEC. 515. USE OF RESERVES FOR EMERGENCIES INVOLVING WEAPONS OF MASS DESTRUCTION.

(a) ORDER TO ACTIVE DUTY.—(1) Section 12304 of title 10, United States Code, is amended—

(A) in subsection (a), by inserting ''or is necessary to provide assistance referred to in subsection (b)'' after ''to augment the active forces for any operational mission''.

(B) in subsection (b)—

(i) by striking out ''(b)'' and inserting in lieu thereof ''(c) LIMITATIONS.—(1)''; and

(ii) by striking out '', or to provide'' and inserting in lieu thereof ''or, except as provided in subsection (b), to provide'';

(C) by redesignating subsection (c) as paragraph (2); and

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

''(b) SUPPORT FOR RESPONSES TO CERTAIN EMERGENCIES.—The authority under subsection (a) includes authority to order a unit or member to active duty to provide assistance in responding to an emergency involving a use or threatened use of a weapon of mass destruction.''.

(2) Subsection (i) of such section is amended to read as follows:

''(i) DEFINITIONS.—For purposes of this section:

"(1) The term 'Individual Ready Reserve mobilization category' means, in the case of any reserve component, the category of the Individual Ready Reserve described in section 10144(b) of this title.

"(2) The term 'weapon of mass destruction' has the meaning given such term in section 1402 of the Defense Against Weapons of Mass Destruction Act of 1996 (50 U.S.C. 2302(1)).".

(3) Such section is further amended—

(A) in subsection (a), by inserting "AUTHORITY.—" after "(a)";

(B) in subsection (d), by inserting "EXCLUSION FROM STRENGTH LIMITATIONS.—" after "(d)";

(C) in subsection (e), by inserting "POLICIES AND PROCEDURES.—" after "(e)";

(D) in subsection (f), by inserting "NOTIFICATION OF CONGRESS.—" after "(f)";

(E) in subsection (g), by inserting "TERMINATION OF DUTY.—" after "(g)"; and

(F) in subsection (h), by inserting "RELATIONSHIP TO WAR POWERS RESOLUTION.—" after "(h)".

(b) USE OF ACTIVE GUARD AND RESERVE PERSONNEL.—Section 12310 of title 10, United States Code, is amended by adding at the end the following:

"(c)(1) A Reserve on active duty as described in subsection (a), or a Reserve who is a member of the National Guard serving on full-time National Guard duty under section 502(f) of title 32 in connection with functions referred to in subsection (a), may perform any duties in support of emergency preparedness programs to prepare for or to respond to any emergency involving the use of a weapon of mass destruction (as defined in section 1402 of the Defense Against Weapons of Mass Destruction Act of 1996 (50 U.S.C. 2302(1))).

"(2) The costs of the pay, allowances, clothing, subsistence, gratuities, travel, and related expenses for a Reserve performing duties under the authority of paragraph (1) shall be paid from the appropriation that is available to pay such costs for other members of the reserve component of that Reserve who are performing duties as described in subsection (a).".

Subtitle C—Other Matters

SEC. 521. ANNUAL MANPOWER REQUIREMENTS REPORT.

Section 115a(a) of title 10, United States Code, is amended by striking out the first sentence and inserting in lieu thereof the following: "The Secretary of Defense shall submit an annual manpower requirements report to Congress each year, not later than 45 days after the date

on which the President submits the budget for the next fiscal year to Congress under section 1105(a) of title 31.''.

SEC. 522. FOUR-YEAR EXTENSION OF CERTAIN FORCE REDUCTION TRANSITION PERIOD MANAGEMENT AND BENEFITS AUTHORITIES.

(a) ACTIVE FORCE EARLY RETIREMENT.—Section 4403(i) of the National Defense Authorization Act for Fiscal Year 1993 (10 U.S.C. 1293 note) is amended by striking out ''October 1, 1999'' and inserting in lieu thereof ''October 1, 2003''.

(b) SPECIAL SEPARATION BENEFITS PROGRAM.—Section 1174a(h) of title 10, United States Code, is amended by striking out ''September 30, 1999'' and inserting in lieu thereof ''September 30, 2003''.

(c) VOLUNTARY SEPARATION INCENTIVE.—Section 1175(d)(3) of such title is amended by striking out ''September 30, 1999'' and inserting in lieu thereof ''September 30, 2003''.

(d) SELECTIVE EARLY RETIREMENT BOARDS.—Section 638a(a) of such title, is amended by striking out ''nine-year period'' and inserting in lieu thereof ''13-year period''.

(e) RETIRED GRADE.—Section 1370(a)(2)(A) of such title is amended by striking out ''nine-year period'' and inserting in lieu thereof ''13-year period''.

(f) MINIMUM COMMISSIONED SERVICE FOR VOLUNTARY RETIREMENT.—Sections 3911(b), 6323(a)(2), and 8911(b) of such title are amended by striking out ''nine-year period'' and inserting in lieu thereof ''13-year period''.

(g) TRAVEL, TRANSPORTATION, AND STORAGE BENEFITS.—(1) Subsections (c)(1)(C) and (f)(2)(B)(v) of section 404 of title 37, United States Code, and subsections (a)(2)(B)(v) and (g)(1)(C) of section 406 of such title are amended by striking out ''nine-year period'' and inserting in lieu thereof ''13-year period''.

(2) Section 503(c)(1) of the National Defense Authorization Act for Fiscal Year 1991 (37 U.S.C. 406 note) is amended by striking out ''nine-year period'' and inserting in lieu thereof ''13-year period''.

(h) EDUCATIONAL LEAVE FOR PUBLIC AND COMMUNITY SERVICE.—Section 4463(f) of the National Defense Authorization Act for Fiscal Year 1993 (10 U.S.C. 1143a note) is amended by striking out ''September 30, 1999'' and inserting in lieu thereof ''September 30, 2003''.

(i) HEALTH BENEFITS.—Section 1145 of title 10, United States Code, is amended—

(1) in subsections (a)(1) and (c)(1), by striking out ''nine-year period'' and inserting in lieu thereof ''13-year period''; and

(2) in subsection (e), by striking out ''five-year period'' and inserting in lieu thereof ''nine-year period''.

(j) COMMISSARY AND EXCHANGE BENEFITS.—Section 1146 of such title is amended—

(1) by striking out ''nine-year period'' in the first sentence and inserting in lieu thereof ''13-year period''; and

(2) by striking out ''five-year period'' in the second sentence and inserting in lieu thereof ''nine-year period''.

(k) USE OF MILITARY HOUSING.—Section 1147(a) of such title 10 is amended—

(1) in paragraph (1), by striking out ''nine-year period'' and inserting in lieu thereof ''13-year period''; and

(2) in paragraph (2), by striking out ''five-year period'' and inserting in lieu thereof ''nine-year period''.

(l) CONTINUED ENROLLMENT OF DEPENDENTS IN DEFENSE DEPENDENTS' EDUCATION SYSTEM.—Section 1407(c)(1) of the Defense Dependents' Education Act of 1978 (20 U.S.C. 926(c)(1)) is amended by striking out ''nine-year period'' and inserting in lieu thereof ''13-year period''.

(m) GUARD AND RESERVE TRANSITION INITIATIVES.—Title XLIV of the National Defense Authorization Act for Fiscal Year 1993 (10 U.S.C. 12681 note) is amended—

(1) in section 4411, by striking out ''September 30, 1999'' and inserting in lieu thereof ''September 30, 2003''; and

(2) in section 4416(b)(1), by striking out ''October 1, 1999'' and inserting in lieu thereof ''October 1, 2003''.

(n) RETIRED PAY FOR NONREGULAR SERVICE-AGE AND SERVICE REQUIREMENTS.—(1) Section 12731(f) of title 10, United States Code, is amended by striking out ''September 30, 1999'' and inserting in lieu thereof ''September 30, 2003''.

(2) Subsections (a)(1)(B) and (b) of section 12731a of such title are amended by striking out ''October 1, 1999'' and inserting in lieu thereof ''October 1, 2003''.

(o) REDUCTION OF TIME-IN-GRADE REQUIREMENT FOR RETENTION OF GRADE UPON VOLUNTARY RETIREMENT.—Section 1370(d) of such title is amended by adding at the end the following new paragraph:

''(5) The Secretary of Defense may authorize the Secretary of a military department to reduce the three-year period required by paragraph (3)(A) to a period not

less than two years in the case of retirements effective during the period beginning on the date of the enactment of the National Defense Authorization Act for Fiscal Year 1999 and ending September 30, 2003. The number of the reserved commissioned officers of an armed force in the same grade for whom a reduction is made during any fiscal year in the period of service-in-grade otherwise required under this paragraph may not exceed the number equal to two percent of the strength authorized for that fiscal year for reserve commissioned officers of that armed force in an active status in that grade.''.

(p) AFFILIATION WITH GUARD AND RESERVE UNITS; WAIVER OF CERTAIN LIMITATIONS.—Section 1150(a) of such title is amended by striking out ''nine-year period'' and inserting in lieu thereof ''13-year period''.

(q) TIME FOR USE OF MONTGOMERY G.I. BILL ENTITLEMENT.—Section 16133(b)(1)(B) of such title is amended by striking out ''September 30, 1999'' and inserting in lieu thereof ''September 30, 2003''.

SEC. 523. CONTINUATION OF ELIGIBILITY FOR VOLUNTARY SEPARATION INCENTIVE AFTER INVOLUNTARY LOSS OF MEMBERSHIP IN READY OR STANDBY RESERVE.

(a) PERIOD OF ELIGIBILITY.—Subsection (a) of section 1175 of title 10, United States Code, is amended—

(1) by inserting ''(1)'' after ''(a)'';

(2) by striking out '', for the period of time the member is serving in a reserve component''; and

(3) by adding at the end the following:

''(2)(A) Except as provided in subparagraph (B), a financial incentive provided a member under this section shall be paid for the period equal to twice the number of years of service of the member, computed as provided in subsection (e)(5).

''(B) If, before the expiration of the period otherwise applicable under subparagraph (A) to a member receiving a financial incentive under this section, the member is separated from a reserve component or is transferred to the Retired Reserve, the period for payment of a financial incentive to the member under this section shall terminate on the date of the separation or transfer unless—

''(i) the separation or transfer is required by reason of the age or number of years of service of the member;

"(ii) the separation or transfer is required by reason of the failure of selection for promotion or the medical disqualification of the member, except in a case in which the Secretary of Defense or the Secretary of Transportation determines that the basis for the separation or transfer is a result of a deliberate action taken by the member with the intent to avoid retention in the Ready Reserve or Standby Reserve; or

"(iii) in the case of a separation, the member is separated from the reserve component for appointment or enlistment in or transfer to another reserve component of an armed force for service in the Ready Reserve or Standby Reserve of that armed force.".

(b) REPEAL OF SUPERSEDED PROVISION.—Subsection (e)(1) of such section is amended by striking out the second sentence.

SEC. 524. REPEAL OF LIMITATIONS ON AUTHORITY TO SET RATES AND WAIVE REQUIREMENT FOR REIMBURSEMENT OF EXPENSES INCURRED FOR INSTRUCTION AT SERVICE ACADEMIES OF PERSONS FROM FOREIGN COUNTRIES.

(a) UNITED STATES MILITARY ACADEMY.—Section 4344(b) of title 10, United States Code, is amended—

(1) in the second sentence of paragraph (2), by striking out ‘‘, except that the reimbursement rates may not be less than the cost to the United States of providing such instruction, including pay, allowances, and emoluments, to a cadet appointed from the United States’’; and

(2) by striking out paragraph (3).

(b) NAVAL ACADEMY.—Section 6957(b) of such title is amended—

(1) in the second sentence of paragraph (2), by striking out ‘‘, except that the reimbursement rates may not be less than the cost to the United States of providing such instruction, including pay, allowances, and emoluments, to a midshipman appointed from the United States’’; and

(2) by striking out paragraph (3).

(c) AIR FORCE ACADEMY.—Section 9344(b) of such title is amended—

(1) in the second sentence of paragraph (2), by striking out ‘‘, except that the reimbursement rates may not be less than the cost to the United States of providing such instruction, including pay, allowances, and emoluments, to a cadet appointed from the United States’’; and

(2) by striking out paragraph (3).

SEC. 525. REPEAL OF RESTRICTION ON CIVILIAN EMPLOYMENT OF ENLISTED MEMBERS.

(a) REPEAL.—Section 974 of title 10, United States Code, is repealed.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 49 of such title is amended by striking out the item relating to section 974.

SEC. 526. EXTENSION OF REPORTING DATES FOR COMMISSION ON MILITARY TRAINING AND GENDER-RELATED ISSUES.

(a) INTERIM REPORT.—Subsection (e)(1) of section 562 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 1754; 10 U.S.C. 113 note) is amended by striking out ''April 15, 1998'' and inserting in lieu thereof ''October 15, 1998''.

(b) FINAL REPORT.—Subsection (e)(2) of such section is amended by striking out ''September 16, 1998'' and inserting in lieu thereof ''March 15, 1999''.

SEC. 527. MORATORIUM ON CHANGES OF GENDER-RELATED POLICIES AND PRACTICES PENDING COMPLETION OF THE WORK OF THE COMMISSION ON MILITARY TRAINING AND GENDER-RELATED ISSUES.

Notwithstanding any other provision of law, no official of the Department of Defense may implement any change of policy or official practice in the department re-

garding separation or integration of members of the Armed Forces on the basis of gender that is within the responsibility of the Commission on Military Training and Gender-Related Issues to review under subtitle F of title V of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 1750), before the date on which the commission terminates under section 564 of such Act.

SEC. 528. TRANSITIONAL COMPENSATION FOR ABUSED DEPENDENT CHILDREN NOT RESIDING WITH THE SPOUSE OR FORMER SPOUSE OF A MEMBER CONVICTED OF DEPENDENT ABUSE.

(a) ENTITLEMENT NOT CONDITIONED ON FORFEITURE OF SPOUSAL COMPENSATION.—Subsection (d) of section 1059 of title 10, United States Code, is amended—

(1) by striking out paragraph (1) and inserting in lieu thereof the following:

''(1) If the individual was married at the time of the commission of the dependent-abuse offense resulting in the separation, the spouse or former spouse to whom the individual was married at that time shall be paid such compensation, including an amount (determined under subsection (f)(2)) for each, if any, dependent child of the individual de-

scribed in subsection (b) who resides in the same household as that spouse or former spouse.'';

(2) in paragraph (2)—

(A) by striking out ''(but for subsection (g)) would be eligible'' and inserting in lieu thereof ''is or, but for subsection (g), would be eligible''; and

(B) by striking out ''such compensation'' and inserting in lieu thereof ''compensation under this section''; and

(3) in paragraph (4), by striking out ''For purposes of paragraphs (2) and (3)'' and inserting in lieu thereof ''For purposes of this subsection''.

(b) AMOUNT OF PAYMENT.—Subsection (f)(2) of such section is amended by striking out ''has custody of a dependent child or children of the member'' and inserting in lieu thereof ''has custody of a dependent child of the member who resides in the same household as that spouse or former spouse''.

(c) PROSPECTIVE APPLICABILITY.—No benefits shall accrue by reason of the amendments made by this section for any month that begins before the date of the enactment of this Act.

SEC. 529. PILOT PROGRAM FOR TREATING GED RECIPIENTS AS HIGH SCHOOL GRADUATES FOR DETERMINATIONS OF ELIGIBILITY FOR ENLISTING IN THE ARMED FORCES.

(a) PROGRAM REQUIRED.—The Secretary of Defense shall establish a pilot program to assess whether the Armed Forces could better meet recruiting requirements by treating GED recipients as having graduated from high school with a high school diploma for the purpose of determining the eligibility of those persons to enlist in the Armed Forces. The Secretary of each military department shall administer the pilot program for the armed force or armed forces under the jurisdiction of the Secretary.

(b) ELIGIBLE GED RECIPIENTS.—(1) Under the pilot program, a person shall be treated as having graduated from high school with a high school diploma for the purpose described in subsection (a) if the person—

(A) has completed a general education development program while participating in the National Guard Challenge Program; and

(B) is a GED recipient.

(2) For the purposes of this section, a person is a GED recipient if the person, after completing a general education development program, has obtained certification of high school equivalency by meeting State requirements and passing a State approved exam that is administered

for the purpose of providing an appraisal of the person's achievement or performance in the broad subject matter areas usually required for high school graduates.

(c) ANNUAL LIMIT ON NUMBER.—Not more than 1,250 persons enlisted by an armed force in any fiscal year may be treated under the pilot program as having graduated from high school with a high school diploma.

(d) PERIOD FOR PILOT PROGRAM.—The pilot program shall be in effect for five fiscal years beginning on October 1, 1998.

(e) REPORT.—(1) Not later than February 1, 2004, the Secretary of Defense shall submit a report on the pilot program to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives.

(2)(A) The report shall include the assessment of the Secretary of Defense, and any assessment of any of the Secretaries of the military departments, regarding the value of, and any necessity for, authority to treat GED recipients as having graduated from high school with a high school diploma for the purpose of determining the eligibility of those persons to enlist in the Armed Forces.

(B) The Secretary shall also set forth in the report, by armed force for each fiscal year of the pilot program, a comparison of the performance of the persons who en-

listed in that armed force during the fiscal year as GED recipients treated under the pilot program as having graduated from high school with a high school diploma with the performance of the persons who enlisted in that armed force during the same fiscal year after having graduated from high school with a high school diploma, with respect to the following:

(i) Attrition.

(ii) Discipline.

(iii) Adaptability to military life.

(iv) Aptitude for mastering the skills necessary for technical specialties.

(v) Reenlistment rates.

(f) REFERENCE TO NATIONAL GUARD CHALLENGE PROGRAM.—The National Guard Challenge Program referred to in this section is a program conducted under section 509 of title 32, United States Code.

(g) STATE DEFINED.—In this section, the term ''State'' has the meaning given that term in section 509(*l*)(1) of title 32, United States Code.

SEC. 530. WAIVER OF TIME LIMITATIONS FOR AWARD OF DISTINGUISHED FLYING CROSS IN CERTAIN CASES.

(a) WAIVER.—Any limitation established by law or policy for the time within which a recommendation for the

award of a military decoration or award must be submitted shall not apply to awards of the Distinguished Flying Cross for service described in subsection (b).

(b) APPLICABILITY OF WAIVER.—Subsection (a) applies to award of the Distinguished Flying Cross for service during World War II or Korea (including multiple awards to the same individual) in the case of each individual (not covered by section 573(d) of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 1757)) concerning whom the Secretary of the Navy (or an officer of the Navy acting on behalf of the Secretary) submitted to the Committee on National Security of the House of Representatives and the Committee on Armed Services of the Senate, before the date of the enactment of this Act, a notice as provided in section 1130(b) of title 10, United States Code, that the award of the Distinguished Flying Cross to that individual is warranted and that a waiver of time restrictions prescribed by law for recommendation for such award is recommended.

TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

Subtitle A—Pay and Allowances

SEC. 601. INCREASE IN BASIC PAY FOR FISCAL YEAR 1999.

(a) WAIVER OF SECTION 1009 ADJUSTMENT.—Any adjustment required by section 1009 of title 37, United States Code, in the rates of monthly basic pay authorized members of the uniformed services by section 203(a) of such title to become effective during fiscal year 1999 shall not be made.

(b) INCREASE IN BASIC PAY.—Effective on January 1, 1999, the rates of basic pay of members of the uniformed services are increased by 3.1 percent.

SEC. 602. RATE OF PAY FOR CADETS AND MIDSHIPMEN AT THE SERVICE ACADEMIES.

(a) INCREASED RATE.—Section 203(c) of title 37, United States Code, is amended by striking out ''$558.04'' and inserting in lieu thereof ''$600.00''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on January 1, 1999.

SEC. 603. PAYMENTS FOR MOVEMENTS OF HOUSEHOLD GOODS ARRANGED BY MEMBERS.

(a) MONETARY ALLOWANCE AUTHORIZED.—Subsection (b)(1) of section 406 of title 37, United States Code, is amended—

(1) in subparagraph (A)—

(A) by striking out ", or reimbursement therefor,"; and

(B) by inserting after the second sentence the following: "Alternatively, a member may be paid reimbursement or a monetary allowance under subparagraph (F)."; and

(2) by adding at the end the following:

"(F) A member entitled to transportation of baggage and household effects under subparagraph (A) may, as an alternative to the provision of transportation, be paid reimbursement or, at the member's request, a monetary allowance in advance for the cost of transportation of the baggage and household effects. The monetary allowance may be paid only if the amount of the allowance does not exceed the cost that would be incurred by the Government under subparagraph (A) for the transportation of the baggage and household effects. Appropriations available to the Department of Defense, the Department of Transportation, and the Department of Health and Human Services for providing transportation of baggage or household effects of members of the uniformed services shall be available to pay a reimbursement or monetary allowance under this subparagraph. The Secretary concerned may prescribe the manner in which the risk of liability for damage,

destruction, or loss of baggage or household effects arranged, packed, crated, or loaded by a member is allocated among the member, the United States, and any contractor when a reimbursement or monetary allowance is elected under this subparagraph.''.

(b) REPEAL OF SUPERSEDED PROVISION.—Such section is further amended by striking out subsection (j).

SEC. 604. LEAVE WITHOUT PAY FOR SUSPENDED ACADEMY CADETS AND MIDSHIPMEN.

(a) AUTHORITY.—Section 702 of title 10, United States Code, is amended—

(1) by designating the second sentence of subsection (b) as subsection (d);

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

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

''(b) LEAVE WITHOUT PAY.—(1) Under regulations prescribed under subsection (d), the Superintendent of the United States Military Academy, the United States Naval Academy, the United States Air Force Academy, or the United States Coast Guard Academy may order a cadet or midshipman of the Academy to be placed on leave involuntarily for any period during which the cadet or midshipman is suspended from duty at the Academy—

"(A) pending separation from the Academy;

"(B) pending return to the Academy to repeat an academic semester or year; or

"(C) for other good cause.

"(2) A cadet or midshipman placed on involuntary leave under paragraph (1) is not entitled to any pay under section 230(c) of title 37 for the period of the leave.

"(3) A return of a cadet or midshipman to a pay status at the Academy from an involuntary leave status under paragraph (1) does not restore any entitlement of the cadet or midshipman to pay for the period of the involuntary leave.".

(b) SUBSECTION HEADINGS.—Such section, as amended by subsection (a), is further amended—

(1) in subsection (a), by inserting "GRADUATION LEAVE.—" after "(a)";

(2) in subsection (c), by inserting "INAPPLICABLE LEAVE PROVISIONS.—" after "(c)"; and

(3) in subsection (d), by inserting "REGULATIONS.—" after "(d)".

Subtitle B—Bonuses and Special and Incentive Pays

SEC. 611. THREE-MONTH EXTENSION OF CERTAIN BONUSES AND SPECIAL PAY AUTHORITIES FOR RESERVE FORCES.

(a) SPECIAL PAY FOR HEALTH PROFESSIONALS IN CRITICALLY SHORT WARTIME SPECIALTIES.—Section 302g(f) of title 37, United States Code, is amended by striking out ''September 30, 1999'' and inserting in lieu thereof ''December 31, 1999''.

(b) SELECTED RESERVE REENLISTMENT BONUS.—Section 308b(f) of title 37, United States Code, is amended by striking out ''September 30, 1999'' and inserting in lieu thereof ''December 31, 1999''.

(c) SELECTED RESERVE ENLISTMENT BONUS.—Section 308c(e) of title 37, United States Code, is amended by striking out ''September 30, 1999'' and inserting in lieu thereof ''December 31, 1999''.

(d) SPECIAL PAY FOR ENLISTED MEMBERS ASSIGNED TO CERTAIN HIGH PRIORITY UNITS.—Section 308d(c) of title 37, United States Code, is amended by striking out ''September 30, 1999'' and inserting in lieu thereof ''December 31, 1999''.

(e) SELECTED RESERVE AFFILIATION BONUS.—Section 308e(e) of title 37, United States Code, is amended

by striking out ''September 30, 1999'' and inserting in lieu thereof ''December 31, 1999''.

(f) READY RESERVE ENLISTMENT AND REENLISTMENT BONUS.—Section 308h(g) of title 37, United States Code, is amended by striking out ''September 30, 1999'' and inserting in lieu thereof ''December 31, 1999''.

(g) PRIOR SERVICE ENLISTMENT BONUS.—Section 308i(f) of title 37, United States Code, as redesignated by section 622, is amended by striking out ''September 30, 1999'' and inserting in lieu thereof ''December 31, 1999''.

(h) REPAYMENT OF EDUCATION LOANS FOR CERTAIN HEALTH PROFESSIONALS WHO SERVE IN THE SELECTED RESERVE.—Section 16302(d) of title 10, United States Code, is amended by striking out ''October 1, 1999'' and inserting in lieu thereof ''January 1, 2000''.

SEC. 612. THREE-MONTH EXTENSION OF CERTAIN BONUSES AND SPECIAL PAY AUTHORITIES FOR NURSE OFFICER CANDIDATES, REGISTERED NURSES, AND NURSE ANESTHETISTS.

(a) NURSE OFFICER CANDIDATE ACCESSION PROGRAM.—Section 2130a(a)(1) of title 10, United States Code, is amended by striking out ''September 30, 1999'' and inserting in lieu thereof ''December 31, 1999''.

(b) ACCESSION BONUS FOR REGISTERED NURSES.—Section 302d(a)(1) of title 37, United States Code, is amended by striking out ''September 30, 1999'' and inserting in lieu thereof ''December 31, 1999''.

(c) INCENTIVE SPECIAL PAY FOR NURSE ANESTHETISTS.—Section 302e(a)(1) of title 37, United States Code, is amended by striking out ''September 30, 1999'' and inserting in lieu thereof ''December 31, 1999''.

SEC. 613. THREE-MONTH EXTENSION OF AUTHORITIES RELATING TO PAYMENT OF OTHER BONUSES AND SPECIAL PAYS.

(a) AVIATION OFFICER RETENTION BONUS.—Section 301b(a) of title 37, United States Code, is amended by striking out ''September 30, 1999,'' and inserting in lieu thereof ''December 31, 1999,''.

(b) REENLISTMENT BONUS FOR ACTIVE MEMBERS.—Section 308(g) of title 37, United States Code, is amended by striking out ''September 30, 1999'' and inserting in lieu thereof ''December 31, 1999''.

(c) ENLISTMENT BONUSES FOR MEMBERS WITH CRITICAL SKILLS.—Sections 308a(c) and 308f(c) of title 37, United States Code, are each amended by striking out ''September 30, 1999'' and inserting in lieu thereof ''December 31, 1999''.

(d) SPECIAL PAY FOR NUCLEAR-QUALIFIED OFFICERS EXTENDING PERIOD OF ACTIVE SERVICE.—Section 312(e) of title 37, United States Code, is amended by striking out ''September 30, 1999'' and inserting in lieu thereof ''December 31, 1999''.

(e) NUCLEAR CAREER ACCESSION BONUS.—Section 312b(c) of title 37, United States Code, is amended by striking out ''September 30, 1999'' and inserting in lieu thereof ''December 31, 1999''.

(f) NUCLEAR CAREER ANNUAL INCENTIVE BONUS.—Section 312c(d) of title 37, United States Code, is amended by striking out ''October 1, 1999'' and inserting in lieu thereof ''October 1, 1998, and the 15-month period beginning on that date and ending on December 31, 1999''.

SEC. 614. ELIGIBILITY OF RESERVES FOR SELECTIVE REENLISTMENT BONUS WHEN REENLISTING OR EXTENDING TO PERFORM ACTIVE GUARD AND RESERVE DUTY.

Section 308(a)(1)(D) of title 37, United States Code, is amended by inserting after ''a regular component of the service concerned'' the following: '', or in a reserve component of the service concerned in the case of a member reenlisting or extending to perform active Guard and Reserve duty (as defined in section 101(d)(6) of title 10),''.

SEC. 615. REPEAL OF TEN-PERCENT LIMITATION ON PAYMENTS OF SELECTIVE REENLISTMENT BONUSES IN EXCESS OF $20,000.

Section 308(b) of title 37, United States Code, is amended—

(1) by striking out paragraph (2); and

(2) in paragraph (1), by striking out ''(1)''.

SEC. 616. INCREASE OF MAXIMUM AMOUNT AUTHORIZED FOR ARMY ENLISTMENT BONUS.

Section 308f(a) of title 37, United States Code, is amended by striking out ''$4,000'' and inserting in lieu thereof ''$6,000''.

SEC. 617. EDUCATION LOAN REPAYMENT PROGRAM FOR HEALTH PROFESSIONS OFFICERS SERVING IN SELECTED RESERVE.

(a) ELIGIBLE PERSONS.—Subsection (b)(2) of section 16302 of title 10, United States Code, is amended by inserting '', or is enrolled in a program of education leading to professional qualifications,'' after ''possesses professional qualifications''.

(b) INCREASED BENEFITS.—Subsection (c) of such section is amended—

(1) in paragraph (2), by striking out ''$3,000'' and inserting in lieu thereof ''$20,000''; and

(2) in paragraph (3), by striking out ''$20,000'' and inserting in lieu thereof ''$50,000''.

SEC. 618. INCREASE IN AMOUNT OF BASIC EDUCATIONAL ASSISTANCE UNDER ALL-VOLUNTEER FORCE PROGRAM FOR PERSONNEL WITH CRITICALLY SHORT SKILLS OR SPECIALTIES.

Section 3015(d) of title 38, United States Code, is amended by striking out ''$700'' and inserting in lieu thereof ''$950''.

SEC. 619. RELATIONSHIP OF ENTITLEMENTS TO ENLISTMENT BONUSES AND BENEFITS UNDER THE ALL-VOLUNTEER FORCE EDUCATIONAL ASSISTANCE PROGRAM.

(a) ENTITLEMENTS NOT EXCLUSIVE.—(1) Subchapter II of chapter 30 of title 38, United States Code, is amended by adding at the end the following:

''§ 3019A. Relationship to entitlement to certain enlistment bonuses

''The entitlement of an individual to benefits under this chapter is not affected by receipt by that individual of an enlistment bonus under section 308a or 308f of title 37.''.

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 3019 the following:

''3019A. Relationship to entitlement to certain enlistment bonuses.''.

(b) REPEAL OF RELATED LIMITATION.—Section 8013(a) of Public Law 105–56 (111 Stat. 1222) is amended—

(1) by striking out ''of this Act—'' and all that follows through ''nor shall any amounts'' and inserting in lieu thereof ''of this Act enlists in the armed services for a period of active duty of less that three years, nor shall any amounts''; and

(2) in the first proviso, by striking out ''in the case of a member covered by clause (1),''.

Subtitle C—Travel and Transportation Allowances

SEC. 621. TRAVEL AND TRANSPORTATION FOR REST AND RECUPERATION IN CONNECTION WITH CONTINGENCY OPERATIONS AND OTHER DUTY.

Section 411c of title 37, United States Code, is amended—

(1) in subsection (a)—

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

(B) by inserting ''IN GENERAL.—(1)'' after ''(a)'';

(2) in subsection (b), by striking out ''(b) The transportation authorized by this section'' and in-

serting in lieu thereof "(2) The transportation authorized by paragraph (1)"; and

(3) by adding at the end the following:

"(b) CONTINGENCY OPERATIONS AND OTHER SPECIAL SITUATIONS.—(1) Under uniform regulations prescribed by the Secretaries concerned, a member of the armed forces serving a tour of duty at a duty station, and under conditions, described in paragraph (2) may be paid for or provided transportation to a location described in subsection (a)(1) as part of a program of rest and recuperation specifically authorized for members of the armed forces serving under those conditions at that duty station by the Secretary concerned in advance of the commencement of the member's travel.

"(2) Paragraph (1) applies to a member of the armed forces serving at a duty station outside the United States if—

"(A) the member is participating in a contingency operation at or from that duty station; or

"(B) the payment for or provision of transportation would be in the best interests of members of the armed forces and the United States because of unusual conditions at the duty station, as determined by the Secretary concerned.

"(3) Transportation may not be paid for or provided to a member under this subsection for travel that begins—

"(A) more than 24 months after the commencement of the tour of duty for which the transportation is authorized; or

"(B) after the tour of duty ends.

"(4) The transportation authorized by this subsection is limited to one round-trip during any tour of at least 6, but less than 24, consecutive months.

"(5) Transportation paid for or provided to a member under this subsection may not be counted as transportation for which the member is eligible under subsection (a).".

SEC. 622. PAYMENT FOR TEMPORARY STORAGE OF BAGGAGE OF DEPENDENT STUDENT NOT TAKEN ON ANNUAL TRIP TO OVERSEAS DUTY STATION OF SPONSOR.

Section 430(b) of title 37, United States Code, is amended by striking out the second sentence and inserting in lieu thereof the following: "The allowance authorized by this section may be prescribed by the Secretaries concerned as transportation in kind or reimbursement therefor, including an amount for the temporary storage of any baggage not taken with the child on the annual trip if determined advantageous to the Government.".

SEC. 623. COMMERCIAL TRAVEL OF RESERVES AT FEDERAL SUPPLY SCHEDULE RATES FOR ATTENDANCE AT INACTIVE DUTY TRAINING ASSEMBLIES.

(a) AUTHORITY.—Chapter 1217 of title 10, United States Code is amended by adding at the end the following:

"§ 12603. Commercial travel at Federal supply schedule rates for attendance at inactive duty training assemblies

"(a) FEDERAL SUPPLY SCHEDULE TRAVEL.—Commercial travel under Federal supply schedules is authorized for the travel of a Reserve to the location of inactive duty training to be performed by the Reserve or from that location upon completion of the training.

"(b) REGULATIONS.—The Secretary of Defense shall prescribe in regulations the requirements, conditions, and restrictions for travel under the authority of subsection (a) that the Secretary considers appropriate. The regulations shall include policies and procedures for preventing abuses of the travel authority.

"(c) REIMBURSEMENT NOT AUTHORIZED.—A Reserve is not entitled to Government reimbursement for the cost of travel authorized under subsection (a).

"(d) TREATMENT OF TRANSPORTATION AS USE BY MILITARY DEPARTMENTS.—For the purposes of section

201(a) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 481(a)), travel authorized under subsection (a) shall be treated as transportation for the use of a military department.''.

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

''12603. Commercial travel at Federal supply schedule rates for attendance at inactive duty training assemblies.''.

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

SEC. 631. PAID-UP COVERAGE UNDER SURVIVOR BENEFIT PLAN.

(a) PAID UP AT 30 YEARS OF SERVICE AND AGE 70.—Section 1452 of title 10, United States Code, is amended by adding at the end the following new subsection:

''(j) COVERAGE PAID UP AT 30 YEARS AND ATTAINMENT OF AGE 70.—(1) Coverage of a survivor of a member under the Plan shall be considered paid up as of the end of the later of—

''(A) the 360th month in which the member's retired pay has been reduced under this section; or

''(B) the month in which the member attains 70 years of age.

"(2) The retired pay of a member shall not be reduced under this section to provide coverage of a survivor under the Plan after the month when the coverage is considered paid up under paragraph (1).".

(b) EFFECTIVE DATE.—Section 1452(j) of title 10, United States Code (as added by subsection (a)), shall take effect on October 1, 2003.

SEC. 632. COURT-REQUIRED SURVIVOR BENEFIT PLAN COVERAGE EFFECTUATED THROUGH ELECTIONS AND DEEMED ELECTIONS.

(a) ELIMINATION OF DISPARITY IN EFFECTIVE DATE PROVISIONS.—Section 1448(b)(3) of title 10, United States Code, is amended—

(1) in subparagraph (C)—

(A) by striking out the second sentence; and

(B) by striking out "EFFECTIVE DATE," in the heading; and

(2) by adding at the end the following:

"(E) EFFECTIVE DATE.—An election under this paragraph—

"(i) in the case of a person required (as described in section 1450(f)(3)(B) of this title) to make the election, is effective as of the first day of the first month which

begins after the date of the court order or filing that requires the election; and

"(ii) in all other cases, is effective as of the first day of the first calendar month following the month in which the election is received by the Secretary concerned.".

(b) CONFORMITY BY CROSS REFERENCE.—Section 1450(f)(3)(D) of such title is amended by striking out "the first day of the first month which begins after the date of the court order or filing involved" and inserting in lieu thereof "the day referred to in section 1448(b)(3)(E)(i) of this title".

SEC. 633. RECOVERY, CARE, AND DISPOSITION OF REMAINS OF MEDICALLY RETIRED MEMBER WHO DIES DURING HOSPITALIZATION THAT BEGINS WHILE ON ACTIVE DUTY.

(a) IN GENERAL.—Section 1481(a)(7) of title 10, United States Code, is amended to read as follows:

"(7) A person who—

"(A) dies as a retired member of an armed force under the Secretary's jurisdiction during a continuous hospitalization of the member as a patient in a United States hospital that began while the member was on active duty for a period of more than 30 days; or

"(B) is not covered by subparagraph (A) and, while in a retired status by reason of eligibility to retire under chapter 61 of this title, dies during a continuous hospitalization of the person that began while the person was on active duty as a Regular of an armed force, or a member of an armed force without component, under the Secretary's jurisdiction.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) takes effect on the date of the enactment of this Act and applies with respect to deaths occurring on or after that date.

Subtitle E—Other Matters

SEC. 641. DEFINITION OF POSSESSIONS OF THE UNITED STATES FOR PAY AND ALLOWANCES PURPOSES.

Section 101(2) of title 37, United States Code, is amended by striking out "the Canal Zone,".

SEC. 642. FEDERAL EMPLOYEES' COMPENSATION COVERAGE FOR STUDENTS PARTICIPATING IN CERTAIN OFFICER CANDIDATE PROGRAMS.

(a) PERIODS OF COVERAGE.—Subsection (a)(2) of section 8140 of title 5, United States Code, is amended to read as follows:

"(2) during the period of the member's attendance at training or a practice cruise under chapter 103 of title 10, beginning when the authorized travel to the training or practice cruise begins and ending when authorized travel from the training or practice cruise ends.".

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

"(b) For the purpose of this section, an injury, disability, death, or illness of a member referred to in subsection (a) may be considered as incurred or contracted in line of duty only if the injury, disability, or death is incurred, or the illness is contracted, by the member during a period described in that subsection. Subject to review by the Secretary of Labor, the Secretary of the military department concerned (under regulations prescribed by that Secretary), shall determine whether an injury, disability, or death was incurred, or an illness was contracted, by a member in line of duty.".

(c) CLARIFICATION OF CASUALTIES COVERED.—Subsection (a) of such section, as amended by subsection (a) of this section, is further amended by inserting ", or an illness contracted," after "death incurred" in the matter preceding paragraph (1).

(d) EFFECTIVE DATE AND APPLICABILITY.—The amendments made by subsections (a) and (b) shall take effect on the date of the enactment of this Act and apply with respect to injuries, illnesses, disabilities, and deaths incurred or contracted on or after that date.

SEC. 643. AUTHORITY TO PROVIDE FINANCIAL ASSISTANCE FOR EDUCATION OF CERTAIN DEFENSE DEPENDENTS OVERSEAS.

Section 1407(b) of the Defense Dependents' Education Act of 1978 (20 U.S.C. 926(b)) is amended—

(1) by striking out ''(b) Under such circumstances as he may by regulation prescribe, the Secretary of Defense'' and inserting in lieu thereof ''(b) TUITION AND ASSISTANCE WHEN SCHOOLS UNAVAILABLE.—(1) Under such circumstances as the Secretary of Defense may prescribe in regulations, the Secretary''; and

(2) by adding at the end the following:

''(2)(A) The Secretary of Defense, and the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service of the Navy, may provide financial assistance to sponsors of dependents in overseas areas where schools operated by the Secretary of Defense under subsection (a) are not reasonably available in order to assist the sponsors to defray the costs incurred by the

sponsors for the attendance of the dependents at schools in such areas other than schools operated by the Secretary of Defense.

''(B) The Secretary of Defense and the Secretary of Transportation shall each prescribe regulations relating to the availability of financial assistance under subparagraph (A). Such regulations shall, to the maximum extent practicable, be consistent with Department of State regulations relating to the availability of financial assistance for the education of dependents of Department of State personnel overseas.''.

TITLE VII—HEALTH CARE

SEC. 701. DEPENDENTS' DENTAL PROGRAM.

(a) INFLATION-INDEXED PREMIUM.—(1) Section 1076a(b)(2) of title 10, United States Code, is amended—

(A) by inserting ''(A)'' after ''(2)''; and

(B) by adding at the end the following:

''(B) Effective as of January 1 of each year, the amount of the premium required under subparagraph (A) shall be increased by the percent equal to the lesser of—

''(i) the percent by which the rates of basic pay of members of the uniformed services are increased on such date; or

''(ii) the sum of one-half percent and the percent computed under section 5303(a) of title 5 for

the increase in rates of basic pay for statutory pay systems for pay periods beginning on or after such date.''.

(2) The amendment made by subparagraph (B) of paragraph (1) shall take effect on January 1, 1999, and shall apply to months after 1998 as if such subparagraph had been in effect since December 31, 1993.

(b) OFFER OF PLAN UNDER TRICARE.—(1) Section 1097 of such title is amended by adding at the end the following:

''(f) DEPENDENTS' DENTAL PLAN.—A basic dental benefits plan established for eligible dependents under section 1076a of this title may be offered under the TRICARE program.''.

(2) Subsection (e) of such section is amended by adding at the end the following: ''Charges for a basic dental benefits plan offered under the TRICARE program pursuant to subsection (f) shall be those provided for under section 1076a of this title.''.

SEC. 702. EXTENSION OF AUTHORITY FOR USE OF PERSONAL SERVICES CONTRACTS FOR PROVISION OF HEALTH CARE AT MILITARY ENTRANCE PROCESSING STATIONS AND ELSEWHERE OUTSIDE MEDICAL TREATMENT FACILITIES.

Section 1091(a)(2) of title 10, United States Code, is amended in the second sentence by striking out ''the end of the one-year period beginning on the date of the enactment of this paragraph'' and inserting in lieu thereof ''June 30, 1999''.

SEC. 703. TRICARE PRIME AUTOMATIC ENROLLMENTS AND RETIREE PAYMENT OPTIONS.

(a) PROCEDURES.—(1) Chapter 55 of title 10, United States Code, is amended by inserting after section 1097 the following new section:

''§ 1097a. TRICARE Prime: automatic enrollments; payment options

''(a) AUTOMATIC ENROLLMENT OF CERTAIN DEPENDENTS.—Each dependent of a member of the uniformed services in grade E4 or below who is entitled to medical and dental care under section 1076(a)(2)(A) of this title and resides in the catchment area of a facility of a uniformed service offering TRICARE Prime shall be automatically enrolled in TRICARE Prime at the facility. The Secretary concerned shall provide written notice of

the enrollment to the member. The enrollment of a dependent of the member may be terminated by the member or the dependent at any time.

"(b) AUTOMATIC RENEWAL OF ENROLLMENTS OF COVERED BENEFICIARIES.—(1) An enrollment of a covered beneficiary in TRICARE Prime shall be automatically renewed upon the expiration of the enrollment unless the renewal is declined.

"(2) Not later than 15 days before the expiration date for an enrollment of a covered beneficiary in TRICARE Prime, the Secretary concerned shall—

"(A) transmit a written notification of the pending expiration and renewal of enrollment to the covered beneficiary or, in the case of a dependent of a member of the uniformed services, to the member; and

"(B) afford the beneficiary or member, as the case may be, an opportunity to decline the renewal of enrollment.

"(c) PAYMENT OPTIONS FOR RETIREES.—A member or former member of the uniformed services eligible for medical care and dental care under section 1074(b) of this title may elect to have any fee payable by the member or former member for an enrollment in TRICARE Prime withheld from the member's retired pay, retainer pay, or

equivalent pay, as the case may be, or to be paid from a financial institution through electronic transfers of funds. The fee shall be paid in accordance with the election.

"(d) REGULATIONS.—The administering Secretaries shall prescribe regulations, including procedures, for carrying out this section.

"(e) DEFINITIONS.—In this section:

"(1) The term 'TRICARE Prime' means the managed care option of the TRICARE program.

"(2) The term 'catchment area', with respect to a facility of a uniformed service, means the service area of the facility, as designated under regulations prescribed by the administering Secretaries.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1097 the following new item:

1097a. TRICARE Prime: automatic enrollments; payment options.".

(b) DEADLINE FOR IMPLEMENTATION.—The regulations required under subsection (d) of section 1097a of title 10, United States Code (as added by subsection (a)), shall be prescribed to take effect not later than January 1, 1999. The section shall be applied under TRICARE Prime on and after the date on which the regulations take effect.

SEC. 704. LIMITED CONTINUED CHAMPUS COVERAGE FOR PERSONS UNAWARE OF A LOSS OF CHAMPUS COVERAGE RESULTING FROM ELIGIBILITY FOR MEDICARE.

(a) CONTINUATION OF ELIGIBILITY.—The eligibility of a person described in subsection (b) for care under CHAMPUS may be continued under regulations prescribed by the administering Secretaries if it is determined under the regulations that the continuation of the eligibility is appropriate in order to ensure that the person has adequate access to health care.

(b) ELIGIBLE PERSONS.—Subsection (a) applies to a person who—

(1) has been eligible for health care under CHAMPUS;

(2) loses eligibility for health care under CHAMPUS solely by reason of paragraph (1) of section 1086(d), United States Code;

(3) is unaware of the loss of eligibility; and

(4) satisfies the conditions set forth in subparagraphs (A) and (B) of paragraph (2) of such section 1086(d) at the time health care is provided under CHAMPUS pursuant to a continuation of eligibility in accordance with this section.

(c) PERIOD OF CONTINUED ELIGIBILITY.—A continuation of eligibility under this section shall apply with

regard to health care provided on or after October 1, 1998, and before July 1, 1999.

(d) DEFINITIONS.—In this section:

(1) The term ''administering Secretaries'' has the meaning given such term in paragraph (3) of section 1072 of title 10, United States Code.

(2) The term ''CHAMPUS'' means the Civilian Health and Medical Program of the Uniformed Services, as defined in paragraph (4) of such section.

SEC. 705. ENHANCED DEPARTMENT OF DEFENSE ORGAN AND TISSUE DONOR PROGRAM.

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

(1) Organ and tissue transplantation is one of the most remarkable medical success stories in the history of medicine.

(2) Each year, the number of people waiting for organ or tissue transplantation increases. It is estimated that there are approximately 39,000 patients, ranging in age from babies to those in retirement, awaiting transplants of kidneys, hearts, livers, and other solid organs.

(3) The Department of Defense has made significant progress in increasing the awareness of the

importance of organ and tissue donations among members of the Armed Forces.

(4) The inclusion of organ and tissue donor elections in the Defense Enrollment Eligibility Reporting System (DEERS) central database through the Real-time Automated Personnel Identification System (RAPIDS) represents a major step in ensuring that organ and tissue donor elections are a matter of record and are accessible in a timely manner.

(b) RESPONSIBILITIES OF THE SECRETARY OF DEFENSE.—The Secretary of Defense shall ensure that the advanced systems developed for recording Armed Forces members' personal data and information (such as the SMARTCARD, MEDITAG, and Personal Information Carrier) include the capability to record organ and tissue donation elections.

(c) RESPONSIBILITIES OF THE SECRETARIES OF THE MILITARY DEPARTMENTS.—The Secretaries of the military departments shall ensure that—

(1) appropriate information about organ and tissue donation is provided to each recruit and officer candidate of the Armed Forces during initial training;

(2) members of the Armed Forces are given recurring, specific opportunities to elect to be organ or

tissue donors during service in the Armed Forces and upon retirement; and

(3) members of the Armed Forces electing to be organ or tissue donors are encouraged to advise their next of kin concerning the donation decision and any subsequent change of that decision.

(d) RESPONSIBILITIES OF THE SURGEONS GENERAL OF THE MILITARY DEPARTMENT.—The Surgeons General of the Armed Forces shall ensure that—

(1) appropriate training is provided to enlisted and officer medical personnel to facilitate the effective operation of organ and tissue donation activities under garrison conditions and, to the extent possible, under operational conditions; and

(2) medical logistical activities can, to the extent possible without jeopardizing operational requirements, support an effective organ and tissue donation program.

(e) REPORT.—Not later than September 1, 1999, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report on the status of the implementation of this section.

SEC. 706. JOINT DEPARTMENT OF DEFENSE AND DEPARTMENT OF VETERANS AFFAIRS REVIEWS RELATING TO INTERDEPARTMENTAL COOPERATION IN THE DELIVERY OF MEDICAL CARE.

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

(1) The military health care system of the Department of Defense and the Veterans Health Administration of the Department of Veterans Affairs are national institutions that collectively manage more than 1,500 hospitals, clinics, and health care facilities worldwide to provide services to more than 11,000,000 beneficiaries.

(2) In the post-Cold War era, these institutions are in a profound transition that involves challenging opportunities.

(3) During the period from 1988 to 1998, the number of military medical personnel has declined by 15 percent and the number of military hospitals has been reduced by one-third.

(4) During the two years since 1996, the Department of Veterans Affairs has revitalized its structure by decentralizing authority into 22 Veterans Integrated Service Networks.

(5) In the face of increasing costs of medical care, increased demands for health care services, and

increasing budgetary constraints, the Department of Defense and the Department of Veterans Affairs have embarked on a variety of dynamic and innovative cooperative programs ranging from shared services to joint venture operations of medical facilities.

(6) In 1984, there was a combined total of 102 Department of Veterans Affairs and Department of Defense facilities with sharing agreements. By 1997, that number had grown to 420. During the six years from fiscal year 1992 through fiscal year 1997, shared services increased from slightly over 3,000 services to more than 6,000 services ranging from major medical and surgical services, laundry, blood, and laboratory services to unusual speciality care services.

(7) The Department of Defense and the Department of Veterans Affairs are conducting four health care joint ventures in New Mexico, Nevada, Texas, Oklahoma, and are planning to conduct four more such ventures in Alaska, Florida, Hawaii, and California.

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) the Department of Defense and the Department of Veterans Affairs are to be commended for

the cooperation between the two departments in the delivery of medical care, of which the cooperation involved in the establishment and operation of the Department of Defense and the Department of Veterans Affairs Executive Council is a praiseworthy example;

(2) the two departments are encouraged to continue to explore new opportunities to enhance the availability and delivery of medical care to beneficiaries by further enhancing the cooperative efforts of the departments; and

(3) enhanced cooperation is encouraged for—

(A) the general areas of access to quality medical care, identification and elimination of impediments to enhanced cooperation, and joint research and program development; and

(B) the specific areas in which there is significant potential to achieve progress in cooperation in a short term, including computerization of patient records systems, participation of the Department of Veterans Affairs in the TRICARE program, pharmaceutical programs, and joint physical examinations.

(c) JOINT SURVEY OF POPULATIONS SERVED.—(1) The Secretary of Defense and the Secretary of Veterans

Affairs shall jointly conduct a survey of their respective medical care beneficiary populations to identify, by category of beneficiary (defined as the Secretaries consider appropriate), the expectations of, requirements for, and behavior patterns of the beneficiaries with respect to medical care. The two Secretaries shall develop the protocol for the survey jointly, but shall obtain the services of an entity independent of the Department of Defense and the Department of Veterans Affairs for carrying out the survey.

(2) The survey shall include the following:

(A) Demographic characteristics, economic characteristics, and geographic location of beneficiary populations with regard to catchment or service areas.

(B) The types and frequency of care required by veterans, retirees, and dependents within catchment or service areas of Department of Defense and Veterans Affairs medical facilities and outside those areas.

(C) The numbers of, characteristics of, and types of medical care needed by the veterans, retirees, and dependents who, though eligible for medical care in Department of Defense or Department of Veterans Affairs treatment facilities or other feder-

ally funded medical programs, choose not to seek medical care from those facilities or under those programs, and the reasons for that choice.

(D) The obstacles or disincentives for seeking medical care from such facilities or under such programs that veterans, retirees, and dependents perceive.

(E) Any other matters that the Secretary of Defense and the Secretary of Veterans Affairs consider appropriate for the survey.

(3) The Secretary of Defense and the Secretary of Veterans Affairs shall submit a report on the results of the survey to the appropriate committees of Congress. The report shall contain the matters described in paragraph (2) and any proposals for legislation that the Secretaries recommend for enhancing Department of Defense and Department of Veterans Affairs cooperative efforts with respect to the delivery of medical care.

(d) REVIEW OF LAW AND POLICIES.—(1) The Secretary of Defense and the Secretary of Veterans Affairs shall jointly conduct a review to identify impediments to cooperation between the Department of Defense and the Department of Veterans Affairs regarding the delivery of medical care. The matters reviewed shall include the following:

(A) All laws, policies, and regulations, and any attitudes of beneficiaries of the health care systems of the two departments, that have the effect of preventing the establishment, or limiting the effectiveness, of cooperative health care programs of the departments.

(B) The requirements and practices involved in the credentialling and licensure of health care providers.

(C) The perceptions of beneficiaries in a variety of categories (defined as the Secretaries consider appropriate) regarding the various Federal health care systems available for their use.

(2) The Secretaries shall jointly submit a report on the results of the review to the appropriate committees of Congress. The report shall include any proposals for legislation that the Secretaries recommend for eliminating or reducing impediments to interdepartmental cooperation that are identified during the review.

(e) PARTICIPATION IN TRICARE.—(1) The Secretary of Defense shall review the TRICARE program to identify opportunities for increased participation by the Department of Veterans Affairs in that program. The ongoing collaboration between Department of Defense officials and Department of Veterans Affairs officials regard-

ing increasing the participation shall be included among the matters reviewed.

(2) The Secretary of Defense and the Secretary of Veterans Affairs shall jointly submit to the appropriate committees of Congress a semiannual report on the status of the review and on efforts to increase the participation of the Department of Veterans Affairs in the TRICARE program. No report is required under this paragraph after the submission of a semiannual report in which the Secretaries declare that the Department of Veterans Affairs is participating in the TRICARE program to the extent that can reasonably be expected to be attained.

(f) PHARMACEUTICAL BENEFITS AND PROGRAMS.—(1) The Federal Pharmaceutical Steering Committee shall—

(A) undertake a comprehensive examination of existing pharmaceutical benefits and programs for beneficiaries of Federal medical care programs, including matters relating to the purchasing, distribution, and dispensing of pharmaceuticals and the management of mail order pharmaceuticals programs; and

(B) review the existing methods for contracting for and distributing medical supplies and services.

(2) The committee shall submit a report on the results of the examination to the appropriate committees of Congress.

(g) STANDARDIZATION OF PHYSICAL EXAMINATIONS FOR DISABILITY.—The Secretary of Defense and the Secretary of Veterans Affairs shall submit to the appropriate committees of Congress a report on the status of the efforts of the Department of Defense and the Department of Veterans Affairs to standardize physical examinations administered by the two departments for the purpose of determining or rating disabilities.

(h) APPROPRIATE COMMITTEES OF CONGRESS DEFINED.—For the purposes of this section, the appropriate committees of Congress are as follows:

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

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

(i) DEADLINES FOR SUBMISSION OF REPORTS.—(1) The report required by subsection (c)(3) shall be submitted not later than January 1, 2000.

(2) The report required by subsection (d)(2) shall be submitted not later than March 1, 1999.

(3) The semiannual report required by subsection (e)(2) shall be submitted not later than March 1 and September 1 of each year.

(4) The report on the examination required under subsection (f) shall be submitted not later than 60 days after the completion of the examination.

(5) The report required by subsection (g) shall be submitted not later than March 1, 1999.

SEC. 707. DEMONSTRATION PROJECTS TO PROVIDE HEALTH CARE TO CERTAIN MEDICARE-ELIGIBLE BENEFICIARIES OF THE MILITARY HEALTH CARE SYSTEM.

(a) IN GENERAL.—(1) The Secretary of Defense shall, after consultation with the other administering Secretaries, carry out three demonstration projects (described in subsections (d), (e), and (f)) in order to assess the feasibility and advisability of providing certain medical care coverage to the medicare-eligible individuals described in subsection (b).

(2) The Secretary shall commence the demonstration projects not later than January 1, 2000, and shall terminate the demonstration projects not later than December 31, 2003.

(3) The aggregate costs incurred by the Secretary under the demonstration projects in any year may not exceed $60,000,000.

(b) ELIGIBLE INDIVIDUALS.—An individual eligible to participate in a demonstration project under subsection (a) is a member or former member of the uniformed services described in section 1074(b) of title 10, United States Code, a dependent of the member described in section 1076(a)(2)(B) or 1076(b) of that title, or a dependent of a member of the uniformed services who died while on active duty for a period of more than 30 days, who—

(1) is 65 years of age or older;

(2) is entitled to hospital insurance benefits under part A of title XVIII of the Social Security Act (42 U.S.C. 1395c et seq.);

(3) is enrolled in the supplemental medical insurance program under part B of such title XVIII (42 U.S.C. 1395j et seq.); and

(4) resides in an area of the demonstration project selected by the Secretary under subsection (c).

(c) AREAS OF DEMONSTRATION PROJECTS.—(1) Subject to paragraph (3), the Secretary shall carry out each demonstration project under this section in two separate areas selected by the Secretary.

(2) Of the two areas selected for each demonstration project—

(A) one shall be an area outside the catchment area of a military medical treatment facility in which—

(i) no eligible organization has a contract in effect under section 1876 of the Social Security Act (42 U.S.C. 1395mm) and no Medicare+Choice organization has a contract in effect under part C of title XVIII of that Act (42 U.S.C. 1395w–21); or

(ii) the aggregate number of enrollees with an eligible organization with a contract in effect under section 1876 of that Act or with a Medicare+Choice organization with a contract in effect under part C of title XVIII of that Act is less than 2.5 percent of the total number of individuals in the area who are entitled to hospital insurance benefits under part A of title XVIII of that Act; and

(B) one shall be an area outside the catchment area of a military medical treatment facility in which—

(i) at least one eligible organization has a contract in effect under section 1876 of that

Act or one Medicare+Choice organization has a contract in effect under part C of title XVIII of that Act; and

(ii) the aggregate number of enrollees with an eligible organization with a contract in effect under section 1876 of that Act or with a Medicare+Choice organization with a contract in effect under part C of title XVIII of that Act exceeds 10 percent of the total number of individuals in the area who are entitled to hospital insurance benefits under part A of title XVIII of that Act.

(3) The Secretary may not carry out a demonstration project under this section in any area in which the Secretary is carrying out any other medical care demonstration project unless the Secretary determines that the conduct of such other medical care demonstration project will not interfere with the conduct or evaluation of the demonstration project under this section.

(d) FEHBP AS SUPPLEMENT TO MEDICARE DEMONSTRATION.—(1)(A) Under one of the demonstration projects under this section, the Secretary shall permit eligible individuals described in subsection (b) who reside in the areas of the demonstration project selected under subsection (c) to enroll in the health benefits plans offered

through the Federal Employees Health Benefits program under chapter 89 of title 5, United States Code.

(B) The Secretary shall carry out the demonstration project under this subsection under an agreement with the Office of Personnel Management.

(2)(A) An eligible individual described in paragraph (1) shall not be required to satisfy any eligibility criteria specified in chapter 89 of title 5, United States Code, as a condition for enrollment in the health benefits plans offered through the Federal Employee Health Benefits program under the demonstration project under this subsection.

(B) Each eligible individual who enrolls in a health benefits plan under the demonstration project shall be required to remain enrolled in the supplemental medical insurance program under part B of title XVIII of the Social Security Act while participating in the demonstration project.

(3)(A) The authority responsible for approving retired or retainer pay or equivalent pay in the case of a member or former member shall manage the participation of the members or former members who enroll in health benefits plans offered through the Federal Employee Health Benefits program pursuant to paragraph (1).

(B) Such authority shall distribute program information to eligible individuals, process enrollment applications, forward all required contributions to the Employees Health Benefits Fund established under section 8909 of title 5, United States Code, in a timely manner, assist in the reconciliation of enrollment records with health plans, and prepare such reports as the Office of Personnel Management may require in its administration of chapter 89 of such title.

(4)(A) The Office of Personnel Management shall require health benefits plans under chapter 89 of title 5, United States Code, that participate in the demonstration project to maintain a separate risk pool for purposes of establishing premium rates for eligible individuals who enroll in such plans in accordance with this subsection.

(B) The Office shall determine total subscription charges for self only or for family coverage for eligible individuals who enroll in a health benefits plan under chapter 89 of such title in accordance with this subsection, which shall include premium charges paid to the plan and amounts described in section 8906(c) of title 5, United States Code, for administrative expenses and contingency reserves.

(5) The Secretary shall be responsible for the Government contribution for an eligible individual who enrolls in

a health benefits plan under chapter 89 of title 5, United States Code, in accordance with this subsection, except that the amount of the contribution may not exceed the amount of the Government contribution which would be payable if such individual were an employee enrolled in the same health benefits plan and level of benefits.

(6) The cancellation by a eligible individual of coverage under the Federal Employee Health Benefits program shall be irrevocable during the term of the demonstration project under this subsection.

(e) TRICARE AS SUPPLEMENT TO MEDICARE DEMONSTRATION.—(1) Under one of the demonstration projects under this section, the Secretary shall permit eligible individuals described in subsection (b) who reside in each area of the demonstration project selected under subsection (c) to enroll in the TRICARE program. The demonstration project under this subsection shall be known as the ''TRICARE Senior Supplement''.

(2) Payment for care and services received by eligible individuals who enroll in the TRICARE program under the demonstration project shall be made as follows:

(A) First, under title XVIII of the Social Security Act, but only the extent that payment for such care and services is provided for under that title.

(B) Second, under the TRICARE program, but only to the extent that payment for such care and services is provided under that program and is not provided for under subparagraph (A).

(C) Third, by the eligible individual concerned, but only to the extent that payment for such care and services is not provided for under subparagraphs (B) and (C).

(3)(A) The Secretary shall require each eligible individual who enrolls in the TRICARE program under the demonstration project to pay an enrollment fee. The Secretary may provide for payment of the enrollment fee on a periodic basis.

(B) The amount of the enrollment fee of an eligible individual under subparagraph (A) in any year may not exceed an amount equal to 75 percent of the total subscription charges in that year for self-only or family, fee-for-service coverage under the health benefits plan under the Federal Employees Health Benefits program under chapter 89 of title 5, United States Code, that is most similar in coverage to the TRICARE program.

(f) TRICARE MAIL ORDER PHARMACY BENEFIT SUPPLEMENT TO MEDICARE DEMONSTRATION.—(1) Under one of the demonstration projects under this section, the Secretary shall permit eligible individuals de-

1 scribed in subsection (b) who reside in each area of the
2 demonstration project selected under subsection (c) to
3 participate in the mail order pharmacy benefit available
4 under the TRICARE program.

5 (2) The Secretary may collect from eligible individ-
6 uals who participate in the mail order pharmacy benefit
7 under the demonstration project any premiums,
8 deductibles, copayments, or other charges that the Sec-
9 retary would otherwise collect from individuals similar to
10 such eligible individuals for participation in the benefit.

11 (g) INDEPENDENT EVALUATION.—(1) The Secretary
12 shall provide for an evaluation of the demonstration
13 projects conducted under this section by an appropriate
14 person or entity that is independent of the Department
15 of Defense.

16 (2) The evaluation shall include the following:

17 (A) An analysis of the costs of each demonstra-
18 tion project to the United States and to the eligible
19 individuals who enroll or participate in such dem-
20 onstration project.

21 (B) An assessment of the extent to which each
22 demonstration project satisfied the requirements of
23 such eligible individuals for the health care services
24 available under such demonstration project.

(C) An assessment of the effect, if any, of each demonstration project on military medical readiness.

(D) A description of the rate of the enrollment or participation in each demonstration project of the individuals who were eligible to enroll or participate in such demonstration project.

(E) An assessment of which demonstration project provides the most suitable model for a program to provide adequate health care services to the population of individuals consisting of the eligible individuals.

(F) An evaluation of any other matters that the Secretary considers appropriate.

(3) The Comptroller General shall review the evaluation conducted under paragraph (1). In carrying out the review, the Comptroller General shall—

(A) assess the validity of the processes used in the evaluation; and

(B) assess the validity of any findings under the evaluation.

(4)(A) The Secretary shall submit a report on the results of the evaluation under paragraph (1), together with the evaluation, to the Committee on Armed Services of the Senate and the Committee on National Security of the

House of Representatives not later than December 31, 2003.

(B) The Comptroller General shall submit a report on the results of the review under paragraph (3) to the committees referred to in subparagraph (A) not later than February 15, 2004.

(h) DEFINITIONS.—In this section:

(1) The term ''administering Secretaries'' has the meaning given that term in section 1072(3) of title 10, United States Code.

(2) The term ''TRICARE program'' has the meaning given that term in section 1072(7) of title 10, United States Code.

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

SEC. 801. PARA-ARAMID FIBERS AND YARNS.

(a) AUTHORIZED SOURCES.—Chapter 141 of title 10, United States Code is amended by adding at the end the following:

''§ 2410n. Foreign manufactured para-aramid fibers and yarns: procurement

''(a) AUTHORITY.—The Secretary of Defense may procure articles containing para-aramid fibers and yarns

manufactured in a foreign country referred to in subsection (b).

"(b) FOREIGN COUNTRIES COVERED.—The authority under subsection (a) applies with respect to a foreign country that—

"(1) is a party to a defense memorandum of understanding entered into under section 2531 of this title; and

"(2) permits United States firms that manufacture para-aramid fibers and yarns to compete with foreign firms for the sale of para-aramid fibers and yarns in that country, as determined by the Secretary of Defense.

"(c) APPLICABILITY TO SUBCONTRACTS.—The authority under subsection (a) applies with respect to subcontracts under Department of Defense contracts as well as to such contracts.

"(d) DEFINITIONS.—In this section, the terms 'United States firm' and 'foreign firm' have the meanings given such terms in section 2532(d) 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:

"2410n. Foreign manufactured para-aramid fibers and yarns: procurement.".

SEC. 802. PROCUREMENT OF TRAVEL SERVICES FOR OFFICIAL AND UNOFFICIAL TRAVEL UNDER ONE CONTRACT.

(a) AUTHORITY.—Chapter 147 of title 10, United States Code, is amended by inserting after section 2490a the following new section:

"§ 2490b. Travel services: procurement for official and unofficial travel under one contract

''(a) AUTHORITY.—The head of an agency may enter into a contract for travel-related services that provides for the contractor to furnish services for both official travel and unofficial travel.

''(b) CREDITS, DISCOUNTS, COMMISSIONS, FEES.—(1) A contract entered into under this section may provide for credits, discounts, or commissions or other fees to accrue to the Department of Defense. The accrual and amounts of credits, discounts, or commissions or other fees may be determined on the basis of the volume (measured in the number or total amount of transactions or otherwise) of the travel-related sales that are made by the contractor under the contract.

''(2) The evaluation factors applicable to offers for a contract under this section may include a factor that relates to the estimated aggregate value of any credits, discounts, commissions, or other fees that would accrue

to the Department of Defense for the travel-related sales made under the contract.

"(3) Commissions or fees received by the Department of Defense as a result of travel-related sales made under a contract entered into under this section shall be distributed as follows:

"(A) For amounts relating to sales for official travel, credit to appropriations available for official travel for the fiscal year in which the amount is received.

"(B) For amounts relating to sales for unofficial travel, deposit in nonappropriated fund accounts available for morale, welfare, and recreation programs.

"(c) DEFINITIONS.—In this section:

"(1) The term 'head of an agency' has the meaning given that term in section 3202(1) of this title.

"(2) The term 'official travel' means travel at the expense of the Federal Government.

"(3) The term 'unofficial travel' means personal travel or other travel that is not paid for or reimbursed by the Federal Government out of appropriated funds.

"(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, nor to the National Aeronautics and Space Administration.".

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

"2490b. Travel services: procurement for official and unofficial travel under one contract.".

SEC. 803. LIMITATION ON USE OF PRICE PREFERENCE UPON ATTAINMENT OF CONTRACT GOAL FOR SMALL AND DISADVANTAGED BUSINESSES.

Section 2323(e)(3) of title 10, United States Code, is amended—

(1) by inserting "(A)" after "(3)";

(2) by inserting ", except as provided in (B)," after "the head of an agency may" in the first sentence; and

(3) by adding at the end the following:

"(B) The head of an agency may not exercise the authority under subparagraph (A) to enter into a contract for a price exceeding fair market cost in the fiscal year following a fiscal year in which the Department of Defense attained the 5 percent goal required by subsection (a).".

SEC. 804. DISTRIBUTION OF ASSISTANCE UNDER THE PROCUREMENT TECHNICAL ASSISTANCE COOPERATIVE AGREEMENT PROGRAM.

(a) CORRECTION OF DESCRIPTION OF GEOGRAPHIC UNIT.—Section 2413(c) of title 10, United States Code, is amended by striking out ''region'' and inserting in lieu thereof ''district''.

(b) ALLOCATION OF FUNDS.—(1) Section 2415 of title 10, United States Code, is repealed.

(2) The table of sections at the beginning of chapter 142 of such title is amended by striking the item relating to section 2415.

SEC. 805. DEFENSE COMMERCIAL PRICING MANAGEMENT IMPROVEMENT.

(a) SHORT TITLE.—This section may be cited as the ''Defense Commercial Pricing Management Improvement Act of 1998''.

(b) COMMERCIAL ITEMS EXEMPT FROM COST OR PRICING DATA CERTIFICATION REQUIREMENTS.—For the purposes of this section, the term ''exempt item'' means a commercial item that is exempt under subsection (b)(1)(B) of section 2306a of title 10, United States Code, from the requirements for submission of certified cost or pricing data under that section.

(c) COMMERCIAL PRICING REGULATIONS.—(1) The Secretary of Defense, in consultation with the Adminis-

trator for Federal Procurement Policy, shall prescribe regulations that clarify the procedures and methods to be used for determining the reasonableness of prices of exempt items.

(2) The regulations shall, at a minimum, provide specific guidance on—

(A) the appropriate application and precedence of such price analysis tools as catalog-based pricing, market-based pricing, historical pricing, parametric pricing, and value analysis;

(B) the circumstances under which contracting officers should require offerors of exempt items to provide—

(i) uncertified cost or pricing data; or

(ii) information on prices at which the offeror has previously sold the same or similar items;

(C) the role and responsibility of Department of Defense support organizations, such as the Defense Contract Audit Agency, in procedures for determining price reasonableness; and

(D) the meaning and appropriate application of the term ''purposes other than governmental purposes'' in section 4(12) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(12)).

(3) This subsection shall cease to be effective one year after the date on which final regulations prescribed pursuant to paragraph (1) take effect.

(d) UNIFIED MANAGEMENT OF PROCUREMENT OF EXEMPT COMMERCIAL ITEMS.—The Secretary of Defense shall develop and implement procedures to ensure that, to the maximum extent that is practicable and consistent with the efficient operation of the Department of Defense, a single item manager or contracting officer is responsible for negotiating and entering into all contracts for the procurement of exempt items from a single contractor.

(e) COMMERCIAL PRICE TREND ANALYSIS.—(1) The Secretary of Defense shall develop and implement procedures that, to the maximum extent that is practicable and consistent with the efficient operation of the Department of Defense, provide for the collection and analysis of information on price trends for categories of exempt items described in paragraph (2).

(2) A category of exempt items referred to in paragraph (1) consists of exempt items—

(A) that are in a single Federal Supply Group or Federal Supply Class, are provided by a single contractor, or are otherwise logically grouped for the purpose of analyzing information on price trends; and

(B) for which there is a potential for the price paid to be significantly higher (on a percentage basis) than the prices previously paid in procurements of the same or similar items for the Department of Defense, as determined by the head of the procuring Department of Defense agency or the Secretary of the procuring military department on the basis of criteria prescribed by the Secretary of Defense.

(3) The head of a Department of Defense agency or the Secretary of a military department shall take appropriate action to address any unreasonable escalation in prices being paid for items procured by that agency or military department as identified in an analysis conducted pursuant to paragraph (1).

(4)(A) Not later than 180 days after the date of the enactment of this Act, the Under Secretary of Defense for Acquisition and Technology shall submit to the congressional defense committees a report describing the procedures prescribed under paragraph (1), including a description of the criteria established for the selection of categories of exempt items for price trend analysis.

(B) Not later than April 1 of each of fiscal years 2000, 2001, and 2002, the Under Secretary of Defense for Acquisition and Technology shall submit to the con-

gressional defense committees a report on the analyses of price trends that were conducted for categories of exempt items during the preceding fiscal year under the procedures prescribed pursuant to paragraph (1). The report shall include a description of the actions taken to identify and address any unreasonable price escalation for the categories of items.

(f) SECRETARY OF DEFENSE TO ACT THROUGH UNDER SECRETARY OF DEFENSE FOR ACQUISITION AND TECHNOLOGY.—The Secretary of Defense shall act through the Under Secretary of Defense for Acquisition and Technology to carry out subsections (d) and (e).

SEC. 806. DEPARTMENT OF DEFENSE PURCHASES THROUGH OTHER AGENCIES.

(a) EXTENSION OF REGULATIONS.—Not later than three months after the date of the enactment of this Act, the Secretary of Defense shall revise the regulations issued pursuant to section 844 of the National Defense Authorization Act for Fiscal Year 1994 (Public Law 103–160; 107 Stat. 1720; 31 U.S.C. 1535 note) to cover all purchases of goods and services by the Department of Defense under contracts entered into or administered by any other agency pursuant to the authority of section 2304a of title 10, United States Code, or section 303H of the

Federal Property and Administrative Services Act (41 U.S.C. 253h).

(b) TERMINATION.—This section shall cease to be effective 1 year after the date on which final regulations prescribed pursuant to subsection (a) take effect.

SEC. 807. SUPERVISION OF DEFENSE ACQUISITION UNIVERSITY STRUCTURE BY UNDER SECRETARY OF DEFENSE FOR ACQUISITION AND TECHNOLOGY.

Section 1702 of title 10, United States Code, is amended by adding at the end the following: ''The Under Secretary shall prescribe policies and requirements for the educational programs of the defense acquisition university structure established under section 1746 of this title.''.

SEC. 808. REPEAL OF REQUIREMENT FOR DIRECTOR OF ACQUISITION EDUCATION, TRAINING, AND CAREER DEVELOPMENT TO BE WITHIN THE OFFICE OF THE UNDER SECRETARY OF DEFENSE FOR ACQUISITION AND TECHNOLOGY.

Section 1703 of title 10, United States Code, is amended by striking out ''within the office of the Under Secretary''.

SEC. 809. ELIGIBILITY OF INVOLUNTARILY DOWNGRADED EMPLOYEE FOR MEMBERSHIP IN AN ACQUISITION CORPS.

Section 1732(c) of title 10, United States Code, is amended by adding at the end the following new paragraph:

''(3) Paragraph (1) of subsection (b) shall not apply to an employee who—

''(A) having previously served in a position within a grade referred to in subparagraph (A) of that paragraph, is currently serving in the same position within a grade below GS–13, or in another position within that grade, by reason of a reduction in force or the closure or realignment of a military installation, or for any other reason other by reason of an adverse personnel action for cause; and

''(B) except as provided in paragraphs (1) and (2), satisfies the educational, experience, and other requirements prescribed under paragraphs (2), (3), and (4) of that subsection.''.

SEC. 810. PILOT PROGRAMS FOR TESTING PROGRAM MANAGER PERFORMANCE OF PRODUCT SUPPORT OVERSIGHT RESPONSIBILITIES FOR LIFE CYCLE OF ACQUISITION PROGRAMS.

(a) DESIGNATION OF PILOT PROGRAMS.—The Secretary of Defense, acting through the Secretaries of the

military departments, shall designate 10 acquisition programs of the military departments as pilot programs on program manager responsibility for product support.

(b) RESPONSIBILITIES OF PROGRAM MANAGERS.—The program manager for each acquisition program designated as a pilot program under this section shall have the responsibility for ensuring that the product support functions for the program are properly carried out over the entire life cycle of the program.

(c) REPORT.—Not later than February 1, 1999, the Secretary of Defense shall submit to the congressional defense committees a report on the pilot programs. The report shall contain the following:

(1) A description of the acquisition programs designated as pilot programs under subsection (a).

(2) For each such acquisition program, the specific management actions taken to ensure that the program manager has the responsibility for oversight of the performance of the product support functions.

(3) Any proposed change to law, policy, regulation, or organization that the Secretary considers desirable, and determines feasible to implement, for ensuring that the program managers are fully responsible under the pilot programs for the performance of all such responsibilities.

SEC. 811. SCOPE OF PROTECTION OF CERTAIN INFORMATION FROM DISCLOSURE.

Section 2371(i)(2)(A) of title 10, United States Code, is amended by striking out ''cooperative agreement that includes a clause described in subsection (d)'' and inserting in lieu thereof ''cooperative agreement for performance of basic, applied, or advanced research authorized by section 2358 of this title''.

TITLE IX—DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT

SEC. 901. REDUCTION IN NUMBER OF ASSISTANT SECRETARY OF DEFENSE POSITIONS.

(a) NINE POSITIONS.—Section 138(a) of title 10, United States Code, is amended by striking out ''ten'' and insert in lieu thereof ''nine''.

(b) CONFORMING AMENDMENT.—The item relating to the Assistant Secretaries of Defense in section 5315 of title 5, United States Code, is amended to read as follows:

''Assistant Secretaries of Defense (9).''.

SEC. 902. RENAMING OF POSITION OF ASSISTANT SECRETARY OF DEFENSE FOR COMMAND, CONTROL, COMMUNICATIONS, AND INTELLIGENCE.

Section 138(b)(3) of title 10, United States Code is amended to read as follows:

''(3) One of the Assistant Secretaries shall be the Assistant Secretary of Defense for Space and Information Superiority. The Assistant Secretary—

''(A) shall have as his principal duty the overall supervision of the functions of the Department of Defense that relate to space, intelligence, information security, information operations, command, control, communications, computers, surveillance, reconnaissance, and electromagnetic spectrum; and

''(B) shall be the Chief Information Officer of the Department of Defense.''.

SEC. 903. AUTHORITY TO EXPAND THE NATIONAL DEFENSE UNIVERSITY.

Section 2165(b) of title 10, United States Code, is amended by adding at the end the following:

''(7) Any other educational institution of the Department of Defense that the Secretary considers appropriate and designates as an institution of the university.''.

SEC. 904. REDUCTION IN DEPARTMENT OF DEFENSE HEADQUARTERS STAFF.

(a) REDUCTION REQUIRED.—(1) The Secretary of Defense shall reduce the number of Federal Government employees and members of the Armed Forces on the headquarters staffs of Department of Defense organizations in accordance with this section. The Secretary shall achieve the required reductions not later than September 30, 2003.

(2) The total number of Federal Government employees and members of the Armed Forces on the headquarters staffs of all organizations within a category of organizations described in paragraph (4) shall be reduced below the baseline number for the category by the percentage specified for the category in that paragraph. In the administration of this section, the number of employees employed on a basis other than a full time basis shall be converted to, and expressed as, the equivalent number of full time employees.

(3) For the purposes of this subsection, the baseline number for the organizations in a category is the total number of Federal Government employees and members of the Armed Forces on the headquarters staffs of those organizations on October 1, 1996.

(4) The categories of organizations, and the percentages applicable under paragraph (1) to the organizations in such categories, are as follows:

(A) The Office of the Secretary of Defense and associated activities, a reduction of 33 percent.

(B) Defense agencies, a reduction of 21 percent.

(C) Department of Defense field activities and other operating organizations reporting to the Office of the Secretary of Defense, a reduction of 36 percent.

(D) The Joint Staff and associated activities, a reduction of 29 percent.

(E) The headquarters of the combatant commands and associated activities, a reduction of 7 percent.

(F) Other headquarters elements (including the headquarters of the military departments and their major commands) and associated activities, a reduction of 29 percent.

(b) LIMITED RELIEF FROM PROHIBITION ON MANAGING BY END-STRENGTH.—(1) The Secretary may waive the requirements and restrictions of section 129 of title 10, United States Code, for an organization or activity covered by subsection (a) to the extent that the Secretary

determines necessary to achieve the personnel reductions required by that subsection.

(2) Not later than 30 days after exercising the waiver authority under paragraph (1) in the case of an organization or activity, the Secretary shall notify the congressional defense committees of the scope and duration of the waiver and the reasons for granting the waiver.

(c) MANAGEMENT BY BUDGET.—(1) The Secretary shall waive the requirement under subsection (a) to reduce the number of personnel on the headquarters staff of an organization or activity if the Secretary determines that the budget authority available for the organization or activity for fiscal year 2003 has been reduced below the budget authority available for the organization or activity for fiscal year 1996 by at least the percentage equal to one-fifth of the percentage specified in subsection (a)(4) for the category of the organization or activity.

(2) In this subsection, the term ''budget authority'' has the meaning given that term in section 3(2)(A) of the Congressional Budget Act of 1974 (2 U.S.C. 622(2)(A)).

(d) JOINT AND DEFENSE-WIDE ACTIVITIES.—If the Secretary consolidates functions in a Department of Defense-wide or joint organization or activity described in subparagraph (A), (B), (C), (D), or (E) of subsection (a)(4) in order to meet the requirement for reduction in

the personnel of the other headquarters (including the headquarters of the military departments and their major commands) referred to in subparagraph (F) of such subsection, the Secretary may apply to that organization or activity, instead of the percentage that would otherwise apply under such subsection, a lesser percentage that is appropriate to reflect the increased responsibilities of the organization or activity.

(e) REPORT.—Not later than March 1, 1999, the Secretary of Defense shall submit to the congressional defense committees a report containing a plan to implement the personnel reductions required by this section.

(f) CATEGORIES DEFINED.—In this section:

(1) The term ''Office of the Secretary of Defense and associated activities'' means the following organizations and activities:

(A) The Office of the Secretary of Defense, as defined in section 131 of title 10, United States Code.

(B) The defense support activities that perform technical and analytical support for the Office of the Secretary of Defense.

(2) The term ''defense agencies'' means the following organizations and activities:

(A) The Ballistic Missile Defense Organization.

(B) The Defense Advanced Research Projects Agency.

(C) The Defense Commissary Agency.

(D) The Defense Contract Audit Agency.

(E) The Defense Finance and Accounting Services.

(F) The Defense Information Systems Agency.

(G) The Defense Legal Services Agency.

(H) The Defense Logistics Agency.

(I) The Defense Security Assistance Agency.

(J) The Defense Security Service.

(K) The Defense Special Weapons Agency.

(L) The On-Site Inspection Agency.

(M) The Treaty Compliance and Threat Reduction Agency.

(3) The term ''Department of Defense field activities and other operating organizations reporting to the Office of the Secretary of Defense'' means the following organizations and activities:

(A) The American Forces Information Service.

(B) The TRICARE Support Office.

(C) The Office of Economic Adjustment.

(D) The Department of Defense Education Activity.

(E) Washington Headquarters Services.

(F) The Department of Defense Human Resources Activity.

(G) The Defense Prisoner of War/Missing Personnel Office.

(H) The Defense Medical Programs Activity.

(I) The Defense Technology Security Administration.

(J) The C4I Support Activity.

(K) The Plans and Program Analysis Support Center.

(L) The Defense Airborne Reconnaissance Office.

(M) The Defense Acquisition University.

(N) The Director of Military Support.

(O) The Defense Technical Information Center.

(P) The National Defense University.

(4) The term ''Joint Staff and associated activities'' means the following organizations and activities:

(A) The Joint Staff referred to in section 155 of title 10, United States Code.

(B) Department of Defense activities that are controlled by the Chairman of the Joint Chiefs of Staff and report directly to the Joint Staff.

(5) The term ''headquarters of the combatant commands'' means the headquarters of the combatant commands, as defined in section 161(c)(3) of title 10, United States Code.

(6) The term ''other headquarters elements (including the headquarters of the military departments and their major commands)'' means the following organizations and activities:

(A) The military department headquarters listed and defined in Department of Defense Directive 5100.73, ''Department of Defense Management Headquarters and Headquarters Support Activities'', as in effect on November 12, 1996.

(B) Other military headquarters elements defined in such directive that are not otherwise

covered by paragraphs (1), (2), (3), (4), and (5).

(g) REPEAL OF SUPERSEDED PROVISIONS.—(1) Sections 130a and 194 of title 10, United States Code, are repealed.

(2)(A) The table of sections at the beginning of chapter 3 of such title is amended by striking out the item relating to section 130a.

(B) The table of sections at the beginning of chapter 8 of such title is amended by striking out the item relating to section 194.

SEC. 905. PERMANENT REQUIREMENT FOR QUADRENNIAL DEFENSE REVIEW.

(a) REVIEW REQUIRED.—Chapter 2 of title 10, United States Code, is amended by inserting after section 116 the following:

"§ 117. Quadrennial defense review

''(a) REVIEW REQUIRED.—The Secretary of Defense, in consultation with the Chairman of the Joint Chiefs of Staff, shall conduct in each year in which a President is inaugurated a comprehensive examination of the defense strategy, force structure, force modernization plans, infrastructure, budget plan, and other elements of the defense program and policies with a view toward determining and expressing the defense strategy of the United States and

establishing a revised defense plan for the ensuing 10 years and a revised defense plan for the ensuing 20 years.

"(b) CONSIDERATION OF REPORTS OF NATIONAL DEFENSE PANEL.—In conducting the review, the Secretary shall take into consideration the reports of the National Defense Panel submitted under section 181(d) of this title.

"(c) REPORT TO CONGRESS.—The Secretary shall submit a report on each review to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives not later than September 30 of the year in which the review is conducted. The report shall include the following:

"(1) The results of the review, including a comprehensive discussion of the defense strategy of the United States and the force structure best suited to implement that strategy.

"(2) The threats examined for purposes of the review and the scenarios developed in the examination of such threats.

"(3) The assumptions used in the review, including assumptions relating to the cooperation of allies and mission-sharing, levels of acceptable risk, warning times, and intensity and duration of conflict.

"(4) The effect on the force structure of preparations for and participation in peace operations and military operations other than war.

"(5) The effect on the force structure of the utilization by the Armed Forces of technologies anticipated to be available for the ensuing 10 years and technologies anticipated to be available for the ensuing 20 years, including precision guided munitions, stealth, night vision, digitization, and communications, and the changes in doctrine and operational concepts that would result from the utilization of such technologies.

"(6) The manpower and sustainment policies required under the defense strategy to support engagement in conflicts lasting more than 120 days.

"(7) The anticipated roles and missions of the reserve components in the defense strategy and the strength, capabilities, and equipment necessary to assure that the reserve components can capably discharge those roles and missions.

"(8) The appropriate ratio of combat forces to support forces (commonly referred to as the "tooth-to-tail" ratio) under the defense strategy, including, in particular, the appropriate number and size of

headquarter units and Defense Agencies for that purpose.

"(9) The air-lift and sea-lift capabilities required to support the defense strategy.

"(10) The forward presence, pre-positioning, and other anticipatory deployments necessary under the defense strategy for conflict deterrence and adequate military response to anticipated conflicts.

"(11) The extent to which resources must be shifted among two or more theaters under the defense strategy in the event of conflict in such theaters.

"(12) The advisability of revisions to the Unified Command Plan as a result of the defense strategy.

"(13) Any other matter the Secretary considers appropriate.".

(b) NATIONAL DEFENSE PANEL.—Chapter 7 of such title is amended by adding at the end the following:

"§ 181. National Defense Panel

"(a) ESTABLISHMENT.—Not later than January 1 of each year immediately preceding a year in which a President is to be inaugurated, the Secretary of Defense shall establish a nonpartisan, independent panel to be known

as the National Defense Panel. The Panel shall have the duties set forth in this section.

"(b) MEMBERSHIP.—The Panel shall be composed of a chairman and eight other individuals appointed by the Secretary, in consultation with the chairman and ranking member of the Committee on Armed Services of the Senate and the chairman and ranking member of the Committee on National Security of the House of Representatives, from among individuals in the private sector who are recognized experts in matters relating to the national security of the United States.

"(c) DUTIES.—The Panel shall—

"(1) conduct and submit to the Secretary of Defense and to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a comprehensive assessment of the defense strategy, force structure, force modernization plans, infrastructure, budget plan, and other elements of the defense program and policies with a view toward recommending a defense strategy of the United States and a revised defense plan for the ensuing 10 years and a revised defense plan for the ensuing 20 years; and

"(2) identify issues that the Panel recommends for assessment during the next review to be conducted under section 117 of this title.

"(d) REPORT.—(1) The Panel, in the year that it is conducting an assessment under subsection (c), shall submit to the Secretary of Defense and to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives two reports on its activities and the findings and recommendations of the Panel, including any recommendations for legislation that the Panel considers appropriate, as follows:

"(A) An interim report not later than July 1 of the year.

"(B) A final report not later than December 1 of the year.

"(2) Not later than December 15 of the year in which the Secretary receive a final report under paragraph (1)(B), the Secretary shall submit to the committees referred to in subsection (b) a copy of the report together with the Secretary's comments on the report.

"(e) INFORMATION FROM FEDERAL AGENCIES.—The Panel may secure directly from the Department of Defense and any of its components and from any other Federal department and agency such information as the Panel considers necessary to carry out its duties under

this section. The head of the department or agency concerned shall ensure that information requested by the Panel under this subsection is promptly provided.

"(f) PERSONNEL MATTERS.—(1) Each member of the Panel shall be compensated at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for level IV of the Executive Schedule under section 5315 of title 5 for each day (including travel time) during which the member is engaged in the performance of the duties of the Panel.

"(2) The members of the Panel shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5 while away from their homes or regular places of business in the performance of services for the Panel.

"(3)(A) The chairman of the Panel may, without regard to the civil service laws and regulations, appoint and terminate an executive director and a staff if the Panel determines that an executive director and staff are necessary in order for the Panel to perform its duties effectively. The employment of an executive director shall be subject to confirmation by the Panel.

"(B) The chairman may fix the compensation of the executive director without regard to the provisions of

chapter 51 and subchapter III of chapter 53 of title 5 relating to classification of positions and General Schedule pay rates, except that the rate of pay for the executive director may not exceed the rate payable for level V of the Executive Schedule under section 5316 of such title.

''(4) Any Federal Government employee may be detailed to the Panel without reimbursement of the employee's agency, and such detail shall be without interruption or loss of civil service status or privilege. The Secretary shall ensure that sufficient personnel are detailed to the Panel to enable the Panel to carry out its duties effectively.

''(5) To the maximum extent practicable, the members and employees of the Panel shall travel on military aircraft, military ships, military vehicles, or other military conveyances when travel is necessary in the performance of a duty of the Panel, except that no such aircraft, ship, vehicle, or other conveyance may be scheduled primarily for the transportation of any such member or employee when the cost of commercial transportation is less expensive.

''(g) ADMINISTRATIVE PROVISIONS.—(1) The Panel may use the United States mails and obtain printing and binding services in the same manner and under the same

conditions as other departments and agencies of the Federal Government.

"(2) The Secretary shall furnish the Panel any administrative and support services requested by the Panel.

"(3) The Panel may accept, use, and dispose of gifts or donations of services or property.

"(h) PAYMENT OF PANEL EXPENSES.—The compensation, travel expenses, and per diem allowances of members and employees of the Panel shall be paid out of funds available to the Department of Defense for the payment of compensation, travel allowances, and per diem allowances, respectively, of civilian employees of the Department. The other expenses of the Panel shall be paid out of funds available to the Department for the payment of similar expenses incurred by the Department.

"(i) TERMINATION.—The Panel shall terminate at the end of the year following the year in which the Panel submits its final report under subsection (d)(1)(B). For the period that begins 90 days after the date of submittal of the report, the activities and staff of the panel shall be reduced to a level that the Secretary of Defense considers sufficient to continue the availability of the panel for consultation with the Secretary of Defense and with the Committee on Armed Services of the Senate and the Com-

mittee on National Security of the House of Representatives.''.

(c) CLERICAL AMENDMENTS.—(1) The table of sections at the beginning of chapter 2 of title 10, United States Code, is amended by inserting after the item relating to section 116 the following:

''117. Quadrennial defense review.''.

(2) The table of sections at the beginning of chapter 7 of such title is amended by adding at the end the following:

''181. National Defense Panel.''.

(d) CONTINUATION OF 1997 NATIONAL DEFENSE PANEL.—Section 924(j) of the Military Force Structure Review Act of 1996 (subtitle B of title IX of Public Law 104–201; 110 Stat. 2626; 10 U.S.C. 111 note) is amended to read as follows:

''(j) TERMINATION.—The Panel shall continue until the first National Defense Panel is established under section 181(a) of title 10, United States Code, and shall then terminate. The activities and staff of the panel shall be reduced to a level that the Secretary of Defense considers sufficient to continue the availability of the panel for consultation with the Secretary of Defense and with the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives.''.

SEC. 906. MANAGEMENT REFORM FOR RESEARCH, DEVELOPMENT, TEST, AND EVALUATION.

(a) REQUIREMENTS FOR ANALYSIS AND PLAN.—(1) The Secretary of Defense, acting through the Under Secretary of Defense for Acquisition and Technology, shall analyze the structures and processes of the Department of Defense for management of its laboratories and test and evaluation centers and, taking into consideration the analysis, develop a plan for improving the management of the laboratories and centers. The plan shall include the reorganizations and reforms that the Secretary considers appropriate.

(2) The analysis shall include the following:

(A) Opportunities to achieve efficiency and reduce duplication of efforts by consolidating responsibilities for research, development, test, and evaluation, by area or function, in a military department as a lead agency or executive agent.

(B) Reforms of the management processes of Department of Defense laboratories and test and evaluation centers that would reduce costs and increase efficiency in the conduct of research, development, test, and evaluation.

(C) Opportunities for Department of Defense laboratories and test and evaluation centers to enter into partnership arrangements with laboratories in

industry, academia, and other Federal agencies that demonstrate leadership, initiative, and innovation in research, development, test, and evaluation.

(D) The benefits of consolidating test ranges and test facilities under one management structure.

(E) Personnel demonstration projects and pilot projects that are being carried out to address the challenges for and constraints on recruitment and retention of scientists and engineers.

(F) The extent to which there is disseminated within the Department of Defense laboratories and test and evaluation centers information regarding initiatives that have successfully improved efficiency through reform of management processes and other means.

(G) Any cost savings that can be derived directly from reorganization of management structures.

(H) Options for reinvesting any such cost savings in the Department of Defense laboratories and test and evaluation centers.

(3) The Secretary shall submit the plan required under paragraph (1) to the congressional defense committees not later than 180 days after the date of the enactment of this Act.

(b) COST-BASED MANAGEMENT INFORMATION SYSTEM.—(1) The Secretary of Defense shall develop a plan, including a schedule, for establishing a cost-based management information system for Department of Defense laboratories and test and evaluation centers. The system shall provide for accurately identifying and comparing the costs of operating each laboratory and each center.

(2) In preparing the plan, the Secretary shall assess the feasibility and desirability of establishing a common methodology for assessing costs. The Secretary shall consider the use of a revolving fund as one potential methodology.

(3) The Secretary shall submit the plan required under paragraph (1) to the congressional defense committees not later than 90 days after the date of the enactment of this Act.

SEC. 907. RESTRUCTURING OF ADMINISTRATION OF FISHER HOUSES.

(a) ADMINISTRATION AS NONAPPROPRIATED FUND INSTRUMENTALITY.—(1) Chapter 147 of title 10, United States Code, is amended by adding at the end the following:

"§ 2490b. Fisher Houses: administration as non-appropriated fund instrumentality

"(a) FISHER HOUSES AND SUITES.—(1) For the purposes of this section, a Fisher House is a housing facility that—

"(A) is located in proximity to a health care facility of the Army, the Air Force, or the Navy;

"(B) is available for residential use on a temporary basis by patients of that health care facility, members of the families of such patients, and others providing the equivalent of familial support for such patients; and

"(C) has been constructed and donated by—

"(i) the Zachary and Elizabeth M. Fisher Armed Services Foundation; or

"(ii) another source, if the Secretary designates the housing facility as a Fisher House.

"(2) For the purposes of this section, a Fisher Suite is one or more rooms that meet the requirements of subparagraph (A) and (B) of paragraph (1), are constructed, altered, or repaired and donated by a source described in subparagraph (C) of that paragraph, and are designated by the Secretary concerned as a Fisher Suite.

"(b) NONAPPROPRIATED FUND INSTRUMENTALITY.—The Secretary of a military department shall administer all Fisher Houses and Fisher Suites associated with

health care facilities of that military department as a nonappropriated fund instrumentality of the United States.

"(c) GOVERNANCE.—The Secretary shall establish a system for the governance of the nonappropriated fund instrumentality.

"(d) CENTRAL FUND.—The Secretary shall establish a single fund as the source of funding for the operation, maintenance, and improvement of all Fisher Houses and Fisher Suites of the nonappropriated fund instrumentality.

"(e) ACCEPTANCE OF CONTRIBUTIONS AND FEES.—The Secretary of a military department may accept money, property, and services donated for the support of a Fisher House or Fisher Suite, and may impose fees relating to the use of the Fisher Houses and Fisher Suites. All monetary donations, and the proceeds of the disposal of any other donated property, accepted by the Secretary under this subsection shall be credited to the fund established under subsection (d) for the Fisher Houses and Fisher Suites of that military department and shall be available for all Fisher Houses and Fisher Suites of that military department.

"(f) ANNUAL REPORT.—Not later than January 15 of each year, the Secretary of each military department shall submit a report on Fisher House operations to the

Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives. The report shall include, at a minimum, the following:

"(1) The amount in the fund established by the Secretary for the Fisher Houses and Fisher Suites under subsection (d), as of October 1 of the previous year.

"(2) The operation of the fund during the fiscal year ending on the day before that date, including—

"(A) all gifts, fees, and interest credited to the fund; and

"(B) the disbursements from the fund.

"(3) The budget for the operation of the Fisher Houses and Fisher Suites for the fiscal year in which the report is submitted.".

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

"2490b. Fisher Houses: administration as nonappropriated fund instrumentality.".

(b) FUNDING TRANSITION.—(1) Not later than 90 days after the date of the enactment of this Act the Secretary of each military department shall—

(A) establish the fund required under section 2490b(d) of title 10, United States Code (as added by subsection (a)); and

(B) close the Fisher House trust fund for that department and transfer the amounts in the closed fund to the newly established fund.

(2) Of the amounts appropriated for the Navy pursuant to section 301, the Secretary of the Navy shall transfer to the fund established by the Secretary under section 2490b(d) of title 10, United States Code (as added by subsection (a)) such amount as the Secretary considers appropriate for establishing in the fund a corpus sufficient for operating Fisher Houses and Fisher Suites of the Navy.

(3) Of the amounts appropriated for the Air Force pursuant to section 301, the Secretary of the Air Force shall transfer to the fund established by the Secretary under section 2490b(d) of title 10, United States Code (as added by subsection (a)) such amount as the Secretary considers appropriate for establishing in the fund a corpus sufficient for operating Fisher Houses and Fisher Suites of the Air Force.

(4) The Secretary of each military department, upon completing the actions required of the Secretary under the preceding paragraphs of this subsection, shall submit to Congress a report containing—

(A) the Secretary's certification that those actions have been completed; and

(B) a statement of the amount deposited in the newly established fund.

(5) Amounts transferred to a fund established under section 2490b(d) of title 10, United States Code (as added by subsection (a)), shall be available without fiscal year limitation for the purposes for which the fund is established and shall be administered as nonappropriated funds.

(c) CONFORMING REPEALS.—(1) Section 2221 of title 10, United States Code, and the item relating to that section in the table of sections at the beginning of chapter 131 of such title, are repealed.

(2) Section 1321(a) of title 31, United States Code, is amended by striking out paragraphs (92), (93), and (94).

(3) The amendments made by paragraphs (1) and (2) shall take effect 90 days after the date of the enactment of this Act.

TITLE X—GENERAL PROVISIONS

Subtitle A—Financial Matters

SEC. 1001. TRANSFER AUTHORITY.

(a) AUTHORITY TO TRANSFER AUTHORIZATIONS.—(1) Upon determination by the Secretary of Defense that such action is necessary in the national interest, the Secretary may transfer amounts of authorizations made avail-

able to the Department of Defense in this division for fiscal year 1999 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 $2,000,000,000.

(b) LIMITATIONS.—The authority provided by this section to transfer authorizations—

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

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

(c) EFFECT ON AUTHORIZATION AMOUNTS.—A transfer made from one account to another under the authority of this section shall be deemed to increase the amount authorized for the account to which the amount is transferred by an amount equal to the amount transferred.

(d) NOTICE TO CONGRESS.—The Secretary shall promptly notify Congress of each transfer made under subsection (a).

SEC. 1002. AUTHORIZATION OF EMERGENCY APPROPRIATIONS FOR FISCAL YEAR 1999.

(a) AUTHORIZATION OF APPROPRIATIONS.—Funds are hereby authorized to be appropriated for the Department of Defense for fiscal year 1999 for incremental costs of operations of the Armed Forces in and around Bosnia and Herzegovina in the total amount of $1,858,600,000, as follows:

(1) For military personnel, in addition to the amounts authorized to be appropriated in title IV of this Act:

(A) For the Army, $297,700,000.

(B) For the Navy, $9,700,000.

(C) For the Marine Corps, $2,700,000.

(D) For the Air Force, $33,900,000.

(E) For the Naval Reserve, $2,200,000.

(2) For operation and maintenance for the Overseas Contingency Operations Transfer Fund, in addition to the total amount authorized to be appropriated for that fund in section 301(a)(25) of this Act, $1,512,400,000.

(b) TRANSFER AUTHORITY.—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 subsection (a)(2) for fiscal year 1999 to any of the authorizations for that fiscal year in section 301. Amounts of authorizations so transferred shall be merged with and be available for the same purposes as the authorization to which transferred. The transfer authority under this subsection is in addition to any other transfer authority provided in this Act.

(c) DESIGNATION AS EMERGENCY.—Funds authorized to be appropriated in accordance with subsection (a) are designated as emergency requirements pursuant to section 251(b)(2)(A) of the Balanced Budget and Emergency Deficit Control Act of 1985.

SEC. 1003. AUTHORIZATION OF PRIOR EMERGENCY SUPPLEMENTAL APPROPRIATIONS FOR FISCAL YEAR 1998.

Amounts authorized to be appropriated to the Department of Defense for fiscal year 1998 in the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85) are hereby adjusted, with respect to any such authorized amount, by the amount by which appropriations pursuant to such authorization were increased

(by a supplemental appropriation) or decreased (by a rescission), or both, in the 1998 Supplemental Appropriations and Rescissions Act (Public Law 105–174).

SEC. 1004. PARTNERSHIP FOR PEACE INFORMATION SYSTEM MANAGEMENT.

Funds authorized to be appropriated under titles II and III of this Act shall be available for Partnership for Peace information management systems as follows:

(1) Of the amount authorized to be appropriated under section 201(4) for Defense-wide activities, $2,000,000.

(2) Of the amount authorized to be appropriated under section 301 for Defense-wide activities, $3,000,000.

Subtitle B—Naval Vessels

SEC. 1011. IOWA CLASS BATTLESHIP RETURNED TO NAVAL VESSEL REGISTER.

The U.S.S. Iowa shall be listed, and maintained, on the Naval Vessel Register under section 1011 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 421) instead of the U.S.S. New Jersey, which shall be stricken from the register. The preceding sentence does not affect the continued effectiveness of subsection (d) of such section.

SEC. 1012. LONG-TERM CHARTER OF THREE VESSELS IN SUPPORT OF SUBMARINE RESCUE, ESCORT, AND TOWING.

(a) AUTHORITY.—The Secretary of the Navy may enter into one or more long-term charters in accordance with section 2401 of title 10, United States Code, for three vessels to support the rescue, escort, and towing of submarines.

(b) VESSELS AND PERIODS.—The vessels that may be chartered, and the periods for which the vessels may be chartered, under subsection (a) are as follows:

(1) The Carolyn Chouest (United States official number D102057), for any period that ends before October 1, 2012.

(2) The Kellie Chouest (United States official number D1038519), for any period that ends before October 1, 2005.

(3) The Dolores Chouest (United States official number D600288), for any period that ends before October 1, 2005.

(c) CONDITION ON CHARTER OF ONE VESSEL.—The charter for the Carolyn Chouest shall include a clause that permits the United States to terminate the charter for the convenience of the United States without any liability for further payment (other than for unpaid amounts due under the charter for periods before the date of the termi-

nation) in the event that the need for the vessel under the charter terminates before the end of the charter period by reason of the decommissioning of a submarine research vessel supported under the charter.

SEC. 1013. TRANSFERS OF NAVAL VESSELS TO FOREIGN COUNTRIES.

(a) TRANSFERS 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) The tank landing ship Newport (LST 1179).

(2) The civilian crewed ocean surveillance ship Assurance (T-AGOS 5).

(3) The frigates Hepburn (FF 1055), W.S. Simms (FF 1059), Paul (FF 1080), and Miller (FF 1091).

(b) TRANSFERS BY SALE.—The Secretary of the Navy is authorized to transfer vessels to foreign countries on a sales basis under section 21 of the Arms Export Control Act (22 U.S.C. 2761) as follows:

(1) The guided missile frigates Duncan (FFG 10), Tisdale (FFG 27), and Reid (FFG 30).

(2) The dock landing ship Pensacola (LSD 38).

(3) The medium floating drydock Competent (AFDM 6).

(4) The tank landing ship Peoria (LST 1183).

(5) The civilian crewed ocean surveillance ship Triumph (T-AGOS 4).

(6) The drydocks Waterford (ARD 5) and Alamagordo (ARDM 2).

(7) The unnamed medium floating drydock bearing hull number AFDM 2.

(8) The auxiliary repair dock San Onofre (ARD 30).

(c) TRANSFERS BY LEASE OR SALE.—The Secretary of the Navy is authorized to transfer vessels to foreign countries on a lease basis under section 61 of the Arms Export Control Act (22 U.S.C. 2796) or on a sales basis under section 21 of the Arms Export Control Act (22 U.S.C. 2761) as follows:

(1) The guided missile destroyers Kidd (DDG 993), Callaghan (DDG 994), Scott (DDG 995) and Chandler (DDG 996).

(2) The fleet oiler Merrimack (AO 179).

(d) FINANCING FOR TRANSFERS BY LEASE.—Section 23 of the Arms Export Control Act (22 U.S.C. 2763) may be used to provide financing for any transfer by lease under subsection (c) in the same manner as if such trans-

fer were a procurement by the recipient nation of a defense article.

(e) COSTS OF TRANSFERS.—Any expense incurred by the United States in connection with a transfer authorized by subsection (a), (b), or (c) 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)) in the case of a transfer authorized under subsection (a)).

(f) REPAIR AND REFURBISHMENT IN UNITED STATES SHIPYARDS.—The Secretary of the Navy 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.

(g) EXPIRATION OF AUTHORITY.—The authority to transfer vessels under this section shall expire at the end of the two-year period beginning on the date of the enactment of this Act, except that a lease entered into during that period under any provision of subsection (c) may be renewed.

Subtitle C—Miscellaneous Report Requirements and Repeals

SEC. 1021. REPEAL OF REPORTING REQUIREMENTS.

(a) REPORTS REQUIRED BY TITLE 10.—

(1) HEALTH AND MEDICAL CARE STUDIES AND DEMONSTRATIONS.—Section 1092(a) of title 10, United States Code, is amended by striking out paragraph (3).

(2) ANNUAL REPORT ON USE OF MONEY RENTALS FOR LEASES OF NON-EXCESS PROPERTY.—Section 2667(d) of title 10, United States Code, is amended—

(A) in paragraph (1)(A)(ii), by striking out ''paragraph (4) or (5)'' and inserting in lieu thereof ''paragraph (3) or (4)''.

(B) by striking out paragraph (3); and

(C) by redesignating paragraphs (4) and (5) as paragraphs (3) and (4), respectively.

(b) REPORT REQUIRED BY MILITARY CONSTRUCTION AUTHORIZATION ACT.—Section 2819 of the National Defense Authorization Act, Fiscal Year 1989 (Public Law 100–456; 102 Stat. 2119; 10 U.S.C. 2391 note,), relating to the Commission on Alternative Utilization of Military Facilities, is amended—

(1) in subsection (a) by striking out "(a) ESTABLISHMENT OF COMMISSION.—"; and

(2) by striking out subsections (b) and (c).

SEC. 1022. REPORT ON DEPARTMENT OF DEFENSE FINANCIAL MANAGEMENT IMPROVEMENT PLAN.

Not later than 60 days after the date on which the Secretary of Defense submits the first biennial financial management improvement plan required by section 2222 of title 10, United States Code, the Comptroller General shall submit to Congress an analysis of the plan. The analysis shall include a discussion of the content of the plan and the extent to which the plan—

(1) complies with the requirements of such section 2222; and

(2) is a workable plan for addressing the financial management problems of the Department of Defense.

SEC. 1023. FEASIBILITY STUDY OF PERFORMANCE OF DEPARTMENT OF DEFENSE FINANCE AND ACCOUNTING FUNCTIONS BY PRIVATE SECTOR SOURCES OR OTHER FEDERAL GOVERNMENT SOURCES.

(a) STUDY REQUIRED.—The Secretary of Defense shall carry out a study of the feasibility and advisability of selecting on a competitive basis the source or sources

for performing the finance and accounting functions of the Department of Defense from among private sector sources, the Defense Finance and Accounting Service of the Department of Defense, the military departments, and other Federal Government agencies.

(b) REPORT.—Not later than October 1, 1999, the Secretary shall submit a written report on the results of the study to Congress. The report shall include the following:

(1) A discussion of how the finance and accounting functions of the Department of Defense are performed, including the necessary operations, the operations actually performed, the personnel required for the operations, and the core competencies that are necessary for the performance of those functions.

(2) A comparison of the performance of the finance and accounting functions by the Defense Finance and Accounting Service with the performance of finance and accounting functions by the other sources referred to in subsection (a) that exemplify the best finance and accounting practices and results, together with a comparison of the costs of the performance of such functions by the Defense Finance and Accounting Service and the estimated

costs of the performance of such functions by those other sources.

(3) The finance and accounting functions, if any, that are appropriate for performance by those other sources, together with a concept of operations that—

(A) specifies the mission;

(B) identifies the finance and accounting operations to be performed;

(C) describes the work force that is necessary to perform those operations;

(D) discusses where the operations are to be performed;

(E) describes how the operations are to be performed; and

(F) discusses the relationship between how the operations are to be performed and the mission.

(4) An analysis of how Department of Defense programs or processes would be affected by the performance of the finance and accounting functions of the Department of Defense by one or more of those other sources.

(5) The status of the efforts within the Department of Defense to consolidate and eliminate redun-

dant finance and accounting systems and to better integrate the automated and manual systems of the department that provide input to financial management or accounting systems of the department.

(6) A description of a feasible and effective process for selecting, on a competitive basis, sources to perform the finance and accounting functions of the Department of Defense from among the sources referred to in subsection (a), including a discussion of the selection criteria considered appropriate.

(7) Any recommended policy for selecting sources to perform the finance and accounting functions of the Department of Defense on a competitive basis from among the sources referred to in subsection (a), together with such other recommendations that the Secretary considers appropriate.

(8) An analysis of the costs and benefits of the various policies and actions recommended.

(9) A discussion of any findings, analyses, and recommendations of the performance of the finance and accounting functions of the Department of Defense that have been made by the Task Force on Defense Reform appointed by the Secretary of Defense.

(c) MARKET RESEARCH.—In carrying out the study, the Secretary shall perform market research to determine whether the availability of responsible private sector sources of finance and accounting services is sufficient for there to be a reasonable expectation of meaningful competition for any contract for the procurement of finance and accounting services for the Department of Defense.

SEC. 1024. REORGANIZATION AND CONSOLIDATION OF OPERATING LOCATIONS OF THE DEFENSE FINANCE AND ACCOUNTING SERVICE.

(a) LIMITATION.—No operating location of the Defense Finance and Accounting Service may be closed before the date that is six months after the date on which the Secretary submits to Congress the plan required by subsection (b).

(b) PLAN REQUIRED.—The Secretary of Defense shall submit to Congress a strategic plan for improving the financial management operations at each of the operating locations of the Defense Finance and Accounting Service.

(c) CONTENT OF PLAN.—The plan shall include, at a minimum, the following:

(1) The workloads that it is necessary to perform at the operating locations each fiscal year.

(2) The capacity and number of operating locations that are necessary for performing the workloads.

(3) A discussion of the costs and benefits that could result from reorganizing the operating locations of the Defense Finance and Accounting Service on the basis of function performed, together with the Secretary's assessment of the feasibility of carrying out such a reorganization.

(d) SUBMITTAL OF PLAN.—The plan shall be submitted to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives not later than December 15, 1998.

SEC. 1025. REPORT ON INVENTORY AND CONTROL OF MILITARY EQUIPMENT.

(a) REPORT REQUIRED.—Not later than March 1, 1999, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report on the inventory and control of the military equipment of the Department of Defense as of the end of fiscal year 1998. The report shall address the inventories of each of the Army, Navy, Air Force, and Marine Corps separately.

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

(1) For each item of military equipment in the inventory, stated by item nomenclature—

(A) the quantity of the item in the inventory as of the beginning of the fiscal year;

(B) the quantity of acquisitions of the item during the fiscal year;

(C) the quantity of disposals of the item during the fiscal year;

(D) the quantity of losses of the item during the performance of military missions during the fiscal year; and

(E) the quantity of the item in the inventory as of the end of the fiscal year.

(2) A reconciliation of the quantity of each item in the inventory as of the beginning of the fiscal year with the quantity of the item in the inventory as of the end of fiscal year.

(3) For each item of military equipment that cannot be reconciled—

(A) an explanation of why the quantities cannot be reconciled; and

(B) a discussion of the remedial actions planned to be taken, including target dates for accomplishing the remedial actions.

(4) Supporting schedules identifying the location of each item that are available to Congress or auditors of the Comptroller General upon request.

(c) MILITARY EQUIPMENT DEFINED.—For the purposes of this section, the term ''military equipment'' means all equipment that is used in support of military missions and is maintained on the visibility systems of the Army, Navy, Air Force, or Marine Corps.

(d) INSPECTOR GENERAL REVIEW.—Not later than June 1, 1999, the Inspector General of the Department of Defense shall review the report submitted to the committees under subsection (a) and shall submit to the committees any comments that the Inspector General considers appropriate.

SEC. 1026. REPORT ON CONTINUITY OF ESSENTIAL OPERATIONS AT RISK OF FAILURE BECAUSE OF COMPUTER SYSTEMS THAT ARE NOT YEAR 2000 COMPLIANT.

(a) REPORT REQUIRED.—The Secretary of Defense and the Director of Central Intelligence shall jointly submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of

Representatives a report on the plans of the Department of Defense and the intelligence community for ensuring the continuity of performance of essential operations that are at risk of failure because of computer systems and other information and support systems that are not year 2000 compliant.

(b) CONTENT.—The report shall contain, at a minimum, the following:

(1) A prioritization of mission critical systems to ensure that the most critical systems have the highest priority for efforts to reprogram computers to be year 2000 compliant.

(2) A discussion of the private and other public information and support systems relied on by the national security community, including the intelligence community, and the efforts under way to ensure that those systems are year 2000 compliant.

(3) The efforts under way to repair the underlying operating systems and infrastructure.

(4) The plans for comprehensive testing of Department of Defense systems, including simulated operational tests in mission areas.

(5) A comprehensive contingency plan, for the entire national security community, which provides for resolving emergencies resulting from a system

that is not year 2000 compliant and includes provision for the creation of crisis action teams for use in resolving such emergencies.

(6) A discussion of the efforts undertaken to ensure the continued reliability of service on the systems used by the President and other leaders of the United States for communicating with the leaders of other nations.

(7) A discussion of the vulnerability of allied armed forces to failure systems that are not, or have critical components that are not, year 2000 compliant, together with an assessment of the potential problems for interoperability among the Armed Forces of the United States and allied armed forces because of the potential for failure of such systems.

(8) An estimate of the total cost of making the computer systems and other information and support systems comprising the computer networks of the Department of Defense and the intelligence community year 2000 compliant.

(c) SUBMITTAL.—The report shall be submitted not later than March 31, 1999, in classified form and, as necessary, unclassified form.

(d) YEAR 2000 COMPLIANT.—In this section, the term ''year 2000 compliant'', with respect to a computer

system or any other information or support system, means that the programs of the system correctly recognize dates in years after 1999 as being dates after 1999 for the purposes of program functions for which the correct date is relevant to the performance of the functions.

SEC. 1027. REPORTS ON NAVAL SURFACE FIRE-SUPPORT CAPABILITIES.

(a) NAVY REPORT.—(1) Not later than March 31, 1999, the Secretary of the Navy shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report on battleship readiness for meeting requirements of the Armed Forces for naval surface fire support.

(2) The report shall contain the following:

(A) The reasons for the Secretary's failure to comply with the requirements of section 1011 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 421) until February 1998.

(B) The requirements for Air-Naval Gunfire Liaison Companies.

(C) The plans of the Navy for retaining and maintaining 16-inch ammunition for the main guns of battleships.

(D) The plans of the Navy for retaining the hammerhead crane essential for lifting battleship turrets.

(E) An estimate of the cost of reactivating Iowa-class battleships for listing on the Naval Vessel Register, restoring the vessels to seaworthiness with operational capabilities necessary to meet requirements for naval surface fire-support, and maintaining the battleships in that condition for continued listing on the register, together with an estimate of the time necessary to reactivate and restore the vessels to that condition.

(3) The Secretary shall act through the Director of Expeditionary Warfare Division (N85) of the Office of the Chief of Naval Operations in preparing the report.

(b) GAO REPORT.—(1) The Comptroller General shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report on the naval surface fire-support capabilities of the Navy.

(2) The report shall contain the following:

(A) An assessment of the extent of the compliance by the Secretary of the Navy with the requirements of section 1011 of the National Defense Au-

thorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 421).

(B) The plans of the Navy for executing the naval surface fire-support mission of the Navy.

(C) An assessment of the short-term costs and the long-term costs associated with the plans.

(D) An assessment of the short-term costs and the long-term costs associated with alternative methods for executing the naval surface fire-support mission of the Navy, including the alternative of reactivating two battleships.

SEC. 1028. REPORT ON ROLES IN DEPARTMENT OF DEFENSE AVIATION ACCIDENT INVESTIGATIONS.

(a) REPORT REQUIRED.—Not later than March 31, 1999, the Secretary of Defense shall submit to Congress a report on the roles of the Office of the Secretary of Defense and the Joint Staff in the investigation of Department of Defense aviation accidents.

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

(1) An assessment of whether the Office of the Secretary of Defense and the Joint Staff should have more direct involvement in the investigation of military aviation accidents.

(2) The advisability of the Office of the Secretary of Defense, the Joint Staff, or another Department of Defense entity independent of the military departments supervising the conduct of aviation accident investigations.

(3) An assessment of the minimum training and experience required for aviation accident investigation board presidents and board members.

SEC. 1029. STRATEGIC PLAN FOR EXPANDING DISTANCE LEARNING INITIATIVES.

(a) PLAN REQUIRED.—The Secretary of Defense shall develop a strategic plan for guiding and expanding distance learning initiatives within the Department of Defense. The plan shall provide for an expansion of such initiatives over five consecutive fiscal years beginning with fiscal year 2000.

(b) CONTENT OF PLAN.—The strategic plan shall, at a minimum, contain the following:

(1) A statement of measurable goals and objectives and outcome-related performance indicators (consistent with section 1115 of title 31, United States Code, relating to agency performance plans) for the development and execution of distance learning initiatives throughout the Department of Defense.

(2) A detailed description of how distance learning initiatives are to be developed and managed within the Department of Defense.

(3) An assessment of the estimated costs and the benefits associated with developing and maintaining an appropriate infrastructure for distance learning.

(4) A statement of planned expenditures for the investments necessary to build and maintain the infrastructure.

(5) A description of the mechanisms that are to be used to supervise the development and coordination of the distance learning initiatives of the Department of Defense.

(c) RELATIONSHIP TO EXISTING INITIATIVE.—In developing the strategic plan, the Secretary may take into account the ongoing collaborative effort among the Department of Defense, other Federal agencies, and private industry that is known as the Advanced Distribution Learning initiative. However, the Secretary shall ensure that the strategic plan is specifically focused on the training and education goals and objectives of the Department of Defense.

(d) SUBMISSION TO CONGRESS.—The Secretary of Defense shall submit the strategic plan to Congress not later than March 1, 1999.

SEC. 1030. REPORT ON INVOLVEMENT OF ARMED FORCES IN CONTINGENCY AND ONGOING OPERATIONS.

(a) REPORT REQUIRED.—Not later than January 31, 1999, the Secretary of Defense shall submit to the congressional defense committees a report on the involvement of the Armed Forces of the United States in major contingency operations and major ongoing operations since the end of the Persian Gulf War, including such operations as the involvement in the Stabilization Force in Bosnia and Herzegovina, Operation Southern Watch, and Operation Northern Watch. The report shall contain the following:

(1) A discussion of the effects of that involvement on retention and reenlistment of personnel in the Armed Forces.

(2) The extent to which the use of combat support and combat service support personnel and equipment of the Armed Forces in the operations has resulted in shortages of Armed Forces personnel and equipment in other regions of the world.

(3) The accounts from which funds have been drawn to pay for the operations and the specific programs for which the funds were available until diverted to pay for the operations.

(4) The vital interests of the United States that are involved in each operation or, if none, the interests of the United States that are involved in each operation and a characterization of those interests.

(5) What clear and distinct objectives guide the activities of United States forces in each operation.

(6) What the President has identified on the basis of those objectives as the date, or the set of conditions, that defines the end of each operation.

(b) FORM OF REPORT.—The report shall be submitted in unclassified form, but may also be submitted in a classified form if necessary.

(c) MAJOR OPERATION DEFINED.—For the purposes of this section, a contingency operation or an ongoing operation is a major contingency operation or a major ongoing operation, respectively, if the operation involves more than 500 members of the Armed Forces.

Subtitle D—Other Matters

SEC. 1041. COOPERATIVE COUNTERPROLIFERATION PROGRAM.

(a) ASSISTANCE AUTHORIZED.—Subject to subsection (b), the Secretary of Defense may provide a foreign country or any of its instrumentalities with assistance that the Secretary determines necessary for destroying, removing, or obtaining from that country—

(1) weapons of mass destruction; or

(2) materials, equipment, or technology related to the delivery or development of weapons of mass destruction.

(b) CERTIFICATION REQUIRED.—(1) Not later than 15 days before providing assistance under subsection (a) regarding weapons, materials, equipment, or technology referred to in that subsection, the Secretary of Defense shall certify to the congressional defense committees that the weapons, materials, equipment, or technology meet each of the following requirements:

(A) The weapons, materials, equipment, or technology are at risk of being sold or otherwise transferred to a restricted foreign state or entity.

(B) The transfer of the weapons, materials, equipment, or technology would pose a significant threat to national security interests of the United

States or would significantly advance a foreign country's weapon program that threatens national security interests of the United States.

(C) Other options for securing or otherwise preventing the transfer of the weapons, materials, equipment, or technology have been considered and rejected as ineffective or inadequate.

(2) The Secretary may waive the deadline for submitting a certification required under paragraph (1) in any case if the Secretary determines that compliance with the requirement would compromise national security objectives of the United States in that case. The Secretary shall promptly notify the Chairman and ranking minority members of the congressional defense committees regarding the waiver and submit the certification not later than 45 days after completing the action of providing the assistance in the case.

(3) No assistance may be provided under subsection (a) in any case unless the Secretary submits the certification required under paragraph (1) or a notification required under paragraph (2) in such case.

(c) ANNUAL REPORTS.—(1) Not later than January 30 of each year, the Secretary of Defense shall submit to the congressional defense committees a report on the

activities carried out under this section. The first annual report shall be submitted not later than January 30, 2000.

(2) Each annual report shall set forth in separate sections for the previous year the following:

(A) The assistance provided under this section and the purposes for which provided.

(B) The sources of funds for the assistance provided.

(C) Any assistance provided for the Department of Defense under this section by any other department or agency of the Federal Government, together with the source or sources of that assistance.

(D) Any other information that the Secretary considers appropriate for informing the appropriate congressional committees about actions taken under this section.

(d) DEFINITIONS.—In this section:

(1) The term ''restricted foreign state or entity'', with respect to weapons, materials, equipment, or technology covered by a certification of the Secretary of Defense under subsection (b), means—

(A) any foreign country the government of which has repeatedly provided support for acts of international terrorism, as determined by the Secretary of State determines under section

620A of the Foreign Assistance Act of 1961 (22 U.S.C. 2371); or

(B) any foreign state or entity that the Secretary of Defense determines would constitute a military threat to the territory of the United States, national security interests of the United States, or allies of the United States, if that foreign state or entity were to possess the weapons, materials, equipment, or technology.

(2) The term ''weapon of mass destruction'' has the meaning given that term in section 1402 of the Defense Against Weapons of Mass Destruction Act of 1996 (50 U.S.C. 2302(1)).

SEC. 1042. EXTENSION OF COUNTERPROLIFERATION AUTHORITIES FOR SUPPORT OF UNITED NATIONS SPECIAL COMMISSION ON IRAQ.

Section 1505 of the Weapons of Mass Destruction Control Act of 1992 (title XV of Public Law 102–484; 22 U.S.C. 5859a) is amended—

(1) in subsection (d)(3), by striking out ''or $15,000,000 for fiscal year 1998'' and inserting in lieu thereof ''or $15,000,000 for each of fiscal years 1998 and 1999''; and

(2) in subsection (f), by striking out ''fiscal year 1998'' and inserting in lieu thereof ''fiscal year 1999''.

SEC. 1043. ONE-YEAR EXTENSION OF LIMITATION ON RETIREMENT OR DISMANTLEMENT OF STRATEGIC NUCLEAR DELIVERY SYSTEMS.

Section 1302 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 1948) is amended—

(1) by striking out ''during fiscal year 1998'' each place it appears and inserting in lieu thereof ''during any fiscal year''; and

(2) by adding at the end the following:

''(g) APPLICABILITY TO FISCAL YEARS 1998 and 1999.—This section applies to fiscal years 1998 and 1999.''.

SEC. 1044. DIRECT-LINE COMMUNICATION BETWEEN UNITED STATES AND RUSSIAN COMMANDERS OF STRATEGIC FORCES.

(a) SENSE OF CONGRESS.—It is the sense of Congress that a direct line of communication between the commanders in chief of the United States Strategic and Space Commands and the Commander of the Russian Strategic Rocket Forces could be a useful confidence-building tool.

(b) REPORT.—Not later than two months after the date of the enactment of this Act, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and to the Committee on National Security of the House of Representatives a report on the feasibility of initiating discussions on direct-line communication described in subsection (a).

SEC. 1045. CHEMICAL WARFARE DEFENSE.

(a) REVIEW AND MODIFICATION OF POLICIES AND DOCTRINE.—The Secretary of Defense shall review the policies and doctrines of the Department of Defense on chemical warfare defense and modify the policies and doctrine as appropriate to achieve the objectives set forth in subsection (b).

(b) OBJECTIVES.—The objectives for the modification of policies and doctrines of the Department of Defense on chemical warfare defense are as follows:

(1) To provide for adequate protection of personnel from any low-level exposure to a chemical warfare agent that would endanger the health of exposed personnel because of the deleterious effects of—

(A) a single exposure to the agent;

(B) exposure to the agent concurrently with other dangerous exposures, such as exposures to—

(i) other potentially toxic substances in the environment, including pesticides, other insect and vermin control agents, and environmental pollutants;

(ii) low-grade nuclear and electromagnetic radiation present in the environment;

(iii) preventive medications (that are dangerous when taken concurrently with other dangerous exposures referred to in this paragraph); and

(iv) occupational hazards, including battlefield hazards; and

(C) repeated exposures to the agent, or some combination of one or more exposures to the agent and other dangerous exposures referred to in subparagraph (B), over time.

(2) To provide for—

(A) the prevention of and protection against, and the detection (including confirmation) of, exposures to a chemical warfare agent (whether intentional or inadvertent) at levels

that, even if not sufficient to endanger health immediately, are greater than the level that is recognized under Department of Defense policies as being the maximum safe level of exposure to that agent for the general population; and

(B) the recording, reporting, coordinating, and retaining of information on possible exposures described in subparagraph (A), including the monitoring of the health effects of exposures on humans and animals, and the documenting and reporting of those health effects specifically by location.

(3) Provide solutions for the concerns and mission requirements that are specifically applicable for one or more of the Armed Forces in a protracted conflict when exposures to chemical agents could be complex, dynamic, and occurring over an extended period.

(c) RESEARCH PROGRAM.—The Secretary of Defense shall develop and carry out a plan to establish a research program for determining the effects of chronic and low-dose exposures to chemical warfare agents. The research shall be designed to yield results that can guide the Secretary in the evolution of policy and doctrine on low-level

exposures to chemical warfare agents. The plan shall state the objectives and scope of the program and include a 5-year funding plan.

(d) REPORT.—Not later than May 1, 1999, the Secretary of Defense shall submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report on the results of the review under subsection (a) and on the research program developed under subsection (c). The report shall include the following:

(1) Each modification of chemical warfare defense policy and doctrine resulting from the review.

(2) Any recommended legislation regarding chemical warfare defense.

(3) The plan for the research program.

SEC. 1046. ACCOUNTING TREATMENT OF ADVANCE PAYMENT OF PERSONNEL.

(a) TREATMENT.—Section 1006 of title 37, United States Code, is amended by adding at the end the following:

''(l) Notwithstanding any provision of chapter 15 of title 31, an amount paid a member under this section in advance of the fiscal year in which the member's entitlement to that amount accrues—

"(1) shall be treated as being obligated and expended in that fiscal year; and

"(2) may not be treated as reducing the unobligated balance of the appropriations available for military personnel, Reserve personnel, or National Guard personnel, as the case may be, for the fiscal year in which paid.".

(b) APPLICABILITY.—Subsection (l) of section 1006 of title 37, United States Code (as added by subsection (a)), shall apply to advance payments made under such section in fiscal years beginning after September 30, 1997.

SEC. 1047. REINSTATEMENT OF DEFINITION OF FINANCIAL INSTITUTION IN AUTHORITIES FOR REIMBURSING DEFENSE PERSONNEL FOR GOVERNMENT ERRORS IN DIRECT DEPOSITS OF PAY.

(a) MEMBERS OF THE ARMED FORCES.—Section 1053(d)(1) of title 10, United States Code, is amended to read as follows:

"(1) The term 'financial institution' means a bank, savings and loan association or similar institution, or a credit union chartered by the United States Government or a State.".

(b) CIVILIAN EMPLOYEES.—Section 1594(d)(1) of title 10, United States Code, is amended to read as follows:

"(1) The term 'financial institution' means a bank, savings and loan association or similar institution, or a credit union chartered by the United States Government or a State.".

SEC. 1048. PILOT PROGRAM ON ALTERNATIVE NOTICE OF RECEIPT OF LEGAL PROCESS FOR GARNISHMENT OF FEDERAL PAY FOR CHILD SUPPORT AND ALIMONY.

(a) PROGRAM REQUIRED.—The Secretary of Defense shall conduct a pilot program on alternative notice procedures for withholding or garnishment of pay for the payment of child support and alimony under section 459 of the Social Security Act (42 U.S.C. 659).

(b) PURPOSE.—The purpose of the pilot program is to test the efficacy of providing notice in accordance with subsection (c) to the person whose pay is to be withheld or garnisheed.

(c) NOTICE REQUIREMENTS.—Under the pilot program, if an agent designated under paragraph (1) of section 459(c) of the Social Security Act for members of the Armed Forces or employees of the Department of Defense receives notice or service of a court order, notice to with-

hold, or other legal process regarding a child support or alimony obligation of such a member or employee, the agent may omit from the notice that the agent sends to the member or employee under paragraph (2)(A) of that section the copy of the notice or service received by the agent. The agent shall include in the notice, which shall be in writing, the following:

(1) A description of the court order, notice to withhold, or other legal process.

(2) The identity of the court, administrative agency, or official that issued the order.

(3) The case number assigned by the court, administrative agency, or official.

(4) The amount of the obligation.

(5) The name of each person for whom the support or alimony is provided.

(6) The name, address, and telephone number of the person or office from which a copy of the notice or service may be obtained.

(d) PERIOD OF PILOT PROGRAM.—The Secretary shall commence the pilot program not later than 90 days after the date of the enactment of this Act. The pilot program shall terminate on September 30, 2000.

(e) REPORT.—Not later than April 1, 2001, the Secretary shall submit a report on the pilot program to Congress. The report shall contain the following:

(1) The number of notices that were issued in accordance with subsection (c) during the period of the pilot program.

(2) The number of persons who requested copies of the notice or service of the court order, notice of withholding, or other legal process involved.

(3) Any communication received by the Secretary or an agent referred to in subsection (c) complaining about not being furnished a copy of the notice or service of the court order, notice of withholding, or other legal process with the agent's notice.

SEC. 1049. COSTS PAYABLE TO THE DEPARTMENT OF DEFENSE AND OTHER FEDERAL AGENCIES FOR SERVICES PROVIDED TO THE DEFENSE COMMISSARY AGENCY.

(a) LIMITATION.—Section 2482(b)(1) of title 10, United States Code, is amended by adding at the end the following: ''However, the Defense Commissary Agency may not pay for any such service any amount that exceeds the price at which the service could be procured in full and open competition (as such term is defined in section

4(6) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(6)).''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on the date of the enactment of this Act and shall apply with respect to services provided or obtained on or after that date.

SEC. 1050. COLLECTION OF DISHONORED CHECKS PRESENTED AT COMMISSARY STORES.

Section 2486 of title 10, United States Code, is amended by adding at the end the following:

''(g) COLLECTION OF DISHONORED CHECKS.—(1) The Secretary of Defense may impose a charge for the collection of a check accepted at a commissary store that is not honored by the financial institution on which the check is drawn. The imposition and amounts of charges shall be consistent with practices of commercial grocery stores regarding dishonored checks.

''(2)(A) The following persons are liable to the United States for the amount of a check referred to in paragraph (1) that is returned unpaid to the United States, together with any charge imposed under that paragraph:

''(i) The person who presented the check.

''(ii) Any person whose status and relationship to the person who presented the check provide the

basis for that person's eligibility to make purchases at a commissary store.

''(B) Any amount for which a person is liable under subparagraph (A) may be collected by deducting and withholding such amount from any amounts payable to that person by the United States.

''(3) Amounts collected as charges imposed under paragraph (1) shall be credited to the commissary trust revolving fund.

''(4) Appropriated funds may be used to pay any costs incurred in the collection of checks and charges referred to in paragraph (1). An appropriation account charged a cost under the preceding sentence shall be reimbursed the amount of that cost out of funds in the commissary trust revolving fund.

''(5) In this subsection, the term 'commissary trust revolving fund' means the trust revolving fund maintained by the Department of Defense for surcharge collections and proceeds of sales of commissary stores.''.

SEC. 1051. DEFENSE COMMISSARY AGENCY TELECOMMUNICATIONS.

(a) USE OF FTS 2000/2001.—The Secretary of Defense shall prescribe in regulations authority for the Defense Commissary Agency to meet its telecommunication requirements by obtaining telecommunication services and

related items under the FTS 2000/2001 contract through a frame relay system procured for the agency.

(b) REPORT.—Upon the initiation of telecommunication service for the Defense Commissary Agency under the FTS 2000/2001 contract through the frame relay system, the Secretary of Defense shall submit to Congress a notification that the service has been initiated.

(c) DEFINITION.—In this section, the term ''FTS 2000/2001 contract'' means the contract for the provision of telecommunication services for the Federal Government that was entered into by the Defense Information Technology Contract Organization.

SEC. 1052. RESEARCH GRANTS COMPETITIVELY AWARDED TO SERVICE ACADEMIES.

(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:

''§ 4358. Research grants: acceptance, application, and use

''(a) ACCEPTANCE OF COMPETITIVELY AWARDED GRANTS.—The Superintendent of the Academy may accept a research grant that is awarded on a competitive basis by a source referred to in subsection (b) for a research project that is to be carried out by a professor or

instructor of the Academy for a scientific, literary, or educational purpose.

"(b) APPLICATION FOR GRANTS.—A professor or instructor of the Academy, together with the Superintendent, may apply for a research grant referred to in subsection (a) from any corporation, fund, foundation, educational institution, or similar entity that is organized and operated primarily for scientific, literary, or educational purposes.

"(c) ADMINISTRATION OF GRANT PROCEEDS.—The Superintendent shall establish a special account for administering the proceeds of a research grant accepted under subsection (a) and shall use the account for the administration of such proceeds in accordance with applicable regulations and the terms and conditions of the grant.

"(d) RELATED EXPENSES.—Subject to such limitations as may be provided in appropriations Acts, appropriations available for the Academy may be used to pay expenses incurred by the Academy in pursuit of an award of a research grant authorized to be accepted under subsection (a).

"(e) REGULATIONS.—The Secretary of the Army shall prescribe in regulations the requirements, restrictions, and conditions that the Secretary considers appro-

priate for the exercise and administration of the authority under this section.''.

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

''4358. Research grants: acceptance, application, and use.''.

(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:

''§ 6977. Research grants: acceptance, application, and use

''(a) ACCEPTANCE OF COMPETITIVELY AWARDED GRANTS.—The Superintendent of the Academy may accept a research grant that is awarded on a competitive basis by a source referred to in subsection (b) for a research project that is to be carried out by a professor or instructor of the Academy for a scientific, literary, or educational purpose.

''(b) APPLICATION FOR GRANTS.—A professor or instructor of the Academy, together with the Superintendent, may apply for a research grant referred to in subsection (a) from any corporation, fund, foundation, educational institution, or similar entity that is organized and operated primarily for scientific, literary, or educational purposes.

"(c) ADMINISTRATION OF GRANT PROCEEDS.—The Superintendent shall establish a special account for administering the proceeds of a research grant accepted under subsection (a) and shall use the account for the administration of such proceeds in accordance with applicable regulations and the terms and conditions of the grant.

"(d) RELATED EXPENSES.—Subject to such limitations as may be provided in appropriations Acts, appropriations available for the Academy may be used to pay expenses incurred by the Academy in pursuit of an award of a research grant authorized to be accepted under subsection (a).

"(e) REGULATIONS.—The Secretary of the Navy shall prescribe in regulations the requirements, restrictions, and conditions that the Secretary considers appropriate for the exercise and administration of the authority under this section.".

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

"6977. Research grants: acceptance, application, and use.".

(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:

"§ 9357. Research grants: acceptance, application, and use

''(a) ACCEPTANCE OF COMPETITIVELY AWARDED GRANTS.—The Superintendent of the Academy may accept a research grant that is awarded on a competitive basis by a source referred to in subsection (b) for a research project that is to be carried out by a professor or instructor of the Academy for a scientific, literary, or educational purpose.

''(b) APPLICATION FOR GRANTS.—A professor or instructor of the Academy, together with the Superintendent, may apply for a research grant referred to in subsection (a) from any corporation, fund, foundation, educational institution, or similar entity that is organized and operated primarily for scientific, literary, or educational purposes.

''(c) ADMINISTRATION OF GRANT PROCEEDS.—The Superintendent shall establish a special account for administering the proceeds of a research grant accepted under subsection (a) and shall use the account for the administration of such proceeds in accordance with applicable regulations and the terms and conditions of the grant.

''(d) RELATED EXPENSES.—Subject to such limitations as may be provided in appropriations Acts, appropriations available for the Academy may be used to pay expenses incurred by the Academy in pursuit of an award

of a research grant authorized to be accepted under subsection (a).

"(e) REGULATIONS.—The Secretary of the Air Force shall prescribe in regulations the requirements, restrictions, and conditions that the Secretary considers appropriate for the exercise and administration of the authority under this section.".

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

"9357. Research grants: acceptance, application, and use.".

SEC. 1053. CLARIFICATION AND SIMPLIFICATION OF RESPONSIBILITIES OF INSPECTORS GENERAL REGARDING WHISTLEBLOWER PROTECTIONS.

(a) ROLES OF INSPECTORS GENERAL OF THE ARMED FORCES.—(1) Subsection (c) of section 1034 of title 10, United States Code, is amended—

(A) by striking out paragraph (1) and inserting in lieu thereof the following:

"(1) If a member of the armed forces submits to an Inspector General an allegation that a personnel action prohibited by subsection (b) has been taken (or threatened) against the member with respect to a communication described in paragraph (2), the Inspector General of the Department of Defense or the Inspector General of

the armed force concerned shall take the action required under paragraph (3).''; and

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

''(3) The Inspector General receiving an allegation as described in paragraph (1) shall expeditiously determine whether there is sufficient evidence to warrant an investigation of the allegation. Upon determining that an investigation is warranted, the Inspector General shall expeditiously investigate the allegation. In the case of an allegation received by the Inspector General of the Department of Defense, the Inspector General may delegate that duty to the Inspector General of the armed force concerned. Neither an initial determination nor an investigation is required under this paragraph in the case of an allegation made more than 60 days after the date on which the member becomes aware of the personnel action that is the subject of the allegation.

''(4) If an Inspector General within a military department receives an allegation covered by this subsection, that Inspector General shall promptly notify the Inspector General of the Department of Defense of the allegation in accordance with regulations prescribed under subsection (h).

"(5) The Inspector General of the Department of Defense, or the Inspector General of the Department of Transportation (in the case of a member of the Coast Guard when the Coast Guard is not operating as a service in the Navy), shall ensure that the inspector general conducting the investigation of an allegation under this paragraph is outside the immediate chain of command of both the member submitting the allegation and the individual or individuals alleged to have taken the retaliatory action.".

(2) Subsection (d) of such section is amended—

(A) by striking out "the Inspector General shall conduct" and inserting in lieu thereof "an Inspector General shall conduct"; and

(B) by adding at the end the following: "In the case of an allegation received by the Inspector General of the Department of Defense, the Inspector General may delegate that duty to the Inspector General of the armed force concerned.".

(b) MISMANAGEMENT COVERED BY PROTECTED COMMUNICATIONS.—Subsection (c)(2)(B) of such section is amended by striking out "Mismanagement" and inserting in lieu thereof "Gross mismanagement".

(c) SIMPLIFIED REPORTING AND NOTICE REQUIREMENTS.—(1) Paragraph (1) of subsection (e) of such section is amended—

(A) by striking out ''the Inspector General shall submit a report on'' and inserting in lieu thereof ''the Inspector General conducting the investigation shall provide''; and

(B) inserting ''shall transmit a copy of the report on the results of the investigation to'' before ''the member of the armed forces''.

(2) Paragraph (2) of such subsection is amended by adding at the end the following: ''However, the copy need not include summaries of interviews conducted, nor any document acquired, during the course of the investigation. Such items shall be transmitted to the member if the member requests the items, whether before or after the copy of the report is transmitted to the member.''.

(3) Paragraph (3) of such subsection is amended by striking out ''90 days'' and inserting in lieu thereof ''120 days''.

(d) REPEAL OF POST-INVESTIGATION INTERVIEW REQUIREMENT.—Subsection (h) of such section is repealed.

(e) INSPECTOR GENERAL DEFINED.—Subsection (j)(2) of such section is amended—

(1) by redesignating subparagraph (B) as subparagraph (G) and, in that subparagraph, by striking out ''an officer'' and inserting in lieu thereof ''An officer'';

(2) by striking out subparagraph (A) and inserting in lieu thereof the following:

''(A) The Inspector General of the Department of Defense.

''(B) The Inspector General of the Department of Transportation, in the case of a member of the Coast Guard when the Coast Guard is not operating as a service in the Navy.

''(C) The Inspector General of the Army, in the case of a member of the Army.

''(D) The Naval Inspector General, in the case of a member of the Navy.

''(E) The Inspector General of the Air Force, in the case of a member of the Air Force.

''(F) The Deputy Naval Inspector General for Marine Corps Matters, in the case of a member of the Marine Corps.''; and

(3) in the matter preceding subparagraph (A), by striking out ''means—'' and inserting in lieu thereof ''means the following:''.

(f) TECHNICAL AND CONFORMING AMENDMENTS.—(1) Subsections (i) and (j) of such section are redesignated as subsections (h) and (i), respectively.

(2) Subsection (b)(1)(B)(ii) of such section is amended by striking out ''subsection (j))'' and inserting in lieu thereof ''subsection (i)) or any other Inspector General appointed under the Inspector General Act of 1978''.

SEC. 1054. AMOUNTS RECOVERED FROM CLAIMS AGAINST THIRD PARTIES FOR LOSS OR DAMAGE TO PERSONAL PROPERTY SHIPPED OR STORED AT GOVERNMENT EXPENSE.

(a) IN GENERAL.—Chapter 163 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 2739. Amounts recovered from claims against third parties for loss or damage to personal property shipped or stored at Government expense

''(a) CREDITING OF COLLECTIONS.—Amounts collected as described in subsection (b) by or for a military department in any fiscal year shall be credited to the appropriation that is available for that fiscal year for the military department for the payment of claims for loss or damage of personal property shipped or stored at Government expense. Amounts so credited shall be merged with

the funds in the appropriation and shall be available for the same period and purposes as the funds with which merged.

"(b) COLLECTIONS COVERED.—An amount authorized for crediting in accordance with subsection (a) is any amount that a military department collects under sections 3711, 3716, 3717 and 3721 of title 31 from a third party for a loss or damage to personal property that occurred during shipment or storage of the property at Government expense and for which the Secretary of the military department paid the owner in settlement of a claim.".

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

"2739. Amounts recovered from claims against third parties for loss or damage to personal property shipped or stored at government expense.".

SEC. 1055. ELIGIBILITY FOR ATTENDANCE AT DEPARTMENT OF DEFENSE DOMESTIC DEPENDENT ELEMENTARY AND SECONDARY SCHOOLS.

(a) MILITARY DEPENDENTS.—Subsection (a) of section 2164 of title 10, United States Code, is amended—

(1) by designating the first sentence as paragraph (1);

(2) by designating the second sentence as paragraph (2); and

(3) by adding at the end of paragraph (2), as so designated, the following: ''The Secretary may also permit a dependent of a member of the armed forces to enroll in such a program if the dependent is residing in such a jurisdiction, whether on or off a military installation, while the member is assigned away from that jurisdiction on a remote or unaccompanied assignment under permanent change of station orders.''.

(b) EMPLOYEE DEPENDENTS.—Subsection (c)(2) of such section is amended by striking out subparagraph (B) and inserting in lieu thereof the following:

''(B) The Secretary may extend the enrollment of a dependent referred to in subparagraph (A) in the program for more than five consecutive school years if the Secretary determines that the dependent is eligible under paragraph (1), space is available in the program, and adequate arrangements are made for reimbursement of the Secretary for the costs to the Secretary of the educational services provided for the dependent. An extension shall be for only one school year, but the Secretary may authorize a successive extension each year for the next school year upon making the determinations required under the preceding sentence for that next school year.''.

SEC. 1056. FEES FOR PROVIDING HISTORICAL INFORMATION TO THE PUBLIC.

(a) ARMY.—(1) Chapter 437 of title 10, United States Code, is amended by adding at the end the following:

"§ 4595. Army Military History Institute: fee for providing historical information to the public

"(a) AUTHORITY.—Except as provided in subsection (b), the Secretary of the Army may charge a person a fee for providing the person with information requested by the person that is provided from the United States Army Military History Institute.

"(b) EXCEPTIONS.—A fee may not be charged under this section—

"(1) to a person for information that the person requests to carry out a duty as a member of the armed forces or an officer or employee of the United States; or

"(2) for a release of information under section 552 of title 5.

"(c) LIMITATION ON AMOUNT OF FEE.—The amount of the fee charged under this section for providing information may not exceed the cost of providing the information.

"(d) RETENTION OF FEES.—Amounts received under subsection (a) for providing information in any fiscal year shall be credited to the appropriation or appropriations charged the costs of providing information to the public from the United States Army Military History Institute during that fiscal year.

"(e) DEFINITIONS.—In this section:

"(1) The term 'United States Army Military History Institute' means the archive for historical records and materials of the Army that the Secretary of the Army designates as the primary archive for such records and materials.

"(2) The terms 'officer of the United States' and 'employee of the United States' have the meanings given those terms in sections 2104 and 2105, respectively, of title 5.".

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

"4595. Army Military History Institute: fee for providing historical information to the public.".

(b) NAVY.—(1) Chapter 649 of such title 10 is amended by adding at the end the following new section:

"§ 7582. Naval and Marine Corps Historical Centers: fee for providing historical information to the public

''(a) AUTHORITY.—Except as provided in subsection (b), the Secretary of the Navy may charge a person a fee for providing the person with information requested by the person that is provided from the United States Naval Historical Center or the Marine Corps Historical Center.

''(b) EXCEPTIONS.—A fee may not be charged under this section—

''(1) to a person for information that the person requests to carry out a duty as a member of the armed forces or an officer or employee of the United States; or

''(2) for a release of information under section 552 of title 5.

''(c) LIMITATION ON AMOUNT OF FEE.—The amount of the fee charged under this section for providing information may not exceed the cost of providing the information.

''(d) RETENTION OF FEES.—Amounts received under subsection (a) for providing information from the United States Naval Historical Center or the Marine Corps Historical Center in any fiscal year shall be credited to the appropriation or appropriations charged the costs of pro-

viding information to the public from that historical center during that fiscal year.

"(e) DEFINITIONS.—In this section:

"(1) The term 'United States Naval Historical Center' means the archive for historical records and materials of the Navy that the Secretary of the Navy designates as the primary archive for such records and materials.

"(2) The term 'Marine Corps Historical Center' means the archive for historical records and materials of the Marine Corps that the Secretary of the Navy designates as the primary archive for such records and materials.

"(3) The terms 'officer of the United States' and 'employee of the United States' have the meanings given those terms in sections 2104 and 2105, respectively, of title 5.".

(2) The heading of such chapter is amended by striking out "**RELATED**".

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

"7582. Naval and Marine Corps Historical Centers: fee for providing historical information to the public.".

(B) The item relating to such chapter in the tables of chapters at the beginning of subtitle C of title 10,

United States Code, and the beginning of part IV of such subtitle is amended by striking out ''Related''.

(c) AIR FORCE.—(1) Chapter 937 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 9594. Air Force Military History Institute: fee for providing historical information to the public

''(a) AUTHORITY.—Except as provided in subsection (b), the Secretary of the Air Force may charge a person a fee for providing the person with information requested by the person that is provided from the United States Air Force Military History Institute.

''(b) EXCEPTIONS.—A fee may not be charged under this section—

''(1) to a person for information that the person requests to carry out a duty as a member of the armed forces or an officer or employee of the United States; or

''(2) for a release of information under section 552 of title 5.

''(c) LIMITATION ON AMOUNT OF FEE.—The amount of the fee charged under this section for providing information may not exceed the cost of providing the information.

"(d) RETENTION OF FEES.—Amounts received under subsection (a) for providing information in any fiscal year shall be credited to the appropriation or appropriations charged the costs of providing information to the public from the United States Air Force Military History Institute during that fiscal year.

"(e) DEFINITIONS.—In this section:

"(1) The term 'United States Air Force Military History Institute' means the archive for historical records and materials of the Air Force that the Secretary of the Air Force designates as the primary archive for such records and materials.

"(2) The terms 'officer of the United States' and 'employee of the United States' have the meanings given those terms in sections 2104 and 2105, respectively, of title 5.".

(2) The table of sections at the beginning of such chapter 937 is amended by adding at the end the following new item:

"9594. Air Force Military History Institute: fee for providing historical information to the public.".

SEC. 1057. PERIODIC INSPECTION OF THE ARMED FORCES RETIREMENT HOME.

(a) INSPECTION BY INSPECTORS GENERAL OF THE ARMED FORCES.—Section 1518 of the Armed Forces Re-

tirement Home Act of 1991 (24 U.S.C. 418) is amended to read as follows:

"SEC. 1518. INSPECTION OF RETIREMENT HOME.

''(a) TRIENNIAL INSPECTION.—Every three years the Inspector General of an armed force shall inspect the Retirement Home, including the records of the Retirement Home.

''(b) ALTERNATING DUTY AMONG INSPECTORS GENERAL.—The duty to inspect the Retirement Home shall alternate among the Inspector General of the Army, the Naval Inspector General, and the Inspector General of the Air Force on such schedule as the Secretary of Defense shall direct.

''(c) REPORTS.—Not later than 45 days after completing an inspection under subsection (a), the Inspector General carrying out the inspection shall submit to the Retirement Home Board, the Secretary of Defense, and Congress a report describing the results of the inspection and containing such recommendations as the Inspector General considers appropriate.''.

(b) FIRST INSPECTION.—The first inspection under section 1518 of the Armed Forces Retirement Home Act of 1991, as amended by subsection (a), shall be carried out during fiscal year 1999.

SEC. 1058. TRANSFER OF F–4 PHANTOM II AIRCRAFT TO FOUNDATION.

(a) AUTHORITY.—The Secretary of the Air Force may convey, without consideration to the Collings Foundation, Stow, Massachusetts (in this section referred to as the ''foundation''), all right, title, and interest of the United States in and to one surplus F–4 Phantom II aircraft. The conveyance shall be made by means of a conditional deed of gift.

(b) CONDITION OF AIRCRAFT.—The Secretary may not convey ownership of the aircraft under subsection (a) until the Secretary determines that the foundation has altered the aircraft in such manner as the Secretary determines necessary to ensure that the aircraft does not have any capability for use as a platform for launching or releasing munitions or any other combat capability that it was designed to have. The Secretary is not required to repair or alter the condition of the aircraft before conveying ownership of the aircraft.

(c) REVERTER UPON BREACH OF CONDITIONS.—The Secretary shall include in the instrument of conveyance of the aircraft—

(1) a condition that the foundation not convey any ownership interest in, or transfer possession of, the aircraft to any other party without the prior approval of the Secretary of the Air Force;

(2) a condition that the operation and maintenance of the aircraft comply with all applicable limitations and maintenance requirements imposed by the Administrator of the Federal Aviation Administration; and

(3) a condition that if the Secretary of the Air Force determines at any time that the foundation has conveyed an ownership interest in, or transferred possession of, the aircraft to any other party without the prior approval of the Secretary, or has failed to comply with the condition set forth in paragraph (2), all right, title, and interest in and to the aircraft, including any repair or alteration of the aircraft, shall revert to the United States, and the United States shall have the right of immediate possession of the aircraft.

(d) CONVEYANCE AT NO COST TO THE UNITED STATES.—The conveyance of an aircraft authorized by this section shall be made at no cost to the United States. Any costs associated with such conveyance, costs of determining compliance with subsection (b), and costs of operation and maintenance of the aircraft conveyed shall be borne by the foundation.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary of the Air Force may require such additional

terms and conditions in connection with the conveyance under this section as the Secretary considers appropriate to protect the interests of the United States.

(f) CLARIFICATION OF LIABILITY.—Notwithstanding any other provision of law, upon the conveyance of ownership of the F–4 Phantom II aircraft to the foundation under subsection (a), the United States shall not be liable for any death, injury, loss, or damage that results from any use of that aircraft by any person other than the United States.

SEC. 1059. ACT CONSTITUTING PRESIDENTIAL APPROVAL OF VESSEL WAR RISK INSURANCE REQUESTED BY THE SECRETARY OF DEFENSE.

Section 1205(b) of the Merchant Marine Act of 1936 (46 U.S.C. App. 1285(b)) is amended by adding at the end the following: ''The signature of the President (or of an official designated by the President) on the agreement shall be treated as an expression of the approval required under section 1202(a) to provide the insurance.''.

SEC. 1060. COMMENDATION AND MEMORIALIZATION OF THE UNITED STATES NAVY ASIATIC FLEET.

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

(1) The United States established the Asiatic Fleet of the Navy in 1910 to protect American nationals, policies, and possessions in the Far East.

(2) The sailors and Marines of the Asiatic Fleet ensured the safety of United States citizens and foreign nationals, and provided humanitarian assistance, in that region during the Chinese civil war, the Yangtze Flood of 1931, and the outbreak of Sino-Japanese hostilities.

(3) In 1940, due to deteriorating political relations and increasing tensions between the United States and Japan, a reinforced Asiatic Fleet began concentrating on the defense of the Philippines and engaged in extensive training to ensure maximum operational readiness for any eventuality.

(4) Following the declaration of war against Japan, the warships, submarines, and aircraft of the Asiatic Fleet singly or in task forces courageously fought many naval battles against a superior Japanese armada.

(5) The Asiatic Fleet directly suffered the loss of 22 ships, 1,826 men killed or missing in action, and 518 men captured and imprisoned under the worst of conditions with many of them dying while held as prisoners of war.

(b) COMMENDATION.—Congress—

(1) commends the personnel who served in the Asiatic Fleet of the United States Navy during the period 1910 to 1942; and

(2) honors those who gave their lives in the line of duty while serving in the Asiatic Fleet.

(c) UNITED STATES NAVY ASIATIC FLEET MEMORIAL DAY.—The President is authorized and requested to issue a proclamation designating March 1, 1999 as ''United States Navy Asiatic Fleet Memorial Day'' and calling upon the people of the United States to observe United States Navy Asiatic Fleet Memorial Day with appropriate programs, ceremonies, and activities.

SEC. 1061. PROGRAM TO COMMEMORATE 50TH ANNIVERSARY OF THE KOREAN WAR.

(a) REFERENCE TO KOREAN WAR.—Section 1083 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 1918; 10 U.S.C. 113 note) is amended—

(1) in the section heading, by striking out ''**KOREAN CONFLICT**'' and inserting in lieu thereof ''**KOREAN WAR**'';

(2) by striking out ''Korean conflict'' each place it appears and inserting in lieu thereof ''Korean War''; and

(3) in subsections (c) and (d)(1), by striking out ''Korean Conflict'' and inserting in lieu thereof ''Korean War''.

(b) LIMITATION ON EXPENDITURES.—Subsection (f) of such section is amended to read as follows:

''(f) LIMITATION ON EXPENDITURES.—The total amount expended for the commemorative program for fiscal years 1998 through 2004 by the Department of Defense 50th Anniversary of the Korean War Commemorative Committee established by the Secretary of Defense may not exceed $10,000,000.''.

SEC. 1062. DEPARTMENT OF DEFENSE USE OF FREQUENCY SPECTRUM.

(a) FINDING.—Congress finds that the report submitted to Congress by the Secretary of Defense on April 2, 1998, regarding the reallocation of the frequency spectrum used or dedicated to the Department of Defense and the intelligence community, does not include a discussion of the costs to the Department of Defense that are associated with past and potential future reallocations of the frequency spectrum, although such a discussion was to be included in the report as directed in connection with the enactment of the National Defense Authorization Act for Fiscal Year 1998.

(b) ADDITIONAL REPORT.—The Secretary of Defense shall, not later than October 31, 1998, submit to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives a report that discusses the costs referred to in subsection (a).

(c) RELOCATION OF FEDERAL FREQUENCIES.—Section 113(g)(1) of the National Telecommunications and Information Administration Organization Act (47 U.S.C. 923(g)(1)) is amended—

(1) by striking out ''(1) IN GENERAL.—In order'' and inserting in lieu thereof the following:

''(1) IN GENERAL.—

''(A) AUTHORITY OF FEDERAL ENTITIES TO ACCEPT COMPENSATION.—In order'';

(2) in subparagraph (A), as so designated, by striking out the second, third and fourth sentences; and

(3) by adding at the end the following:

''(B) REQUIREMENT TO COMPENSATE FEDERAL ENTITIES.—Any person on whose behalf a Federal entity incurs costs under subparagraph (A) shall compensate the Federal entity in advance for such costs. Such compensation may

take the form of a cash payment or in-kind compensation.

"(C) DISPOSITION OF PAYMENTS.—

"(i) PAYMENT BY ELECTRONIC FUNDS TRANSFER.—A person making a cash payment under this paragraph shall make the cash payment by depositing the amount of the payment by electronic funds transfer in the account of the Federal entity concerned in the Treasury of the United States or in another account as authorized by law.

"(ii) AVAILABILITY.—Subject to the provisions of authorization Acts and appropriations Acts, amounts deposited under this subparagraph shall be available to the Federal entity concerned to pay directly the costs of relocation under this paragraph, to repay or make advances to appropriations or funds which do or will initially bear all or part of such costs, or to refund excess sums when necessary.

"(D) APPLICATION TO CERTAIN OTHER RELOCATIONS.—The provisions of this paragraph also apply to any Federal entity that op-

erates a Federal Government station assigned to used electromagnetic spectrum identified for reallocation under subsection (a) if before August 5, 1997, the Commission has not identified that spectrum for service or assigned licenses or otherwise authorized service for that spectrum.''.

SEC. 1063. TECHNICAL AND CLERICAL AMENDMENTS.

(a) TITLE 10, UNITED STATES CODE.—Title 10, United States Code, is amended as follows:

(1) The item relating to section 484 in the table of sections at the beginning of chapter 23 is amended to read as follows:

''484. Annual report on aircraft inventory.''.

(2) Section 517(a) is amended by striking out ''Except as provided in section 307 of title 37, the'' and inserting in lieu thereof ''The''.

(3) The item relating to section 2302c in the table of sections at the beginning of chapter 137 is amended to read as follows:

''2302c. Implementation of electronic commerce capability.''.

(4) The table of subchapters at the beginning of chapter 148 is amended by striking out ''2491'' in the item relating to subchapter I and inserting in lieu thereof ''2500''.

(5) Section 7045(c) is amended by striking out ''the'' after ''are subject to''.

(6) Section 7572(b) is repealed.

(7) Section 12683(b)(2) is amended by striking out ''; or'' at the end and inserting in lieu thereof a period.

(b) PUBLIC LAW 105–85.—Effective as of November 18, 1997, and as if included therein as enacted, the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85) is amended as follows:

(1) Section 1006(a) (111 Stat. 1869) is amended by striking out ''or'' in the quoted matter and inserting in lieu thereof ''and''.

(2) Section 3133(b)(3) (111 Stat. 2036) is amended by striking out ''III'' and inserting in lieu thereof ''XIV''.

(c) OTHER ACTS.—

(1) Section 18(c)(1) of the Office of Federal Procurement Policy Act (41 U.S.C. 416(c)(1)) is amended by striking out the period at the end of subparagraph (A) and inserting in lieu thereof a semicolon.

(2) Section 3(c)(2) of Public Law 101–533 (22 U.S.C. 3142(c)(2)) is amended by striking out ''included in the most recent plan submitted to the Con-

gress under section 2506 of title 10'' and inserting in lieu thereof ''identified in the most recent assessment prepared under section 2505 of title 10''.

(d) COORDINATION WITH OTHER AMENDMENTS.—For purposes of applying amendments made by provisions of this Act other than provisions of this section, this section shall be treated as having been enacted immediately before the other provisions of this Act.

TITLE XI—DEPARTMENT OF DEFENSE CIVILIAN PERSONNEL

SEC. 1101. REPEAL OF EMPLOYMENT PREFERENCE NOT NEEDED FOR RECRUITMENT AND RETENTION OF QUALIFIED CHILD CARE PROVIDERS.

Section 1792 of title 10, United States Code, is amended—

(1) by striking out subsection (d); and

SEC. 1102. MAXIMUM PAY RATE COMPARABILITY FOR FACULTY MEMBERS OF THE UNITED STATES AIR FORCE INSTITUTE OF TECHNOLOGY.

Section 9314(b)(2)(B) of title 10, United States Code, is amended by striking out ''section 5306(e)'' and inserting in lieu thereof ''section 5373''.

(2) by redesignating subsection (e) as subsection (d).

SEC. 1103. FOUR-YEAR EXTENSION OF VOLUNTARY SEPARATION INCENTIVE PAY AUTHORITY.

Section 5597(e) of title 5, United States Code, is amended by striking out ''September 30, 2001'' and inserting in lieu thereof ''September 30, 2003''.

SEC. 1104. DEPARTMENT OF DEFENSE EMPLOYEE VOLUNTARY EARLY RETIREMENT AUTHORITY.

(a) CIVIL SERVICE RETIREMENT SYSTEM.—Section 8336 of title 5, United States Code, is amended—

(1) in subsection (d)(2), by inserting ''except in the case of an employee described in subsection (o)(1),'' after ''(2)''; and

(2) by adding at the end the following:

''(o)(1) An employee of the Department of Defense who is separated from the service under conditions described in paragraph (2) after completing 25 years of service or after becoming 50 years of age and completing 20 years of service is entitled to an annuity.

''(2) Paragraph (1) applies to an employee who—

''(A) has been employed continuously by the Department of Defense for more than 30 days before the date on which the Secretary concerned requests the determinations required under in subparagraph (D)(i);

''(B) is serving under an appointment that is not limited by time;

"(C) has not received a decision notice of involuntary separation for misconduct or unacceptable performance that is pending decision; and

"(D) is separated from the service voluntarily during a period in which—

"(i) the Department of Defense or the military department or subordinate organization within the Department of Defense or military department in which the employee is serving is undergoing a major reorganization, a major reduction in force, or a major transfer of function, and employees comprising a significant percentage of the employees serving in that department or organization are to be separated or subject to an immediate reduction in the rate of basic pay (without regard to subchapter VI of chapter 53, or comparable provisions of law), as determined by the Office of Personnel Management (under regulations prescribed by the Office) upon the request of the Secretary concerned; and

"(ii) the employee is within the scope of an offer of voluntary early retirement (as defined by organizational unit, occupational series or level, geographical location, any other similar

factor that the Office of Personnel Management determines appropriate, or any combination of such definitions of scope), as determined by the Secretary concerned under regulations prescribed by the Office.

''(3) In this subsection, the term 'Secretary concerned' means—

''(A) the Secretary of Defense, with respect to an employee of the Department of Defense not employed in a position in a military department;

''(B) the Secretary of the Army, with respect to an employee of the Department of the Army;

''(C) the Secretary of the Navy, with respect to an employee of the Department of the Navy;

''(D) the Secretary of the Air Force, with respect to an employee of the Department of the Air Force.''.

(b) FEDERAL EMPLOYEES' RETIREMENT SYSTEM.—Section 8414 of such title is amended—

(1) in subsection (b)(1)(B), inserting ''except in the case of an employee described in subsection (d)(1),'' after ''(B)''; and

(2) by adding at the end the following:

''(d)(1) An employee of the Department of Defense who is separated from the service under conditions de-

scribed in paragraph (2) after completing 25 years of service or after becoming 50 years of age and completing 20 years of service is entitled to an annuity.

"(2) Paragraph (1) applies to an employee who—

"(A) has been employed continuously by the Department of Defense for more than 30 days before the date on which the Secretary concerned requests the determinations required under subparagraph (D)(i);

"(B) is serving under an appointment that is not limited by time;

"(C) has not received a decision notice of involuntary separation for misconduct or unacceptable performance that is pending decision; and

"(D) is separated from the service voluntarily during a period in which—

"(i) the Department of Defense or the military department or subordinate organization within the Department of Defense or military department in which the employee is serving is undergoing a major reorganization, a major reduction in force, or a major transfer of function, and employees comprising a significant percentage of the employees serving in that department or organization are to be separated or

subject to an immediate reduction in the rate of basic pay (without regard to subchapter VI of chapter 53, or comparable provisions of law), as determined by the Office of Personnel Management (under regulations prescribed by the Office) upon the request of the Secretary concerned; and

"(ii) the employee is within the scope of an offer of voluntary early retirement (as defined by organizational unit, occupational series or level, geographical location, any other similar factor that the Office of Personnel Management determines appropriate, or any combination of such definitions of scope), as determined by the Secretary concerned under regulations prescribed by the Office.

"(3) In this subsection, the term 'Secretary concerned' means—

"(A) the Secretary of Defense, with respect to an employee of the Department of Defense not employed in a position in a military department;

"(B) the Secretary of the Army, with respect to an employee of the Department of the Army;

"(C) the Secretary of the Navy, with respect to an employee of the Department of the Navy;

"(D) the Secretary of the Air Force, with respect to an employee of the Department of the Air Force.".

(c) CONFORMING AMENDMENTS.—(1) Section 8339(h) of such title is amended by striking out "or (j)" in the first sentence and inserting in lieu thereof "(j), or (o)".

(2) Section 8464(a)(1)(A)(i) of such title is amended by striking out "or (b)(1)(B)" and inserting in lieu thereof ", (b)(1)(B), or (d)".

SEC. 1105. DEFENSE ADVANCED RESEARCH PROJECTS AGENCY EXPERIMENTAL PERSONNEL MANAGEMENT PROGRAM FOR TECHNICAL PERSONNEL.

(a) PROGRAM AUTHORIZED.—During the 5-year period beginning on the date of the enactment of this Act, the Secretary of Defense may carry out a program of experimental use of special personnel management authority provided in this section in order to facilitate the recruitment of eminent experts in science or engineering for research and development projects administered by the Defense Advanced Research Projects Agency.

(b) SPECIAL PERSONNEL MANAGEMENT AUTHORITY.—Under the program, the Secretary may—

(1) appoint scientists and engineers from outside the civil service and uniformed services (as such terms are defined in section 2101 of title 5, United States Code) to not more than 20 scientific and engineering positions in the Defense Advanced Research Projects Agency without regard to any provision of title 5, United States Code, governing the appointment of employees in the civil service;

(2) prescribe the rates of basic pay for positions to which employees are appointed under paragraph (1) at rates not in excess of the maximum rate of basic pay authorized for senior-level positions under section 5376 of title 5, United States Code, notwithstanding any provision of such title governing the rates of pay or classification of employees in the executive branch; and

(3) pay any employee appointed under paragraph (1) payments in addition to basic pay within the limit applicable to the employee under subsection (d)(1).

(c) LIMITATION ON TERM OF APPOINTMENT.—(1) Except as provided in paragraph (2), the service of an employee under an appointment under subsection (b)(1) may not exceed four years.

(2) The Secretary may, in the case of a particular employee, extend the period to which service is limited under paragraph (1) by up to two years if the Secretary determines that such action is necessary to promote the efficiency of the Defense Advanced Research Projects Agency.

(d) LIMITATIONS ON ADDITIONAL PAYMENTS.—(1) The total amount of the additional payments paid to an employee under subsection (b)(3) for any 12-month period may not exceed the least of the following amounts:

(A) $25,000.

(B) The amount equal to 25 percent of the employee's annual rate of basic pay.

(C) The amount of the limitation that is applicable for a calendar year under section 5307(a)(1) of title 5, United States Code.

(2) An employee appointed under subsection (b)(1) is not eligible for any bonus, monetary award, or other monetary incentive for service except for payments authorized under subsection (b)(3).

(e) PERIOD OF PROGRAM.—(1) The program authorized under this section shall terminate at the end of the 5-year period referred to in subsection (a).

(2) After the termination of the program—

(A) no appointment may be made under paragraph (1) of subsection (b);

(B) a rate of basic pay prescribed under paragraph (2) of that subsection may not take effect for a position; and

(C) no period of service may be extended under subsection (c)(1).

(f) SAVINGS PROVISIONS.—In the case of an employee who, on the day before the termination of the program, is serving in a position pursuant to an appointment under subsection (b)(1)—

(1) the termination of the program does not terminate the employee's employment in that position before the expiration of the lesser of—

(A) the period for which the employee was appointed; or

(B) the period to which the employee's service is limited under subsection (c), including any extension made under paragraph (2) of that subsection before the termination of the program; and

(2) the rate of basic pay prescribed for the position under subsection (b)(2) may not be reduced for so long (within the period applicable to the employee

under paragraph (1)) as the employee continues to serve in the position without a break in service.

(g) ANNUAL REPORT.—(1) Not later than October 15 of each year, beginning in 1999, the Secretary of Defense shall submit a report on the program to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives. The report submitted in a year shall cover the 12-month period ending on the day before the anniversary, in that year, of the date of the enactment of this Act.

(2) The annual report shall contain, for the period covered by the report, the following:

(A) A detailed discussion of the exercise of authority under this section.

(B) The sources from which appointees were recruited.

(C) The methodology used for identifying and selecting appointees.

(D) Any additional information that the Secretary considers helpful for assessing the utility of the authority under this section.

TITLE XII—JOINT WARFIGHTING EXPERIMENTATION

SEC. 1201. FINDINGS.

Congress makes the following findings:

(1) The collapse of the Soviet Union in 1991 and the unprecedented explosion of technological advances that could fundamentally redefine military threats and military capabilities in the future have generated a need to assess the defense policy, strategy, and force structure necessary to meet future defense requirements of the United States.

(2) The assessment conducted by the administration of President Bush (known as the ''Base Force'' assessment) and the assessment conducted by the administration of President Clinton (known as the ''Bottom-Up Review'') were important attempts to redefine the defense strategy of the United States and the force structure of the Armed Forces necessary to execute that strategy.

(3) Those assessments have become inadequate as a result of the pace of global geopolitical change and the speed of technological change, which have been greater than expected.

(4) The Chairman of the Joint Chiefs of Staff reacted to the changing environment by developing and publishing in May 1996 a vision statement, known as ''Joint Vision 2010'', to be a basis for the transformation of United States military capabilities. The vision statement embodies the improved intel-

ligence and command and control that is available in the information age and sets forth the operational concepts of dominant maneuver, precision engagement, full-dimensional protection, and focused logistics to achieve the objective of full spectrum dominance.

(5) In 1996 Congress, concerned about the shortcomings in defense policies and programs derived from the Base-Force Review and the Bottom-Up Review, determined that there was a need for a new, comprehensive assessment of the defense strategy of the United States and the force structure of the Armed Forces necessary for meeting the threats to the United States in the 21st century.

(6) As a result of that determination, Congress passed the Military Force Structure Review Act of 1996 (subtitle B of title IX of the National Defense Authorization Act for Fiscal Year 1997), which required the Secretary of Defense to complete in 1997 a quadrennial defense review of the defense program of the United States. The review was required to include a comprehensive examination of the defense strategy, force structure, force modernization plans, infrastructure, and other elements of the defense program and policies with a view toward determining

and expressing the defense strategy of the United States and establishing a revised defense program through 2005. The Act also established a National Defense Panel to assess the Quadrennial Defense Review and to conduct an independent, nonpartisan review of the strategy, force structure, and funding required to meet anticipated threats to the national security of the United States through 2010 and beyond.

(7) The Quadrennial Defense Review, completed by the Secretary of Defense in May 1997, defined the defense strategy in terms of ''Shape, Respond, and Prepare Now''. The Quadrennial Defense Review placed greater emphasis on the need to prepare now for an uncertain future by exploiting the revolution in technology and transforming the force toward Joint Vision 2010. It concluded that our future force will be different in character than our current force.

(8) The National Defense Panel Report, published in December 1997, concluded that ''the Department of Defense should accord the highest priority to executing a transformation strategy for the United States military, starting now.'' The panel recommended the establishment of a Joint Forces

Command with the responsibility to be the joint force integrator and provider and the responsibility for driving the process for transforming United States forces, including the conduct of joint experimentation, and to have the budget for carrying out those responsibilities.

(9) The assessments of both the Quadrennial Defense Review and the National Defense Panel provide Congress with a compelling argument that the future security environment and the military challenges to be faced by the United States in the future will be fundamentally different than the current environment and challenges. The assessments also reinforce the foundational premise of the Goldwater-Nichols Department of Defense Reorganization Act of 1986 that warfare, in all of its varieties, will be joint warfare requiring the execution of developed joint operational concepts.

(10) A process of joint experimentation is necessary for—

(A) integrating advances in technology with changes in the organizational structure of the Armed Forces and the development of joint operational concepts that will be effective

against national security threats anticipated for the future; and

(B) identifying and assessing the interdependent aspects of joint warfare that are key for transforming the conduct of military operations by the United States to meet those anticipated threats successfully.

(11) It is critical for future readiness that the Armed Forces of the United States innovatively investigate and test technologies, forces, and joint operational concepts in simulations, wargames, and virtual settings, as well as in field environments under realistic conditions against the full range of future challenges. It is essential that an energetic and innovative organization be established and empowered to design and implement a process of joint experimentation to develop and validate new joint warfighting concepts, along with experimentation by the Armed Forces, that is directed at transforming the Armed Forces to meet the threats to the national security that are anticipated for the early 21st century. That process will drive changes in doctrine, organization, training and education, materiel, leadership, and personnel.

(12) The Department of Defense is committed to conducting aggressive experimentation as a key component of its transformation strategy.

(13) The competition of ideas is critical for achieving effective transformation. Experimentation by each of the Armed Forces has been, and will continue to be, a vital aspect of the pursuit of effective transformation. Joint experimentation leverages the effectiveness of each of the Armed Forces and the Defense Agencies.

SEC. 1202. SENSE OF CONGRESS.

(a) DESIGNATION OF COMMANDER TO HAVE JOINT WARFIGHTING EXPERIMENTATION MISSION.—It is the sense of Congress that Congress supports the initiative of the Secretary of Defense and the Chairman of the Joint Chiefs of Staff to designate a commander of a combatant command to have the mission for joint warfighting experimentation, consistent with the understanding of Congress that the Chairman of the Joint Chiefs of Staff will assign the designated commander the tasks to develop and validate new joint warfighting concepts and capabilities, and to determine the implications, for doctrine, organization, training and education, materiel, leadership, and personnel, of the Department of Defense strategy for transform-

ing the Armed Forces to meet the national security threats of the future.

(b) RESOURCES OF COMMANDER.—It is, further, the sense of Congress that the commander designated to have the joint warfighting experimentation mission should—

(1) have sufficient freedom of action and authority over the necessary forces to successfully establish and conduct the process of joint warfighting experimentation;

(2) be provided resources adequate for the joint warfighting experimentation process; and

(3) have authority over the use of the resources for the planning, preparation, conduct, and assessment of joint warfighting experimentation.

(c) AUTHORITY AND RESPONSIBILITIES OF COMMANDER.—It is, further, the sense of Congress that, for the conduct of joint warfighting experimentation to be effective, it is necessary that the commander designated to have the joint warfighting experimentation mission also have the authority and responsibility for the following:

(1) Developing and implementing a process of joint experimentation to formulate and validate concepts critical for joint warfighting in the future, including (in such process) analyses, simulations, wargames, information superiority and other experi-

ments, advanced concept technology demonstrations, and joint exercises conducted in virtual and actual field environments.

(2) Planning, preparing, and conducting the program of joint warfighting experimentation.

(3) Assessing the effectiveness of organizational structures, operational concepts, and technologies employed in joint experimentation, investigating opportunities for coordinating the evolution of the organizational structure of the Armed Forces compatibly with the concurrent evolution of advanced technologies, and investigating new concepts for transforming joint warfighting capabilities to meet the operational challenges expected to be encountered by the Armed Forces in the early 21st century.

(4) Coordinating with each of the Armed Forces and the Defense Agencies regarding the development of the equipment (including surrogate or real technologies, platforms, and systems) necessary for the conduct of joint experimentation, or, if necessary, developing such equipment directly.

(5) Coordinating with each of the Armed Forces and the Defense Agencies regarding the acquisition of the materiel, supplies, services, and surrogate or real technology resources necessary for the

conduct of joint experimentation, or, if necessary, acquiring such items and services directly.

(6) Developing scenarios and measures of effectiveness for joint experimentation.

(7) Conducting so-called ''red team'' vulnerability assessments as part of joint experimentation.

(8) Assessing the interoperability of equipment and forces.

(9) Providing the Secretary of Defense and the Chairman of the Joint Chiefs of Staff with the commander's recommendations (developed on the basis of joint experimentation) for reducing unnecessary redundancy of equipment and forces.

(10) Providing the Secretary of Defense and the Chairman of the Joint Chiefs of Staff with the commander's recommendations (developed on the basis of joint experimentation) regarding synchronization of the fielding of advanced technologies among the Armed Forces to enable the development and execution of joint operational concepts.

(11) Submitting, reviewing, and making recommendations (in conjunction with the joint experimentation and evaluation process) to the Chairman of the Joint Chiefs of Staff on mission needs statements and operational requirements documents.

(12) Exploring new operational concepts (including those developed within the Office of the Secretary of Defense and Defense Agencies, other unified commands, the Armed Forces, and the Joint Staff), and integrating and testing in joint experimentation the systems and concepts that result from warfighting experimentation by the Armed Forces and the Defense Agencies.

(13) Developing, planning, refining, assessing, and recommending to the Secretary of Defense and the Chairman of the Joint Chiefs of Staff the most promising joint concepts and capabilities for experimentation and assessment.

(14) Assisting the Secretary of Defense and the Chairman of the Joint Chiefs of Staff to prioritize joint requirements and acquisition programs on the basis of joint warfighting experimentation.

(d) CONTINUED EXPERIMENTATION BY OTHER DEFENSE ORGANIZATIONS.—It is, further, the sense of Congress that—

(1) the Armed Forces are expected to continue to develop concepts and conduct intraservice and multiservice warfighting experimentation within their core competencies; and

(2) the commander of United States Special Operations Command is expected to continue to develop concepts and conduct joint experimentation associated with special operations forces.

(e) CONGRESSIONAL REVIEW.—It is, further, the sense of Congress that—

(1) Congress will carefully review the initial report and annual reports on joint warfighting experimentation required under section 1203 to determine the adequacy of the scope and pace of the transformation of the Armed Forces to meet future challenges to the national security; and

(2) if the progress is inadequate, Congress will consider legislation to establish a unified combatant command with the mission, forces, budget, responsibilities, and authority described in the preceding provisions of this section.

SEC. 1203. REPORTS ON JOINT WARFIGHTING EXPERIMENTATION.

(a) INITIAL REPORT.—(1) On such schedule as the Secretary of Defense shall direct, the commander of the combatant command assigned the mission for joint warfighting experimentation shall submit to the Secretary an initial report on the implementation of joint experimentation. Not later than April 1, 1999, the Secretary shall

submit the report, together with any comments that the Secretary considers appropriate and any comments that the Chairman of the Joint Chiefs of Staff considers appropriate, to the Chairmen of the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives.

(2) The initial report of the commander shall include the following:

(A) The commander's understanding of the commander's specific authority and responsibilities and of the commander's relationship to the Secretary of Defense, the Chairman of the Joint Chiefs of Staff, the Joint Staff, the commanders of other combatant commands, the Armed Forces, and the Defense Agencies and activities.

(B) The organization of the commander's combatant command, and of its staff, for carrying out the joint warfighting experimentation mission.

(C) The process established for tasking forces to participate in joint warfighting experimentation and the commander's specific authority over the forces.

(D) Any forces designated or made available as joint experimentation forces.

(E) The resources provided for joint warfighting experimentation, including the personnel and funding for the initial implementation of joint experimentation, the process for providing the resources to the commander, the categories of the funding, and the authority of the commander for budget execution.

(F) The authority of the commander, and the process established, for the development and acquisition of the material, supplies, services, and equipment necessary for the conduct of joint warfighting experimentation, including the authority and process for development and acquisition by the Armed Forces and the Defense Agencies and the authority and process for development and acquisition by the commander directly.

(G) The authority of the commander to design, prepare, and conduct joint experiments (including the scenarios and measures of effectiveness used) for assessing operational concepts for meeting future challenges to the national security.

(H) The role assigned the commander for—

(i) integrating and testing in joint warfighting experimentation the systems that

emerge from warfighting experimentation by the Armed Forces or the Defense Agencies;

(ii) assessing the effectiveness of organizational structures, operational concepts, and technologies employed in joint warfighting experimentation; and

(iii) assisting the Secretary of Defense and the Chairman of the Joint Chiefs of Staff in prioritizing acquisition programs in relationship to future joint warfighting capabilities.

(I) Any other comments that the commander considers appropriate.

(b) ANNUAL REPORT.—(1) On such schedule as the Secretary of Defense shall direct, the commander of the combatant command assigned the mission for joint warfighting experimentation shall submit to the Secretary an annual report on the conduct of joint experimentation activities for the fiscal year ending in the year of the report. Not later than December 1 of each year, the Secretary shall submit the report, together with any comments that the Secretary considers appropriate and any comments that the Chairman of the Joint Chiefs of Staff considers appropriate, to the Chairmen of the Committee on Armed Services of the Senate and the Committee on

National Security of the House of Representatives. The first annual report shall be submitted in 1999.

(2) The annual report of the commander shall include, for the fiscal year covered by the report, the following:

(A) Any changes in—

(i) the commander's authority and responsibilities for joint warfighting experimentation;

(ii) the commander's relationship to the Secretary of Defense, the Chairman of the Joint Chiefs of Staff, the Joint Staff, the commanders of the other combatant commands, the Armed Forces, or the Defense Agencies or activities;

(iii) the organization of the commander's command and staff for joint warfighting experimentation;

(iv) any forces designated or made available as joint experimentation forces;

(v) the process established for tasking forces to participate in joint experimentation activities or the commander's specific authority over the tasked forces;

(vi) the procedures for providing funding for the commander, the categories of funding,

or the commander's authority for budget execution;

(vii) the authority of the commander, and the process established, for the development and acquisition of the material, supplies, services, and equipment necessary for the conduct of joint warfighting experimentation;

(viii) the commander's authority to design, prepare, and conduct joint experiments (including the scenarios and measures of effectiveness used) for assessing operational concepts for meeting future challenges to the national security; or

(ix) any role described in subsection (a)(2)(H).

(B) The conduct of joint warfighting experimentation activities, including the number of activities, the forces involved, the national security challenges addressed, the operational concepts assessed, and the scenarios and measures of effectiveness used.

(C) An assessment of the results of warfighting experimentation within the Department of Defense.

(D) The effect of warfighting experimentation on the process for transforming the Armed Forces to meet future challenges to the national security.

(E) Any recommendations that the commander considers appropriate regarding—

(i) the development or acquisition of advanced technologies; or

(ii) changes in organizational structure, operational concepts, or joint doctrine.

(F) An assessment of the adequacy of resources, and any recommended changes for the process of providing resources, for joint warfighting experimentation.

(G) Any recommended changes in the authority or responsibilities of the commander.

(H) Any additional comments that the commander considers appropriate.

DIVISION B—MILITARY CONSTRUCTION AUTHORIZATIONS

SEC. 2001. SHORT TITLE.

This division may be cited as the ''Military Construction Authorization Act for Fiscal Year 1999''.

TITLE XXI—ARMY

SEC. 2101. AUTHORIZED ARMY CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(1), the Secretary of the Army may acquire real property and carry out military construction projects for the installations and locations inside the United States, and in the amounts, set forth in the following table:

Army: Inside the United States

State	Installation or location	Amount
Alabama	Anniston Army Depot	$3,550,000
	Fort Rucker	$10,000,000
Alaska	Fort Wainwright	$22,600,000
California	Fort Irwin	$7,000,000
Georgia	Fort Benning	$28,600,000
	Fort Stewart	$17,000,000
Hawaii	Schofield Barracks	$67,500,000
Illinois	Rock Island Arsenal	$5,300,000
Indiana	Crane Army Ammunition Activity	$7,100,000
Kentucky	Bluegrass Army Depot	$5,300,000
	Fort Campbell	$41,000,000
Louisiana	Fort Polk	$8,300,000
Maryland	Fort Detrick	$3,550,000
	Fort Meade	$5,300,000
Missouri	Fort Leonard Wood	$5,200,000
New Jersey	Fort Dix	$8,731,000
New York	Fort Drum	$4,650,000
	United States Military Academy, West Point.	$85,000,000
North Carolina	Fort Bragg	$85,300,000
Oklahoma	Fort Sill	$13,800,000
	McAlester Army Ammunition Plant	$10,800,000
Texas	Fort Bliss	$4,100,000
	Fort Hood	$32,500,000
	Fort Sam Houston	$21,800,000
Utah	Tooele Army Depot	$3,900,000
Virginia	Charlottesville	$46,200,000
	Fort Eustis	$36,531,000
Washington	Fort Lewis	$18,200,000
West Virginia	Camp Dawson	$13,595,000
CONUS Classified	Classified Locations	$4,600,000
	Total:	$627,007,000

(b) OUTSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(2), the Secretary of the Army may acquire real property and carry out military construction projects for the locations outside the United States, and in the amounts, set forth in the following table:

Army: Outside the United States

Country	Installation or location	Amount
Belgium	80th Area Support Group	$6,300,000
Germany	Schweinfurt	$18,000,000
	Wuerzburg	$4,250,000
Korea	Camp Casey	$13,400,000
	Camp Castle	$18,226,000
	Camp Humphreys	$8,500,000
	Camp Stanley	$5,800,000
Kwajalein	Kwajalein Atoll	$48,600,000
	Total:	$123,076,000

SEC. 2102. FAMILY HOUSING.

(a) CONSTRUCTION AND ACQUISITION.—Using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(5)(A), the Secretary of the Army may construct or acquire family housing units (including land acquisition) at the installations, for the purposes, and in the amounts set forth in the following table:

Army: Family Housing

State	Installation or location	Purpose	Amount
Alabama	Redstone Arsenal	118 Units	$14,000,000
Hawaii	Schofield Barracks	64 Units	$14,700,000
North Carolina	Fort Bragg	170 Units	$19,800,000
Texas	Fort Hood	154 Units	$21,600,000
		Total:	$70,100,000

(b) PLANNING AND DESIGN.—Using amounts appropriated pursuant to the authorization of appropriations in

section 2104(a)(5)(A), the Secretary of the Army may carry out architectural and engineering services and construction design activities with respect to the construction or improvement of family housing units in an amount not to exceed $7,490,000.

SEC. 2103. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.

Subject to section 2825 of title 10, United States Code, and using amounts appropriated pursuant to the authorization of appropriations in section 2104(a)(5)(A), the Secretary of the Army may improve existing military family housing units in an amount not to exceed $46,029,000.

SEC. 2104. AUTHORIZATION OF APPROPRIATIONS, ARMY.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1998, for military construction, land acquisition, and military family housing functions of the Department of the Army in the total amount of $2,005,630,000 as follows:

(1) For military construction projects inside the United States authorized by section 2101(a), $539,007,000.

(2) For military construction projects outside the United States authorized by section 2101(b), $87,076,000.

(3) For unspecified minor construction projects authorized by section 2805 of title 10, United States Code, $10,000,000.

(4) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $65,295,000.

(5) For military family housing functions:

(A) For construction and acquisition, planning and design, and improvement of military family housing and facilities, $123,619,000.

(B) For support of military family housing (including the functions described in section 2833 of title 10, United States Code), $1,104,733,000.

(6) For the Homeowners Assistance Program as authorized by section 2832 of title 10, United States Code, $12,800,000.

(7) For the construction of the missile software engineering annex, phase II, Redstone Arsenal, Alabama, authorized by section 2101(a) of the Military Construction Authorization Act for Fiscal Year 1998 (division B of Public Law 105–85; 111 Stat. 1966), $13,600,000.

(8) For the construction of a disciplinary barracks, phase II, Fort Leavenworth, Kansas, author-

ized by section 2101(a) of the Military Construction Authorization Act for Fiscal Year 1998, $29,000,000.

(9) For the construction of the whole barracks complex renewal, Fort Sill, Oklahoma, authorized by section 2101(a) of the Military Construction Authorization Act for Fiscal Year 1998, $20,500,000.

(b) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2101 of this Act may not exceed—

(1) the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a);

(2) $73,000,000 (the balance of the amount authorized to be appropriated under section 2101(a) of this Act for the construction of the Cadet Physical Development project at the United States Military Academy, West Point, New York);

(3) $15,000,000 (the balance of the amount authorized to be appropriated under section 2101(a) of this Act for the construction of a rail head facility at Fort Hood, Texas); and

(4) $36,000,000 (the balance of the amount authorized to be appropriated under section 2101(b) of this Act for the construction of a power plant on Roi Namur Island, Kwajalein Atoll).

(c) ADJUSTMENT.—The total amount authorized to be appropriated pursuant to paragraphs (1) through (5) of subsection (a) is the sum of the amounts authorized to be appropriated in such paragraphs reduced by $1,639,000, which represents the combination of project savings in military construction resulting from favorable bids, reduced overhead costs, and cancellations due to force structure changes.

(d) AVAILABILITY OF CERTAIN FUNDS.—Notwithstanding section 2701 or any other provision of law, the amounts appropriated pursuant to the authorization of appropriations in subsection (a)(6) shall remain available until expended.

SEC. 2105. MODIFICATION OF AUTHORITY TO CARRY OUT FISCAL YEAR 1998 PROJECT.

The table in section 2101(a) of the Military Construction Authorization Act for Fiscal Year 1998 (division B of Public Law 105–85; 111 Stat. 1967) is amended in the item relating to Fort Sill, Oklahoma, by striking out ''$25,000,000'' in the amount column and inserting in lieu thereof ''$28,500,000''.

(b) CONFORMING AMENDMENTS.—(1) The table in section 2101(a) of that Act is amended in the item relating to the total by striking out ''$598,750,000'' in the amount column and inserting in lieu thereof ''$602,250,000''.

(2) Section 2104 of that Act (111 Stat. 1968) is amended—

(A) in the matter preceding paragraph (1), by striking out ''$2,010,466,000'' and inserting in lieu thereof ''$2,013,966,000''; and

(B) in paragraph (1), by striking out ''$435,350,000'' and inserting in lieu thereof ''$438,850,000''.

TITLE XXII—NAVY

SEC. 2201. AUTHORIZED NAVY CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(1), the Secretary of the Navy may acquire real property and carry out military construction projects for the installations and locations inside the United States, and in the amounts, set forth in the following table:

Navy: Inside the United States

State	Installation or location	Amount
Arizona	Marine Corps Air Station, Yuma	$11,010,000
	Naval Observatory Detachment, Flagstaff.	$990,000

Navy: Inside the United States—Continued

State	Installation or location	Amount
California	Marine Corps Air Station, Miramar	$29,570,000
	Marine Corps Base, Camp Pendleton	$28,240,000
	Naval Air Station, Lemoore	$20,640,000
	Naval Air Warfare Center Weapons Division, China Lake.	$3,240,000
	Naval Facility, San Clemente Island	$8,350,000
	Naval Submarine Base, San Diego	$11,400,000
Connecticut	Naval Submarine Base, New London	$12,510,000
District of Columbia	Naval District, Washington	$790,000
Florida	Naval Air Station, Key West	$3,730,000
	Naval Air Station, Whiting Field	$1,400,000
Georgia	Naval Air Station, Atlanta	$4,100,000
	Naval Submarine Base, Kings Bay	$2,550,000
Hawaii	Marine Corps Air Station, Kaneohe Bay	$27,410,000
	Marine Corps Base, Hawaii	$23,570,000
	Naval Communications & Telecommunications Area Master Station Eastern Pacific, Wahiawa.	$1,970,000
	Naval Shipyard, Pearl Harbor	$39,310,000
	Naval Submarine Base, Pearl Harbor	$8,060,000
	Navy Public Works Center, Pearl Harbor	$28,967,000
Illinois	Naval Training Center, Great Lakes	$5,750,000
	Naval Training Center, Great Lakes	$7,410,000
Maryland	Naval Surface Warfare Center, Indian Head Division, Indian Head.	$6,680,000
	United States Naval Academy	$4,300,000
Mississippi	Naval Construction Battalion Center, Gulfport.	$10,670,000
North Carolina	Marine Corps Air Station, Cherry Point	$6,040,000
	Marine Corps Base, Camp LeJeune	$30,300,000
Rhode Island	Naval Education and Training Center, Newport.	$5,630,000
	Naval Undersea Warfare Center Division, Newport.	$9,140,000
South Carolina	Marine Corps Air Station, Beaufort	$1,770,000
	Marine Corps Recruit Depot, Parris Island.	$7,960,000
	Naval Weapons Station, Charleston	$9,737,000
Virginia	Fleet and Industrial Supply Center, Norfolk (Craney Island).	$1,770,000
	Fleet Training Center, Norfolk	$5,700,000
	Naval Shipyard, Norfolk, Portsmouth	$6,180,000
	Naval Station, Norfolk	$45,530,000
	Naval Surface Warfare Center, Dahlgren	$5,130,000
	Tactical Training Group Atlantic, Dam Neck.	$2,430,000
Washington	Strategic Weapons Facility Pacific, Bremerton.	$2,750,000
	Naval Shipyard, Puget Sound, Bremerton.	$4,300,000
	Total:	$446,984,000

(b) OUTSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(2), the Secretary of the Navy may acquire real property and carry out military construction

projects for the installations and locations outside the United States, and in the amounts, set forth in the following table:

Navy: Outside the United States

Country	Installation or location	Amount
Greece	Naval Support Activity, Souda Bay	$5,260,000
Guam	Naval Activities, Guam	$10,310,000
Italy	Naval Support Activity, Naples	$18,270,000
United Kingdom	Joint Maritime Communications Center, St. Mawgan.	$2,010,000
	Total:	$35,850,000

SEC. 2202. FAMILY HOUSING.

(a) CONSTRUCTION AND ACQUISITION.—Using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(5)(A), the Secretary of the Navy may construct or acquire family housing units (including land acquisition) at the installations, for the purposes, and in the amounts set forth in the following table:

Navy: Family Housing

State	Installation or location	Purpose	Amount
California	Naval Air Station, Lemoore.	162 Units	$30,379,000
Hawaii	Navy Public Works Center, Pearl Harbor.	150 Units	$29,125,000
		Total:	$59,504,000

(b) PLANNING AND DESIGN.—Using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(5)(A), the Secretary of the Navy may carry out architectural and engineering services and construction design activities with respect to the construction

or improvement of military family housing units in an amount not to exceed $15,618,000.

SEC. 2203. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.

Subject to section 2825 of title 10, United States Code, and using amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(5)(A), the Secretary of the Navy may improve existing military family housing units in an amount not to exceed $211,991,000.

SEC. 2204. AUTHORIZATION OF APPROPRIATIONS, NAVY.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1998, for military construction, land acquisition, and military family housing functions of the Department of the Navy in the total amount of $1,741,121,000 as follows:

(1) For military construction projects inside the United States authorized by section 2201(a), $433,484,000.

(2) For military construction projects outside the United States authorized by section 2201(b), $35,850,000.

(3) For unspecified minor construction projects authorized by section 2805 of title 10, United States Code, $8,900,000.

(4) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $60,481,000.

(5) For military family housing functions:

(A) For construction and acquisition, planning and design, and improvement of military family housing and facilities, $287,113,000.

(B) For support of military housing (including functions described in section 2833 of title 10, United States Code), $915,293,000.

(b) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2201 of this Act may not exceed—

(1) the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a); and

(2) $13,500,000 (the balance of the amount authorized under section 2201(a) of this Act for the construction of a berthing pier at Naval Station, Norfolk, Virginia).

(c) ADJUSTMENT.—The total amount authorized to be appropriated pursuant to paragraphs (1) through (5)

of subsection (a) is the sum of the amounts authorized to be appropriated in such paragraphs reduced by $6,323,000, which represents the combination of project savings in military construction resulting from favorable bids, reduced overhead costs, and cancellations due to force structure changes.

TITLE XXIII—AIR FORCE

SEC. 2301. AUTHORIZED AIR FORCE CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(1), the Secretary of the Air Force may acquire real property and carry out military construction projects for the installations and locations inside the United States, and in the amounts, set forth in the following table:

Air Force: Inside the United States

State	Installation or location	Amount
Alabama	Maxwell Air Force Base	$19,398,000
Alaska	Eielson Air Force Base	$10,552,000
Arkansas	Little Rock Air Force Base	$1,500,000
California	Edwards Air Force Base	$10,361,000
	Travis Air Force Base	$4,250,000
	Vandenberg Air Force Base	$18,709,000
Colorado	Falcon Air Force Station	$9,601,000
	United States Air Force Academy	$4,413,000
Delaware	Dover Air Force Base	$1,600,000
District of Columbia	Bolling Air Force Base	$2,948,000
Florida	Eglin Air Force Base	$20,437,000
	Eglin Auxiliary Field 9	$3,837,000
	MacDill Air Force Base	$5,008,000
Georgia	Robins Air Force Base	$11,894,000
Hawaii	Hickam Air Force Base	$5,890,000
Idaho	Mountain Home Air Force Base	$17,897,000
Kansas	McConnell Air Force Base	$2,900,000
Maryland	Andrews Air Force Base	$4,448,000
Massachusetts	Hanscom Air Force Base	$10,000,000
Mississippi	Keesler Air Force Base	$35,526,000
	Columbus Air Force Base	$8,200,000

Air Force: Inside the United States—Continued

State	Installation or location	Amount
Montana	Malmstrom Air Force Base	$13,200,000
Nevada	Indian Springs	$15,013,000
	Nellis Air Force Base	$6,378,000
New Jersey	McGuire Air Force Base	$6,044,000
New Mexico	Cannon Air Force Base	$6,500,000
	Kirtland Air Force Base	$8,574,000
North Carolina	Seymour Johnson Air Force Base	$6,100,000
North Dakota	Grand Forks Air Force Base	$2,686,000
	Minot Air Force Base	$8,500,000
Ohio	Wright-Patterson Air Force Base	$22,000,000
Oklahoma	Altus Air Force Base	$4,000,000
	Tinker Air Force Base	$24,985,000
	Vance Air Force Base	$6,223,000
South Carolina	Charleston Air Force Base	$24,330,000
	Shaw Air Force Base	$8,500,000
South Dakota	Ellsworth Air Force Base	$6,500,000
Texas	Dyess Air Force Base	$1,400,000
	Lackland Air Force Base	$6,800,000
	Lackland Training Annex	$8,130,000
	Randolph Air Force Base	$3,166,000
Utah	Hill Air Force Base	$4,100,000
Washington	Fairchild Air Force Base	$11,520,000
	McChord Air Force Base	$55,247,000
	Total:	$469,265,000

(b) OUTSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(2), the Secretary of the Air Force may acquire real property and carry out military construction projects for the installations and locations outside the United States, and in the amounts, set forth in the following table:

Air Force: Outside the United States

Country	Installation or location	Amount
Germany	Spangdahlem Air Base	$13,967,000
Korea	Kunsan Air Base	$5,958,000
	Osan Air Base	$7,496,000
Turkey	Incirlik Air Base	$2,949,000
United Kingdom	Royal Air Force, Lakenheath	$15,838,000
	Royal Air Force, Mildenhall	$24,960,000
	Total:	$71,168,000

SEC. 2302. FAMILY HOUSING.

(a) CONSTRUCTION AND ACQUISITION.—Using amounts appropriated pursuant to the authorization of ap-

1 propriations in section 2304(a)(5)(A), the Secretary of the
2 Air Force may construct or acquire family housing units
3 (including land acquisition) at the installations, for the
4 purposes, and in the amounts set forth in the following
5 table:

Air Force: Family Housing

State	Installation or location	Purpose	Amount
Alabama	Maxwell Air Force Base.	143 Units	$16,300,000
Alaska	Eielson Air Force Base	46 Units	$12,932,000
California	Edwards Air Force Base.	48 Units	$12,580,000
	Vandenberg Air Force Base.	95 Units	$18,499,000
Delaware	Dover Air Force Base	55 Units	$8,998,000
Florida	MacDill Air Force Base	48 Units	$7,609,000
	Patrick Air Force Base	46 Units	$9,692,000
	Tyndall Air Force Base	122 Units	$14,500,000
Mississippi	Columbus Air Force Base.	52 Units	$6,800,000
	Keesler Air Force Base	52 Units	$6,800,000
Nebraska	Offutt Air Force Base	Housing Maintenance Facility.	$900,000
	Offutt Air Force Base	Housing Office	$870,000
	Offutt Air Force Base	90 Units	$12,212,000
New Mexico	Kirtland Air Force Base.	37 Units	$6,400,000
Ohio	Wright-Patterson Air Force Base.	40 Units	$5,600,000
Texas	Dyess Air Force Base	64 Units	$9,415,000
	Sheppard Air Force Base.	115 Units	$12,800,000
Washington	Fairchild Air Force Base.	Housing Office and Maintenance Facility.	$1,692,000
	Fairchild Air Force Base.	14 Units	$2,300,000
		Total:	$166,899,000

6 (b) PLANNING AND DESIGN.—Using amounts appro-
7 priated pursuant to the authorization of appropriations in
8 section 2304(a)(5)(A), the Secretary of the Air Force may
9 carry out architectural and engineering services and con-
10 struction design activities with respect to the construction

or improvement of military family housing units in an amount not to exceed $12,622,000.

SEC. 2303. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.

Subject to section 2825 of title 10, United States Code, and using amounts appropriated pursuant to the authorization of appropriations in section 2304(a)(5)(A), the Secretary of the Air Force may improve existing military family housing units in an amount not to exceed $90,888,000.

SEC. 2304. AUTHORIZATION OF APPROPRIATIONS, AIR FORCE.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1998, for military construction, land acquisition, and military family housing functions of the Department of the Air Force in the total amount of $1,652,734,000 as follows:

(1) For military construction projects inside the United States authorized by section 2301(a), $469,265,000.

(2) For military construction projects outside the United States authorized by section 2301(b), $71,168,000.

(3) For unspecified minor construction projects authorized by section 2805 of title 10, United States Code, $7,135,000.

(4) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $44,762,000.

(5) For military housing functions:

(A) For construction and acquisition, planning and design, and improvement of military family housing and facilities, $270,409,000.

(B) For support of military family housing (including the functions described in section 2833 of title 10, United States Code), $789,995,000.

(b) LIMITATION ON TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variation authorized by law, the total cost of all projects carried out under section 2301 of this Act may not exceed the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a).

(c) ADJUSTMENT.—The total amount authorized to be appropriated pursuant to paragraphs (1) through (5) of subsection (a) is the sum of the amounts authorized to be appropriated in such paragraphs reduced by

$7,584,000, which represents the combination of project savings in military construction resulting from favorable bids, overhead costs, and cancellations due to force structure changes.

TITLE XXIV—DEFENSE AGENCIES

SEC. 2401. AUTHORIZED DEFENSE AGENCIES CONSTRUCTION AND LAND ACQUISITION PROJECTS.

(a) INSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2404(a)(1), the Secretary of Defense may acquire real property and carry out military construction projects for the installations and locations inside the United States, and in the amounts, set forth in the following table:

Defense Agencies: Inside the United States

Agency	Installation or location	Amount
Chemical Demilitarization Program.	Aberdeen Proving Ground, Maryland	$186,350,000
	Newport Army Depot, Indiana	$191,550,000
Defense Logistics Agency	Defense Fuel Support Point, Fort Sill, Oklahoma	$3,500,000
	Defense Fuel Support Point, Jacksonville Annex, Mayport, Florida	$11,020,000
	Defense Fuel Support Point, Jacksonville, Florida	$11,000,000
	Defense General Supply Center, Richmond (DLA), Virginia	$10,500,000
	Defense Fuel Supply Center, Camp Shelby, Mississippi	$5,300,000
	Defense Fuel Supply Center, Elmendorf Air Force Base, Alaska	$19,500,000
	Defense Fuel Supply Center, Pope Air Force Base, North Carolina	$4,100,000
	Various Locations	$1,300,000
Defense Medical Facilities Office.	Barksdale Air Force Base, Louisiana	$3,450,000
	Beale Air Force Base, California	$3,500,000
	Carlisle Barracks, Pennsylvania	$4,678,000
	Cheatham Annex, Virginia	$11,300,000
	Edwards Air Force Base, California	$6,000,000

Defense Agencies: Inside the United States—Continued

Agency	Installation or location	Amount
	Eglin Air Force Base, Florida	$9,200,000
	Fort Bragg, North Carolina	$6,500,000
	Fort Hood, Texas	$14,100,000
	Fort Stewart/Hunter Army Air Field, Georgia	$10,400,000
	Grand Forks Air Force Base, North Dakota	$5,600,000
	Holloman Air Force Base, New Mexico	$1,300,000
	Keesler Air Force Base, Mississippi	$700,000
	Marine Corps Air Station, Camp Pendleton, California	$6,300,000
	McChord Air Force Base, Washington	$20,000,000
	Moody Air Force Base, Georgia	$11,000,000
	Naval Air Station, Pensacola, Florida	$25,400,000
	Naval Hospital, Bremerton, Washington	$28,000,000
	Naval Hospital, Great Lakes, Illinois	$7,100,000
	Naval Station, San Diego, California	$1,350,000
	Naval Submarine Base, Bangor, Washington	$5,700,000
	Travis Air Force Base, California	$1,700,000
Defense Education Activity	Marine Corps Base, Camp LeJeune, North Carolina	$16,900,000
	United States Military Academy, West Point, New York	$2,840,000
National Security Agency	Fort Meade, Maryland	$668,000
Special Operations Command	Eglin Auxiliary Field 3, Florida	$2,210,000
	Eglin Auxiliary Field 9, Florida	$2,400,000
	Fort Campbell, Kentucky	$15,000,000
	MacDill Air Force Base, Florida	$8,400,000
	Mississippi Army Ammunition Plant/Stennis Space Center, Mississippi	$5,500,000
	Naval Amphibious Base, Coronado, California	$3,600,000
	Total:	$684,916,000

(b) OUTSIDE THE UNITED STATES.—Using amounts appropriated pursuant to the authorization of appropriations in section 2404(a)(2), the Secretary of Defense may acquire real property and carry out military construction projects for the installations and locations outside the United States, and in the amounts, set forth in the following table:

Defense Agencies: Outside the United States

Agency	Installation or location	Amount
Ballistic Missile Defense Organization.	Kwajalein Atoll, Kwajalein	$4,600,000
Defense Logistics Agency	Lajes Field, Azores, Portugal	$7,700,000
Defense Medical Facilities Office.	Naval Air Station, Sigonella, Italy	$5,300,000
	Royal Air Force, Lakenheath, United Kingdom	$10,800,000
Defense Education Activity	Fort Buchanan, Puerto Rico	$8,805,000
	Naval Activities, Guam	$13,100,000
Special Operations Command	Naval Station, Roosevelt Roads, Puerto Rico	$9,600,000
	Total:	$59,905,000

SEC. 2402. IMPROVEMENTS TO MILITARY FAMILY HOUSING UNITS.

Subject to section 2825 of title 10, United States Code, and using amounts appropriated pursuant to the authorization of appropriation in section 2404(a)(11)(A), the Secretary of Defense may improve existing military family housing units in an amount not to exceed $345,000.

SEC. 2403. ENERGY CONSERVATION PROJECTS.

Using amounts appropriated pursuant to the authorization of appropriations in section 2404(a)(9), the Secretary of Defense may carry out energy conservation projects under section 2865 of title 10, United States Code.

SEC. 2404. AUTHORIZATION OF APPROPRIATIONS, DEFENSE AGENCIES.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated for fiscal years beginning after September

30, 1998, for military construction, land acquisition, and military family housing functions of the Department of Defense (other than the military departments), in the total amount of $2,346,923,000 as follows:

(1) For military construction projects inside the United States authorized by section 2401(a), $340,866,000.

(2) For military construction projects outside the United States authorized by section 2401(b), $59,905,000.

(3) For military construction projects at Portsmouth Naval Hospital, Virginia, hospital replacement, authorized by section 2401(a) of the Military Construction Authorization Act for Fiscal Years 1990 and 1991 (division B of Public Law 101–189; 106 Stat. 1640), as amended by section 2406 of this Act, $17,954,000.

(4) For construction of the Ammunition Demilitarization Facility, Pine Bluff Arsenal, Arkansas, authorized by section 2401 of the Military Construction Authorization Act for Fiscal Year 1995 (division B of Public Law 103–337; 108 Stat. 3040), as amended by section 2407 of the Military Construction Authorization Act for Fiscal Year 1996 (division B of Public Law 104–106; 110 Stat. 539), sec-

tion 2408 of the Military Construction Authorization Act for Fiscal Year 1998 (111 Stat. 1982), and section 2405 of this Act, $10,000,000.

(5) For construction of the Ammunition Demilitarization Facility, Umatilla Army Depot, Oregon, authorized by section 2401 of the Military Construction Authorization Act for Fiscal Year 1995, as amended by section 2407 of the Military Construction Authorization Act for Fiscal Year 1996, section 2408 of the Military Construction Authorization Act for Fiscal Year 1998, and section 2405 of this Act, $30,950,000.

(6) For unspecified minor construction projects under section 2805 of title 10, United States Code, $13,394,000.

(7) For contingency construction projects of the Secretary of Defense under section 2804 of title 10, United States Code, $9,390,000.

(8) For architectural and engineering services and construction design under section 2807 of title 10, United States Code, $42,566,000.

(9) For energy conservation projects authorized by section 2404, $46,950,000.

(10) For base closure and realignment activities as authorized by the Defense Base Closure and Re-

alignment Act of 1990 (part A of title XXIX of Public Law 101–510; 10 U.S.C. 2687 note), $1,730,704,000.

(11) For military family housing functions:

(A) For improvement of military family housing and facilities, $345,000.

(B) For support of military housing (including functions described in section 2833 of title 10, United States Code), $36,899,000 of which not more than $31,139,000 may be obligated or expended for the leasing of military family housing units worldwide.

(C) For credit to the Department of Defense Family Housing Improvement Fund established by section 2883(a)(1) of title 10, United States Code, $7,000,000.

(b) LIMITATION OF TOTAL COST OF CONSTRUCTION PROJECTS.—Notwithstanding the cost variations authorized by section 2853 of title 10, United States Code, and any other cost variations authorized by law, the total cost of all projects carried out under section 2401 of this Act may not exceed—

(1) the total amount authorized to be appropriated under paragraphs (1) and (2) of subsection (a);

(2) $174,550,000 (the balance of the amount authorized under section 2401(a) of this Act for the construction of a chemical demilitarization facility at Newport Army Depot, Indiana); and

(3) $169,500,000 (the balance of the amount authorized under section 2401(a) of this Act for the construction of a chemical demilitarization facility at Aberdeen Proving Ground, Maryland).

SEC. 2405. MODIFICATION OF AUTHORITY TO CARRY OUT CERTAIN FISCAL YEAR 1995 PROJECTS.

The table in section 2401 of the Military Construction Authorization Act for Fiscal Year 1995 (division B of Public Law 103–337; 108 Stat. 3040), as amended by section 2407 of the Military Construction Authorization Act for Fiscal Year 1996 (division B of Public Law 104–106; 110 Stat. 539) and section 2408 of the Military Construction Authorization Act for Fiscal Year 1998 (division B of Public Law 105–85; 111 Stat. 1982), under the agency heading relating to Chemical Weapons and Munitions Destruction, is amended—

(1) in the item relating to Pine Bluff Arsenal, Arkansas, by striking out $134,000,000'' in the amount column and inserting in lieu thereof ''$154,400,000''; and

(2) in the item relating to Umatilla Army Depot, Oregon, by striking out ''$187,000,000'' in the amount column and inserting in lieu thereof ''$193,377,000''.

SEC. 2406. MODIFICATION OF AUTHORITY TO CARRY OUT FISCAL YEAR 1990 PROJECT.

The table in section 2401(a) of the Military Construction Authorization Act for Fiscal Years 1990 and 1991 (division B of Public Law 100–189; 103 Stat. 1640) is amended in the item relating to Portsmouth Naval Hospital, Virginia, by striking out ''$330,000,000'' and inserting in lieu thereof ''$351,354,000''.

TITLE XXV—NORTH ATLANTIC TREATY ORGANIZATION SECURITY INVESTMENT PROGRAM

SEC. 2501. AUTHORIZED NATO CONSTRUCTION AND LAND ACQUISITION PROJECTS.

The Secretary of Defense may make contributions for the North Atlantic Treaty Organization Security Investment program as provided in section 2806 of title 10, United States Code, in an amount not to exceed the sum of the amount authorized to be appropriated for this purpose in section 2502 and the amount collected from the

North Atlantic Treaty Organization as a result of construction previously financed by the United States.

SEC. 2502. AUTHORIZATION OF APPROPRIATIONS, NATO.

Funds are hereby authorized to be appropriated for fiscal years beginning after September 30, 1998, for contributions by the Secretary of Defense under section 2806 of title 10, United States Code, for the share of the United States of the cost of projects for the North Atlantic Treaty Organization Security Investment program authorized by section 2501, in the amount of $159,000,000.

TITLE XXVI—GUARD AND RESERVE FORCES FACILITIES

SEC. 2601. AUTHORIZED GUARD AND RESERVE CONSTRUCTION AND LAND ACQUISITION PROJECTS.

There are authorized to be appropriated for fiscal years beginning after September 30, 1998, for the costs of acquisition, architectural and engineering services, and construction of facilities for the Guard and Reserve Forces, and for contributions therefor, under chapter 1803 of title 10, United States Code (including the cost of acquisition of land for those facilities), the following amounts:

(1) For the Department of the Army—

(A) for the Army National Guard of the United States, $95,395,000; and

(B) for the Army Reserve, $107,378,000.

(2) For the Department of the Navy, for the Naval and Marine Corps Reserve, $15,271,000.

(3) For the Department of the Air Force—

(A) for the Air National Guard of the United States, $161,932,000; and

(B) for the Air Force Reserve, $20,225,000.

SEC. 2602. REDUCTION IN FISCAL YEAR 1998 AUTHORIZATION OF APPROPRIATIONS FOR ARMY RESERVE MILITARY CONSTRUCTION.

Section 2601(a)(1)(B) of the Military Construction Authorization Act for Fiscal Year 1998 (division B of Public Law 105–85; 111 Stat. 1983) is amended by striking out ''$66,267,000'' and inserting in lieu thereof ''$53,553,000''.

TITLE XXVII—EXPIRATION AND EXTENSION OF AUTHORIZATIONS

SEC. 2701. EXPIRATION OF AUTHORIZATIONS AND AMOUNTS REQUIRED TO BE SPECIFIED BY LAW.

(a) EXPIRATION OF AUTHORIZATIONS AFTER THREE YEARS.—Except as provided in subsection (b), all authorizations contained in titles XXI through XXVI for military

construction projects, land acquisition, family housing projects and facilities, and contributions to the North Atlantic Treaty Organization Security Investment program (and authorizations of appropriations therefor) shall expire on the later of—

(1) October 1, 2001; or

(2) the date of enactment of an Act authorizing funds for military construction for fiscal year 2002.

(b) EXCEPTION.—Subsection (a) shall not apply to authorizations for military construction projects, land acquisition, family housing projects and facilities, and contributions to the North Atlantic Treaty Organization Security Investment program (and authorizations of appropriations therefor), for which appropriated funds have been obligated before the later of—

(1) October 1, 2001; or

(2) the date of enactment of an Act authorizing funds for fiscal year 2002 for military construction projects, land acquisition, family housing projects and facilities, or contributions to the North Atlantic Treaty Organization Security Investment program.

SEC. 2702. EXTENSION OF AUTHORIZATIONS OF CERTAIN FISCAL YEAR 1996 PROJECTS.

(a) EXTENSIONS.—Notwithstanding section 2701 of the Military Construction Authorization Act for Fiscal

Year 1996 (division B of Public Law 104–106; 110 Stat. 541), authorizations for the projects set forth in the tables in subsection (b), as provided in sections 2201, 2302, or 2601 of that Act, shall remain in effect until October 1, 1999, or the date of enactment of an Act authorizing funds for military construction for fiscal year 2000, whichever is later.

(b) TABLES.—The tables referred to in subsection (a) are as follows:

Navy: Extension of 1996 Project Authorization

State	Installation or location	Project	Amount
Puerto Rico	Naval Station Roosevelt Roads.	Housing Office	$710,000

Air Force: Extension of 1996 Project Authorization

State	Installation or location	Project	Amount
Texas	Lackland Air Force Base.	Family Housing (67 units).	$6,200,000

Army National Guard: Extension of 1996 Project Authorization

State	Installation or location	Project	Amount
Mississippi	Camp Shelby	Multipurpose Range Complex (Phase I).	$5,000,000

SEC. 2703. EXTENSION OF AUTHORIZATION OF FISCAL YEAR 1995 PROJECT.

(a) EXTENSION.—Notwithstanding section 2701 of the Military Construction Authorization Act for Fiscal Year 1995 (division B of Public Law 103–337; 108 Stat. 3046), the authorization for the project set forth in the

table in subsection (b), as provided in section 2201 of that Act and extended by section 2702 of the Military Construction Authorization Act for Fiscal Year 1998 (division B of Public Law 105–85; 111 Stat. 1985), shall remain in effect until October 1, 1999, or the date of enactment of an Act authorizing funds for military construction for fiscal year 2000, whichever is later.

(b) TABLE.—The table referred to in subsection (a) is as follows:

Navy: Extension of 1995 Project Authorization

State	Installation or location	Project	Amount
Maryland	Indian Head Naval Surface Warfare Center.	Denitrification/ Acid Mixing Facility.	$6,400,000

SEC. 2704. EFFECTIVE DATE.

Titles XXI, XXII, XXIII, XXIV, XXV, and XXVI shall take effect on the later of—

(1) October 1, 1998; or

(2) the date of enactment of this Act.

TITLE XXVIII—GENERAL PROVISIONS

Subtitle A—Military Construction Program and Military Family Housing Changes

SEC. 2801. MODIFICATION OF AUTHORITY RELATING TO ARCHITECTURAL AND ENGINEERING SERVICES AND CONSTRUCTION DESIGN.

(a) COVERED PROJECTS.—Subsection (a) of section 2807 of title 10, United States Code, is amended in the first sentence by striking out ''not otherwise authorized by law.'' and inserting in lieu thereof ''without regard to the authority under this chapter utilized in carrying out the projects and without regard to whether the projects are authorized by law.''.

(b) INCREASE IN THRESHOLD FOR NOTICE TO CONGRESS.—Subsection (b) of that section is amended by striking out ''$300,000'' and inserting in lieu thereof ''$500,000''.

(c) AVAILABILITY OF APPROPRIATIONS.—Subsection (d) of that section is amended by striking out ''study, planning, design, architectural, and engineering services'' and inserting in lieu thereof ''architectural and engineering services and construction design''.

SEC. 2802. EXPANSION OF ARMY OVERSEAS FAMILY HOUSING LEASE AUTHORITY.

(a) ALTERNATIVE MAXIMUM UNIT AMOUNTS.—Section 2828(e) of title 10, United States Code, is amended—

(1) in paragraph (2), by inserting, ", and the Secretary of the Army may lease not more than 500 units of family housing in Italy," after "family housing in Italy";

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

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

"(3) In addition to the 450 units of family housing referred to in paragraph (1) for which the maximum lease amount is $25,000 per unit per year, the Secretary of the Army may lease not more than 800 units of family housing in Korea subject to that maximum lease amount.".

(b) CONFORMING AMENDMENT.—Paragraph (4) of that section, as redesignated by subsection (a)(2) of this section, is amended by striking out "and (2)" and inserting in lieu thereof ", (2), and (3)".

Subtitle B—Real Property and Facilities Administration

SEC. 2811. INCREASE IN THRESHOLDS FOR REPORTING REQUIREMENTS RELATING TO REAL PROPERTY TRANSACTIONS.

Section 2662 of title 10, United States Code, is amended by striking out ''$200,000'' each place it appears in subsections (a), (b), and (e) and inserting in lieu thereof ''$500,000''.

SEC. 2812. EXCEPTIONS TO REAL PROPERTY TRANSACTION REPORTING REQUIREMENTS FOR WAR AND CERTAIN EMERGENCY AND OTHER OPERATIONS.

(a) EXCEPTIONS.—Section 2662 of title 10, United States Code, as amended by section 2811 of this Act, is further amended by adding at the end the following:

''(g) EXCEPTIONS FOR TRANSACTIONS FOR WAR AND CERTAIN EMERGENCY AND OTHER OPERATIONS.—(1) The reporting requirement set forth in subsection (a) shall not apply with respect to a real property transaction otherwise covered by that subsection, and the reporting requirement set forth in subsection (e) shall not apply with respect to a real property transaction otherwise covered by that subsection, if such transaction is made as a result of the following:

"(A) A declaration of war.

"(B) A declaration of a national emergency by the President pursuant to the National Emergencies Act (Public Law 94–412; 50 U.S.C. 1601 et seq.).

"(C) A declaration of an emergency or major disaster pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.).

"(D) The use of the militia or the armed forces after a proclamation to disperse under section 334 of this title.

"(E) A contingency operation.

"(2) The reporting requirement set forth in subsection (a) shall not apply with respect to a real property transaction otherwise covered by that subsection if the Secretary concerned determines that—

"(A) an event listed in paragraph (1) is imminent; and

"(B) the transaction is necessary for purposes of preparation for such event.

"(3) Not later than 30 days after entering into a real property transaction covered by paragraph (1) or (2), the Secretary concerned shall submit to the committees named in subsection (a) a report on the transaction. The report shall set forth any facts or information which would other-

wise have been submitted in a report on the transaction under subsection (a) or (e), as the case may be, but for the operation of paragraph (1) or (2).''.

(b) AMENDMENTS FOR STYLISTIC UNIFORMITY.—That section is further amended—

(1) in subsection (a), by inserting ''GENERAL NOTICE AND WAIT REQUIREMENTS.—'' after ''(a)'';

(2) in subsection (b), by inserting ''ANNUAL REPORTS ON CERTAIN MINOR TRANSACTIONS.—'' after ''(b)'';

(3) in subsection (c), by inserting ''GEOGRAPHIC SCOPE; EXCEPTED PROJECTS.—'' after ''(c)'';

(4) in subsection (d), by inserting ''STATEMENTS OF COMPLIANCE IN TRANSACTION INSTRUMENTS.—'' after ''(d)'';

(5) in subsection (e), by inserting ''NOTICE AND WAIT REGARDING LEASES OF SPACE FOR DOD BY GSA.—'' after ''(e)''; and

(6) in subsection (f), by inserting ''REPORTS ON TRANSACTIONS INVOLVING INTELLIGENCE COMPONENTS.—'' after ''(f)''.

SEC. 2813. WAIVER OF APPLICABILITY OF PROPERTY DISPOSAL LAWS TO LEASES AT INSTALLATIONS TO BE CLOSED OR REALIGNED UNDER THE BASE CLOSURE LAWS.

Section 2667(f) of title 10, United States Code, is amended—

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

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

''(2) The Secretary of a military department may waive the applicability of a provision of title II of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 481 et seq.) that is inconsistent with a provision of this subsection if the waiver is required for purposes of a lease of property under this subsection.''.

SEC. 2814. RESTORATION OF DEPARTMENT OF DEFENSE LANDS USED BY ANOTHER FEDERAL AGENCY.

(a) RESTORATION AS TERM OF AGREEMENT.—Section 2691 of title 10, United States Code, is amended by adding at the end the following new subsection:

''(c)(1) As a condition of any lease, permit, license, or other grant of access entered into by the Secretary of a military department with another Federal agency authorizing the agency to use lands under the control of the Secretary, the Secretary may require the agency to agree

to remove any improvements and to take any other action necessary in the judgment of the Secretary to restore the land used by the agency to its condition before its use by the agency.

''(2) In lieu of performing any removal or restoration work under paragraph (1), a Federal agency may elect, with the consent of the Secretary, to reimburse the Secretary for the costs incurred by the military department in performing such removal and restoration work.''.

(b) CLERICAL AMENDMENTS.—(1) The heading of such section is amended to read as follows:

''§ 2691. Restoration of land used by permit or lease''.

(2) The table of sections at the beginning of chapter 159 of title 10, United States Code, is amended by striking the item relating to section 2691 and inserting in lieu thereof the following new item:

''2691. Restoration of land used by permit or lease.''.

Subtitle C—Land Conveyances

SEC. 2821. LAND CONVEYANCE, INDIANA ARMY AMMUNITION PLANT, CHARLESTOWN, INDIANA.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey to the Indiana Army Ammunition Plant Reuse Authority (in this section referred to as the ''Reuse Authority'') all right, title, and interest of the United States in and to a parcel of real property, including improvements thereon, consisting of up to approximately

4660 acres located at the Indiana Army Ammunition Plant, Charlestown, Indiana, for the purpose of developing the parcel as an industrial park to replace all or part of the economic activity lost at the inactivated plant.

(b) CONSIDERATION.—Except as provided in subsection (d), as consideration for the conveyance under subsection (a), the Reuse Authority shall pay to the Secretary an amount equal to the fair market value of the conveyed property as of the time of the conveyance, determined by the Secretary in accordance with Federal appraisal standards and procedures.

(c) TIME FOR PAYMENT.—The consideration required under subsection (b) shall be paid by the Reuse Authority at the end of the 10-year period beginning on the date on which the conveyance under subsection (a) is completed.

(d) EFFECT OF RECONVEYANCE OR LEASE.—(1) If the Reuse Authority reconveys all or any part of the conveyed property during the 10-year period specified in subsection (c), the Reuse Authority shall pay to the United States an amount equal to the fair market value of the reconveyed property as of the time of the reconveyance, excluding the value of any improvements made to the property by the Reuse Authority, determined by the Sec-

retary in accordance with Federal appraisal standards and procedures.

(2) The Secretary may treat a lease of the property within such 10-year period as a reconveyance if the Secretary determines that the lease is being used to avoid application of paragraph (1).

(e) DEPOSIT OF PROCEEDS.—The Secretary shall deposit any proceeds received under subsection (b) or (d) in the special account established pursuant to section 204(h)(2) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 485(h)(2)).

(f) ADMINISTRATIVE EXPENSES.—In connection with the conveyance under subsection (a), the Secretary may accept amounts provided by the Reuse Authority or other persons to cover administrative expenses incurred by the Secretary in making the conveyance. Amounts received under this subsection for administrative expenses shall be credited to the appropriation, fund, or account from which the expenses were paid. Amounts so credited shall be merged with funds in such appropriation, fund, or account and shall be available for the same purposes and subject to the same limitations as the funds with which merged.

(g) DESCRIPTION OF PROPERTY.—The property to be conveyed under subsection (a) includes the administrative area of the Indiana Army Ammunition Plant as well

as open space in the southern end of the plant. The exact acreage and legal description of the property to be conveyed shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the Reuse Authority.

(h) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2822. LAND CONVEYANCE, ARMY RESERVE CENTER, BRIDGTON, MAINE.

(a) CONVEYANCE AUTHORIZED.—(1) The Secretary of the Army may convey, without consideration, to the Town of Bridgton, Maine (in this section referred to as the ''Town''), all right, title, and interest of the United States in and to a parcel of excess real property, including improvements thereon, consisting of approximately 3.65 acres and located in Bridgton, Maine, the site of the Army Reserve Center, Bridgton, Maine.

(2) The conveyance is for the public benefit and will facilitate the expansion of the municipal office complex in Bridgton, Maine.

(b) REVERSION.—If the Secretary determines at any time that the real property conveyed under subsection (a)

is not being used by the Town for purposes of a municipal office complex, all right, title, and interest in and to the real property, including any improvements thereon, shall revert to the United States, and the United States shall have the right of immediate entry thereon.

(c) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the Town.

(d) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interest of the United States.

SEC. 2823. LAND CONVEYANCE, VOLUNTEER ARMY AMMUNITION PLANT, CHATTANOOGA, TENNESSEE.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Army may convey to Hamilton County, Tennessee (in this section referred to as the ''County''), all right, title, and interest of the United States in and to a parcel of real property, including improvements thereon, consisting of approximately 1033 acres located at the Volunteer Army Ammunition Plant, Chattanooga, Tennessee, for the purpose of developing the parcel as an industrial park to

replace all or part of the economic activity lost at the inactivated plant.

(b) CONSIDERATION.—Except as provided in subsection (d), as consideration for the conveyance under subsection (a), the County shall pay to the Secretary an amount equal to the fair market value of the conveyed property as of the time of the conveyance, determined by the Secretary in accordance with Federal appraisal standards and procedures.

(c) TIME FOR PAYMENT.—The consideration required under subsection (b) shall be paid by the County at the end of the 10-year period beginning on the date on which the conveyance under subsection (a) is completed.

(d) EFFECT OF RECONVEYANCE OR LEASE.—(1) If the County reconveys all or any part of the conveyed property during the 10-year period specified in subsection (c), the County shall pay to the United States an amount equal to the fair market value of the reconveyed property as of the time of the reconveyance, excluding the value of any improvements made to the property by the County, determined by the Secretary in accordance with Federal appraisal standards and procedures.

(2) The Secretary may treat a lease of the property within such 10-year period as a reconveyance if the Sec-

retary determines that the lease is being used to avoid application of paragraph (1).

(e) DEPOSIT OF PROCEEDS.—The Secretary shall deposit any proceeds received under subsection (b) or (d) in the special account established pursuant to section 204(h)(2) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 485(h)(2)).

(f) EFFECT ON EXISTING LEASES.—The conveyance of the real property under subsection (a) shall not affect the terms or length of any contract entered into by the Secretary before the date of the enactment of this Act with regard to the property to be conveyed.

(g) ADMINISTRATIVE EXPENSES.—In connection with the conveyance under subsection (a), the Secretary may accept amounts provided by the County or other persons to cover administrative expenses incurred by the Secretary in making the conveyance. Amounts received under this subsection for administrative expenses shall be credited to the appropriation, fund, or account from which the expenses were paid. Amounts so credited shall be merged with funds in such appropriation, fund, or account and shall be available for the same purposes and subject to the same limitations as the funds with which merged.

(h) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the property to be conveyed under

subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the County.

(i) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interests of the United States.

SEC. 2824. RELEASE OF INTERESTS IN REAL PROPERTY, FORMER KENNEBEC ARSENAL, AUGUSTA, MAINE.

(a) AUTHORITY TO RELEASE.—The Secretary of the Army may release, without consideration, all right, title, and interest of the United States in and to the real property described in subsection (b).

(b) COVERED PROPERTY.—The real property referred to in subsection (a) is the parcel of real property consisting of approximately 40 acres located in Augusta, Maine, and formerly known as the Kennebec Arsenal, which parcel was conveyed by the Secretary of War to the State of Maine under the provisions of the Act entitled ''An Act Authorizing the Secretary of War to convey the Kennebec Arsenal property, situated in Augusta, Maine, to the State of Maine for public purposes'', approved March 3, 1905 (33 Stat. 1270), as amended by section

771 of the Department of Defense Appropriations Act, 1981 (Public Law 96–527; 94 Stat. 3093).

(c) INSTRUMENT OF RELEASE.—The Secretary of the Army shall execute and file in the appropriate office a deed of release, amended deed, or other appropriate instrument effectuating the release of interests authorized by this section.

SEC. 2825. LAND EXCHANGE, NAVAL RESERVE READINESS CENTER, PORTLAND, MAINE.

(a) CONVEYANCE AUTHORIZED.—(1) The Secretary of the Navy may convey to the Gulf of Maine Aquarium Development Corporation, Portland, Maine (in this section referred to as the ''Corporation''), all right, title, and interest of the United States in and to a parcel of real property, including improvements thereon, consisting of approximately 3.72 acres in Portland, Maine, the site of the Naval Reserve Readiness Center, Portland, Maine.

(2) As part of the conveyance under paragraph (1), the Secretary shall also convey to the Corporation any interest of the United States in the submerged lands adjacent to the real property conveyed under that paragraph that is appurtenant to the real property conveyed under that paragraph.

(3) The purpose of the conveyance under this subsection is to facilitate economic development in accordance

with the plan of the Corporation for the construction of an aquarium and marine research facility in Portland, Maine.

(b) CONSIDERATION.—(1) As consideration for the conveyance authorized by subsection (a), the Corporation shall provide for such facilities as the Secretary determines appropriate for the Naval Reserve to replace the facilities conveyed under that subsection—

(A) by—

(i) conveying to the United States all right, title, and interest in and to a parcel of real property determined by the Secretary to be an appropriate location for such facilities; and

(ii) designing and constructing such facilities on the parcel of real property conveyed under clause (i); or

(B) by designing and constructing such facilities on such parcel of real property under the jurisdiction of the Secretary as the Secretary shall specify.

(2) The Secretary shall select the form of consideration under paragraph (1) for the conveyance under subsection (a).

(c) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed

under subsection (a)(1), of any interest to be conveyed under subsection (a)(2), and of the real property, if any, to be conveyed under subsection (b)(1)(A)(i), shall be determined by surveys satisfactory to the Secretary. The cost of the surveys shall be borne by the Corporation.

(d) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interest of the United States.

SEC. 2826. LAND CONVEYANCE, AIR FORCE STATION, LAKE CHARLES, LOUISIANA.

(a) CONVEYANCE AUTHORIZED.—The Secretary of the Air Force may convey, without consideration, to McNeese State University in Lake Charles, Louisiana (in this section referred to as the ''University''), all right, title, and interest of the United States in and to approximately 4.38 acres of real property, including improvements thereon, located in Lake Charles, Louisiana, and comprising the Lake Charles Air Force Station.

(b) CONDITIONS OF CONVEYANCE.—The conveyance under subsection (a) shall be subject to the following conditions:

(1) That the University accept the property subject to such easements or rights of way as the Secretary considers appropriate.

(2) That the University utilize the property as the site of a research facility.

(c) REVERSION.—If the Secretary determines at any time that the real property conveyed under subsection (a) is not being used in accordance with subsection (b)(2), all right, title, and interest in and to the real property, including any improvements thereon, shall revert to the United States, and the United States shall have the right of immediate entry thereon.

(d) DESCRIPTION OF PROPERTY.—The exact acreage and legal description of the real property to be conveyed under subsection (a) shall be determined by a survey satisfactory to the Secretary. The cost of the survey shall be borne by the University.

(e) ADDITIONAL TERMS AND CONDITIONS.—The Secretary may require such additional terms and conditions in connection with the conveyance under subsection (a) as the Secretary considers appropriate to protect the interest of the United States.

Subtitle D—Other Matters

SEC. 2831. PURCHASE OF BUILD-TO-LEASE FAMILY HOUSING AT EIELSON AIR FORCE BASE, ALASKA.

(a) AUTHORITY TO PURCHASE.—The Secretary of the Air Force may purchase the entire interest of the developer in the military family housing project at Eielson Air Force Base, Alaska, described in subsection (b) if the Secretary determines that the purchase is in the best economic interests of the Air Force.

(b) DESCRIPTION OF PROJECT.—The military family housing project referred to in this section is the 366-unit military family housing project at Eielson Air Force Base that was constructed by the developer and is being leased by the Secretary under the authority of former subsection (g) of section 2828 of title 10, United States Code (now section 2835 of such title), as added by section 801 of the Military Construction Authorization Act, 1984 (Public Law 98–115; 97 Stat. 782).

(c) PURCHASE PRICE.—The purchase price to be paid by the Secretary under this section for the interest of the developer in the military family housing project may not exceed an amount equal to the amount of the outstanding indebtedness of the developer to the lender for the project that would have remained at the time of the purchase under this section if the developer had paid down

its indebtedness to the lender for the project in accordance with the original debt instruments for the project.

(d) TIME FOR PURCHASE.—(1) Subject to paragraph (2), the Secretary may elect to make the purchase authorized by subsection (a) at any time during or after the term of the lease for the military family housing project.

(2) The Secretary may not make the purchase until 30 days after the date on which the Secretary notifies the congressional defense committees of the Secretary's election to make the purchase under paragraph (1).

SEC. 2832. BEACH REPLENISHMENT, SAN DIEGO, CALIFORNIA.

(a) PROJECT AUTHORIZED.—The Secretary of the Navy may, using funds available under subsection (b), carry out beach replenishment in and around San Diego, California. The Secretary may use sand obtained from any location for the replenishment.

(b) FUNDING.—Subject to subsection (c), the Secretary shall carry out the beach replenishment authorized by subsection (a) using the following:

(1) Amounts appropriated pursuant to the authorization of appropriations in section 2204(a)(1) of the Military Construction Authorization Act for Fiscal Year 1997 (division B of Public Law 104–201; 110 Stat. 2769) for the project authorized by

section 2201(a) of that Act (110 Stat. 2766) at Naval Air Station North Island, California, that remain available for obligation and expenditure on the date of enactment of this Act.

(2) Amounts contributed to the cost of such project by the State of California and by local governments under the agreement under section 2205 of that Act (110 Stat. 2770).

(c) LIMITATION ON UNITED STATES SHARE OF COST.—The amount utilized by the Secretary under subsection (b)(1) for the beach replenishment authorized by subsection (a) may not exceed $9,630,000.

(d) TREATMENT OF CONTRIBUTIONS.—(1)(A) The Secretary shall credit any contributions that the Secretary receives from the State of California and local governments under the agreement referred to in subsection (b)(2) to the account to which amounts were appropriated pursuant to the authorization of appropriations referred to in subsection (b)(1) for the project referred to in such subsection (b)(1).

(B) Amounts credited under subparagraph (A) shall be merged with funds in the account to which credited.

(2) The amount of contributions credited under paragraph (1) may be applied only to costs of beach replenish-

ment under this section that are incurred after the date of enactment of this Act.

(e) NOTICE AND WAIT.—The Secretary may not obligate funds to carry out the beach replenishment authorized by subsection (a) until 30 days after the date on which the Secretary submits to the congressional defense committees a report setting forth the following:

(1) An explanation why the sand originally proposed to be utilized for the purpose of beach replenishment under the project relating to Naval Air Station North Island authorized in section 2201(a)(1) of the Military Construction Authorization Act for Fiscal Year 1997 could not be utilized for that purpose.

(2) A comprehensive explanation why the beach replenishment plan at Naval Air Station North Island covered by such project was abandoned.

(3) A description of any administrative action taken against any agency or individual as a result of the abandonment of the plan.

(4) A statement of the total amount of funds available under subsection (b) for the beach replenishment authorized by subsection (a).

(5) A statement of the amount of the contributions of the State of California and local govern-

ments under the agreement referred to in subsection (b)(2).

(6) An estimate of the total cost of the beach replenishment authorized by subsection (a).

(7) The total amount of financial aid the State of California has received from the Federal Government for the purpose of beach restoration and replenishment during the 10-year period ending on the date of enactment of this Act.

(8) The amount of financial aid the State of California has requested from the Federal Government for the purpose of beach restoration or replenishment as a result of the 1997–1998 El Niño event.

(9) A current analysis that compares the costs and benefits of homeporting the U.S.S. John C. Stennis (CVN–74) at Naval Station North Island with the costs and benefits of homeporting that vessel at Naval Station Pearl Harbor, Hawaii, and the costs and benefits of homeporting that vessel at Naval Station Bremerton, Washington.

(f) REPEAL OF SUPERSEDED AUTHORITY.—Section 2205 of the Military Construction Authorization Act for Fiscal Year 1997 is repealed.

TITLE XXIX—JUNIPER BUTTE RANGE LANDS WITHDRAWAL

SEC. 2901. SHORT TITLE.

This title may be cited as the ''Juniper Butte Range Land Withdrawal Act''.

SEC. 2902. WITHDRAWAL AND RESERVATION.

(a) WITHDRAWAL.—Subject to valid existing rights and except as otherwise provided in this title, the lands and associated rights-of-way at the Juniper Butte Range, Idaho, referred to in subsection (c), are withdrawn from all forms of appropriation under the public land laws, including the mining laws and the mineral and geothermal leasing laws.

(b) RESERVED USES.—The lands and associated rights-of-way withdrawn under subsection (a) are reserved for use by the Secretary of the Air Force for—

(1) a high hazard training area;

(2) dropping training ordnance;

(3) electronic warfare and tactical maneuvering and air support; and

(4) other defense-related purposes consistent with the purposes specified in paragraphs (1), (2), and (3).

(c) GENERAL DESCRIPTION.—The public lands and rights-of-way withdrawn and reserved by this section com-

prise approximately 12,000 acres of land in Owyhee County, Idaho, as generally depicted on the map entitled ''Juniper Butte Air Force Range Withdrawal–Proposed'' and filed in accordance with section 2905.

SEC. 2903. MODIFICATIONS OF RESTRICTIONS ON USE OF AIR SPACE.

Notwithstanding any other provision of law, the Administrator of the Federal Aviation Administration shall modify current restrictions on the use of airspace over the lands withdrawn and reserved by this title, and over related lands, in accordance with the formal application that the Secretary of the Air Force proposes to submit to the Administrator in the record of decision of the Air Force entitled ''Enhanced Training in Idaho, Record of Decision'', dated March 10, 1998.

SEC. 2904. COMPENSATION FOR DISRUPTION OF RANCHING OPERATIONS.

(a) REQUIREMENT.—The Secretary of the Air Force shall, upon such terms and conditions as the Secretary considers just and in the public interest, compensate persons engaged in ranching operations on the lands withdrawn and reserved by this title for disruption to and loss of grazing on such lands and on lands not withdrawn and reserved by this title that are associated with lands withdrawn and reserved by this title.

(b) TYPES OF COMPENSATION.—Compensation under subsection (a) shall consist of a combination of the following:

(1) The purchase and transfer of grazing privileges and leases.

(2) The payment of cash.

(3) The payment for fencing, and the relocation of fencing, of lands associated with the grazing privileges purchased and transferred under paragraph (1).

(4) The relocation of fencing on the remaining portions of the grazing land affected by the withdrawal and reservation of lands by this title.

(5) The payment for the extension of existing water pipelines onto the lands associated with the grazing privileges purchased and transferred under paragraph (1) and for the extension of existing water pipelines to the grazing lands affected by the withdrawal and reservation of lands by this title.

(6) The construction of an aboveground water reservoir having an impoundment area of less than one acre.

(7) The payment for completion of an allotment management plan (including any environmental assessment relating to such plan) for the remaining

portions of the grazing lands affected by the withdrawal and reservation of lands by this title, the lands covered by the grazing privileges and leases purchased and transferred under paragraph (1), and other lands being evaluated in the now-suspended inside desert allotment management plan that was disrupted.

(c) VALUATION.—The monetary amount of compensation for any disruption to or loss of a grazing privilege under this section may not exceed an amount equal to the fair market value (as determined by the Secretary using an appraisal or other method selected by the Secretary) of the grazing privilege subject to disruption or loss.

(d) BLM SUPPORT.—(1) The Bureau of Land Management shall carry out such activities as the Secretary of the Air Force and the Secretary of the Interior jointly consider appropriate for the provision of compensation under this section. The Bureau shall carry out such activities in a timely manner.

(2) Activities under paragraph (1) shall include the following:

(A) The transfer by the Bureau of grazing privileges purchased by the Secretary of the Air

Force to persons entitled to compensation under this section.

(B) The issuance of such permits as are necessary to permit fencing, water pipeline modifications and extensions, and the construction of aboveground water reservoirs on lands under the jurisdiction of the Bureau.

(e) GRAZING.—(1) The Secretary of the Air Force shall permit the holder of any grazing permit for lands withdrawn and reserved by this title to continue to graze such lands in accordance with such permit until the Secretary completes the provision of compensation to such holder under this section.

(2)(A) The Secretary may outlease any or all of the lands withdrawn and reserved by this title for purposes of grazing.

(B) If the Secretary outleases any lands for grazing under subparagraph (A), the Secretary shall permit the holder of the grazing permit for such lands at their time of the withdrawal and reservation by this title, or any heirs or assigns of such holder, a right of first refusal for such outlease.

(C) The fee associated with any lands outleased for grazing under subparagraph (A) may not exceed the fee for grazing lands under the jurisdiction of the Bureau of

Land Management that are nearest adjacent to the lands withdrawn and reserved by this title.

(3) If the Secretary of the Air Force relinquishes any land withdrawn and reserved by this title under section 2913, the Secretary of the Interior shall permit the holder of the grazing permit for such land at the time of its withdrawal and reservation by this title, or any heirs or assigns of such holder, a right of first refusal for a permit for grazing on such land.

(4) In the event of a continuation of the withdrawal and reservation of lands under section 2913(d), the provisions of this section shall continue to apply to any grazing activities conducted on such lands during the continuation of their withdrawal and reservation under that section.

SEC. 2905. MAP AND LEGAL DESCRIPTION.

(a) IN GENERAL.—As soon as practicable after the date of enactment of this Act, the Secretary of the Air Force shall—

(1) publish in the Federal Register a notice containing the legal description of the lands withdrawn and reserved by this title; and

(2) file a map or maps and the legal description of the lands withdrawn and reserved by this title with the Committee on Energy and Natural Re-

sources of the Senate and with the Committee on Resources of the House of Representatives.

(b) INCORPORATION BY REFERENCE.—Such maps and legal description shall have the same force and effect as if included in this title.

(c) CORRECTION OF ERRORS.—The Secretary may correct clerical and typographical errors in such map or maps and legal description.

(d) AVAILABILITY.—Copies of such map or maps and the legal description shall be available for public inspection in the office of the Idaho State Director of the Bureau of Land Management, the offices of the managers of the Boise district, Bruneau district, and Jarbidge district of the Bureau of Land Management, and the Office of the Commander, Mountain Home Air Force Base, Idaho.

SEC. 2906. MANAGEMENT OF WITHDRAWN AND RESERVED LANDS.

(a) IN GENERAL.—Except as provided in section 2914(e), during the withdrawal and reservation of any lands under this title, the Secretary of the Air Force shall manage such lands for purposes relating to the uses set forth in section 2902(b).

(b) MANAGEMENT ACCORDING TO PLAN.—The lands withdrawn and reserved by this title shall be managed in accordance with the provisions of this title under the inte-

grated natural resources management plan prepared under section 2907.

(c) AUTHORITY TO CLOSE LAND.—If the Secretary determines that military operations, public safety, or the interests of national security require the closure to public use of any road, trail, or other portion of the lands withdrawn and reserved by this title that are commonly in public use, the Secretary may take such action.

(d) LEASE AUTHORITY.—The Secretary of the Air Force may enter into leases with the State of Idaho in support of the Juniper Butte Range and operations at the Juniper Butte Range.

(e) PREVENTION AND SUPPRESSION OF FIRE.—(1) The Secretary shall take appropriate precautions to prevent and suppress brush fires and range fires that occur within the boundaries of the Juniper Butte Range as a result of Air Force operations on or over the lands withdrawn and reserved by this title.

(2) Notwithstanding section 2465 of title 10, United States Code, the Secretary may obligate funds appropriated or otherwise available to the Secretary to enter into contracts to prevent and suppress fires described in paragraph (1).

(3)(A) The memorandum of understanding under section 2908 shall provide for the Bureau of Land Man-

agement to assist the Secretary in the suppression of the fires described in paragraph (1).

(B) The memorandum of understanding shall provide that the Secretary reimburse the Bureau for any costs incurred by the Bureau under this paragraph.

(f) USE OF CERTAIN MATERIALS.—Notwithstanding any other provision of this title or the Act of July 31, 1947 (commonly known as the ''Materials Act of 1947'') (30 U.S.C. 601 et seq.), the Secretary may use, from the lands withdrawn and reserved by this title, sand, gravel, or similar mineral material resources of the type subject to disposition under the Act of July 31, 1947, when the use of such resources is required for the construction needs of the Juniper Butte Range.

SEC. 2907. INTEGRATED NATURAL RESOURCES MANAGEMENT PLAN.

(a) REQUIREMENT.—(1) Not later than 2 years after the date of enactment of this Act, the Secretary of the Air Force shall, in cooperation with the Secretary of the Interior and the State of Idaho, develop an integrated natural resources management plan to address the management of the resources of the lands withdrawn and reserved by this title during their withdrawal and reservation under this title.

(2) Except as otherwise provided under this title, the integrated natural resources management under this section shall be developed in accordance with, and meet the requirements of, section 101 of the Sikes Act (16 U.S.C. 670a).

(b) ELEMENTS.—The integrated natural resources management plan under subsection (a) shall—

(1) include provisions for the proper management and protection of the natural, cultural, and other resources and values of the lands withdrawn and reserved by this title and for the use of such resources in a manner consistent with the uses set forth in section 2902(b);

(2) permit livestock grazing at the discretion of the Secretary of the Air Force in accordance with section 2904(d) or any other authorities relating to livestock grazing that are available to that Secretary;

(3) permit the Secretary of the Air Force to purchase grazing privileges from the Bureau of Land Management for purposes of providing compensation under section 2904;

(4) permit fencing, water pipeline modifications and extensions, and the construction of aboveground water reservoirs on the lands withdrawn and re-

served by this title, and on other lands under the jurisdiction of the Bureau of Land Management, for purposes of providing such compensation; and

(5) otherwise provide for the management by the Secretary of the Air Force of any lands withdrawn and reserved by this title while retained under the jurisdiction of that Secretary under this title.

(c) PERIODIC REVIEW.—The Secretary of the Air Force shall, in cooperation with the Secretary of the Interior and the State of Idaho, review the adequacy of the provisions of the integrated natural resources management plan developed under this section at least once every 5 years after the effective date of the plan.

SEC. 2908. MEMORANDUM OF UNDERSTANDING.

(a) REQUIREMENT.—The Secretary of the Air Force, the Secretary of the Interior, and the Governor of the State of Idaho shall jointly enter into a memorandum of understanding to implement the integrated natural resources management plan required under section 2907.

(b) TERM.—The memorandum of understanding under subsection (a) shall apply to any lands withdrawn and reserved by this title until their relinquishment by the Secretary of the Air Force under this title.

(c) MODIFICATION.—The memorandum of understanding under subsection (a) may be modified by agreement of all the parties specified in that subsection.

SEC. 2909. MAINTENANCE OF ROADS.

The Secretary of the Air Force shall enter into agreements with the Owyhee County Highway District, Idaho, and the Three Creek Good Roads Highway District, Idaho, under which the Secretary shall pay the costs of road maintenance incurred by such districts that are attributable to Air Force operations associated with the Juniper Butte Range.

SEC. 2910. MANAGEMENT OF WITHDRAWN AND ACQUIRED MINERAL RESOURCES.

Except as provided in section 2906(f), the Secretary of the Interior shall manage all withdrawn and acquired mineral resources within the boundaries of the Juniper Butte Range in accordance with section 2913 of the Military Lands Withdrawal Act of 1986 (Public Law 99–606; 100 Stat. 3466).

SEC. 2911. HUNTING, FISHING, AND TRAPPING.

All hunting, fishing, and trapping on the lands withdrawn and reserved by this title shall be conducted in accordance with the provisions of section 2671 of title 10, United States Code.

SEC. 2912. WATER RIGHTS.

(a) LIMITATION.—The Secretary of the Air Force may not seek or obtain any water rights associated with any water pipeline modified or extended, or aboveground water reservoir constructed, for purposes of compensation under section 2904.

(b) NEW RIGHTS.—(1) Nothing in this Act may be construed to establish a reservation in favor of the United States with respect to any water or water right on the lands withdrawn and reserved by this title.

(2) Nothing in this Act may be construed to authorize the appropriation of water on the lands withdrawn and reserved by this title by the United States after the date of enactment of this Act unless such appropriation is carried out in accordance with the laws of the State of Idaho.

(c) APPLICABILITY.—This section may not be construed to affect any water rights acquired by the United States before the date of enactment of this Act.

SEC. 2913. DURATION OF WITHDRAWAL.

(a) TERMINATION.—Except as otherwise provided in this section and section 2914, the withdrawal and reservation of lands by this title shall terminate 25 years after the date of enactment of this Act.

(b) RELINQUISHMENT.—(1)(A) The Secretary of the Air Force may, at any time during the period of the withdrawal and reservation of lands by this title, seek to relin-

quish to the Secretary of the Interior jurisdiction over any of the lands withdrawn and reserved by this title that were not previously relinquished to the Secretary of the Interior under this title.

(B) If the Secretary of the Air Force determines under subsection (c) that the Air Force has no continuing military need for any lands withdrawn and reserved by this title, the Secretary of the Air Force shall seek to relinquish jurisdiction over the lands to the Secretary of the Interior.

(2) Upon determining to relinquish jurisdiction over any lands under paragraph (1), the Secretary of the Air Force shall submit to the Secretary of the Interior a notice of intent to relinquish jurisdiction over such lands.

(3) Notwithstanding any other provision of law and subject to section 2914, the Secretary of the Interior may accept jurisdiction over any lands covered by a notice of intent to relinquish jurisdiction under paragraph (2) if the Secretary determines that it is in the public interest to accept jurisdiction over the lands.

(4) If the Secretary of the Interior accepts jurisdiction over lands under paragraph (3), the Secretary of the Interior shall publish in the Federal Register an appropriate order which shall—

(A) terminate the withdrawal and reservation of such lands under this title;

(B) constitute official acceptance of full jurisdiction over such lands by the Secretary of the Interior; and

(C) state the date upon which such lands shall be open to the operation of the public land laws, including the mining laws and the mineral geothermal leasing laws, if appropriate.

(5) The Secretary of the Interior shall manage any lands relinquished under this subsection as multiple use status lands.

(c) NOTICE OF NEED FOR CONTINUING WITHDRAWAL.—(1) Not later than 5 years before the termination of the withdrawal and reservation of lands by this title under subsection (a), the Secretary of the Air Force shall notify Congress and the Secretary of the Interior as to whether or not the Air Force has a continuing military need for any of the lands withdrawn and reserved by this title, and not previously relinquished under this section, after the termination date of the withdrawal and reservation under that subsection.

(2) In the case of any lands for which the Air Force has a continuing military need, the Secretary of the Air Force shall specify in the notice under paragraph (1) the

duration of any continuing withdrawal and reservation of such lands under this title.

(d) CONTINUATION OF WITHDRAWAL.—(1) Subject to paragraph (2), in the case of any lands withdrawn and reserved by this title that are covered by a notice of continuing military need under subsection (c), the withdrawal and reservation of such lands shall continue under the provisions of this title after the termination date otherwise provided for under subsection (a) for such period as is specified in the notice under paragraph (2) of subsection (c).

(2) Paragraph (1) shall not apply with respect to any lands covered by a notice referred to in that paragraph until 30 days after the date on which the notice with respect to such lands is submitted to Congress under subsection (c).

SEC. 2914. ENVIRONMENTAL REMEDIATION OF WITHDRAWN LANDS.

(a) EVALUATION OF ENVIRONMENTAL EFFECTS OF CONTINUING WITHDRAWAL AND RESERVATION.—(1) In the case of any lands withdrawn and reserved by this title covered by a notice of continuing military need under section 2913(c), the Secretary of the Air Force shall—

(A) evaluate the environmental effects of the continuation of the withdrawal and reservation of such lands; and

(B) hold at least one public meeting in the State of Idaho regarding that determination.

(b) ENVIRONMENTAL REVIEW REGARDING RELINQUISHMENT.—(1) Before submitting under section 2913 a notice of an intent to relinquish jurisdiction over lands withdrawn and reserved by this title, the Secretary of the Air Force shall, in consultation with the Secretary of the Interior, carry out a review of the environmental conditions of such lands (including any water and air associated with such lands) in order to identify any environmental contamination on such lands.

(2) The Secretary of the Air Force shall submit a copy of any review prepared with respect to lands under paragraph (1) together with the notice of intent to relinquish jurisdiction over such lands under section 2913.

(3) The Secretary of the Air Force shall submit a copy of any such review to Congress.

(c) ENVIRONMENTAL REMEDIATION OF LANDS TO BE RELINQUISHED.—(1) In the case of any lands withdrawn and reserved by this title that are to be relinquished to the Secretary of the Interior by the Secretary of the Air Force, the Secretary of the Air Force shall carry out

appropriate environmental remediation with respect to such lands before relinquishing jurisdiction over such lands to the Secretary of the Interior under section 2913.

(2) The Secretary of the Air Force shall carry out any environmental remediation activities under this subsection in accordance with applicable Federal and State law.

SEC. 2915. DELEGATION OF AUTHORITY.

(a) AIR FORCE FUNCTIONS.—The Secretary of the Air Force may delegate that Secretary's functions under this title.

(b) INTERIOR FUNCTIONS.—(1) Except as provided in paragraph (2), the Secretary of the Interior may delegate that Secretary's functions under this title.

(2) The order referred to in section 2913(b)(4) may be approved and signed only by the Secretary of the Interior, the Deputy Secretary of the Interior, or an Assistant Secretary of the Department of the Interior.

SEC. 2916. SENSE OF SENATE REGARDING MONITORING OF WITHDRAWN LANDS.

(a) FINDING.—The Senate finds that there is a need for the Secretary of the Air Force and the State of Idaho to develop a cooperative effort to monitor the impact of military activities on the natural, cultural, and other re-

sources and values of the lands withdrawn and reserved by this title.

(b) SENSE OF SENATE.—It is the sense of the Senate that the Secretary should ensure that the budgetary planning of the Department of the Air Force makes available sufficient funds to assure Air Force participation in the cooperative effort developed by the Secretary and the State of Idaho to monitor the impact of military activities on the natural, cultural, and other resources and values of the lands withdrawn and reserved by this title.

SEC. 2917. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as may be necessary to carry out this title.

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

TITLE XXXI—DEPARTMENT OF ENERGY NATIONAL SECURITY PROGRAMS

Subtitle A—National Security Programs Authorizations

SEC. 3101. WEAPONS ACTIVITIES.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated to the Department of Energy for fiscal

year 1999 for weapons activities in carrying out programs necessary for national security in the amount of $4,519,700,000, to be allocated as follows:

(1) STOCKPILE STEWARDSHIP.—Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1999 for stockpile stewardship in carrying out weapons activities necessary for national security programs in the amount of $2,123,375,000, to be allocated as follows:

(A) For core stockpile stewardship, $1,556,375,000, to be allocated as follows:

(i) For operation and maintenance, $1,440,832,000.

(ii) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto), $115,543,000, to be allocated as follows:

Project 99–D–102, rehabilitation of maintenance facility, Lawrence Livermore National Laboratory, Livermore, California, $6,500,000.

Project 99–D–103, isotope sciences facilities, Lawrence Livermore National Laboratory, Livermore, California, $4,000,000.

Project 99–D–104, protection of real property (roof replacement-Phase II), Lawrence Livermore National Laboratory, Livermore, California, $7,300,000.

Project 99–D–105, central health physics calibration facility, TA–36, Los Alamos National Laboratory, Los Alamos, New Mexico, $3,900,000.

Project 99–D–106, model validation and system certification test center, Sandia National Laboratories, Albuquerque, New Mexico, $1,600,000.

Project 99–D–107, Joint Computational Engineering Laboratory, Sandia National Laboratories, Albuquerque, New Mexico, $1,800,000.

Project 99–D–108, renovate existing roadways, Nevada Test Site, Nevada, $2,000,000.

Project 97–D–102, dual-axis radiographic hydrotest facility (DARHT), Los Alamos National Laboratory, Los Alamos, New Mexico, $36,000,000.

Project 96–D–102, stockpile stewardship facilities revitalization, Phase VI, various locations, $20,423,000.

Project 96–D–103, ATLAS, Los Alamos National Laboratory, Los Alamos, New Mexico, $6,400,000.

Project 96–D–104, processing and environmental technology laboratory (PETL), Sandia National Laboratories, Albuquerque, New Mexico, $18,920,000.

Project 96–D–105, contained firing facility (CFF) addition, Lawrence Livermore National Laboratory, Livermore, California, $6,700,000.

(B) For inertial fusion, $498,000,000, to be allocated as follows:

(i) For operation and maintenance, $213,800,000.

(ii) For the following plant project (including maintenance, restoration, planning, construction, acquisition, and modification of facilities, and land acquisition related thereto), $284,200,000, to be allocated as follows:

Project 96–D–111, national ignition facility (NIF), Lawrence Livermore National Laboratory, Livermore, California, $284,200,000.

(C) For technology partnerships and education, $69,000,000, to be allocated as follows:

(i) For technology partnerships, $60,000,000.

(ii) For education, $9,000,000.

(2) STOCKPILE MANAGEMENT.—Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1999 for stockpile management in carrying out weapons activities necessary for national security programs in the amount of $2,140,825,000, to be allocated as follows:

(A) For operation and maintenance, $2,040,803,000.

(B) For plant projects (including maintenance, restoration, planning, construction, ac-

quisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto), $100,022,000, to be allocated as follows:

Project 99–D–122, rapid reactivation, various locations, $11,200,000.

Project 99–D–123, replace mechanical utility systems, Y–12 Plant, Oak Ridge, Tennessee, $1,900,000.

Project 99–D–125, replace boilers and controls, Kansas City Plant, Kansas City, Missouri, $1,000,000.

Project 99–D–127, stockpile management restructuring initiative, Kansas City Plant, Kansas City, Missouri, $13,700,000.

Project 99–D–128, stockpile management restructuring initiative, Pantex Plant, Amarillo, Texas, $1,108,000.

Project 99–D–132, nuclear materials safeguards and security upgrades project, Los Alamos National Laboratory, Los Alamos, New Mexico, $9,700,000.

Project 98–D–123, stockpile management restructuring initiative, tritium fac-

tory modernization and consolidation, Savannah River Site, Aiken, South Carolina, $27,500,000.

Project 98–D–124, stockpile management restructuring initiative, Y–12 Plant consolidation, Oak Ridge, Tennessee, $10,700,000.

Project 97–D–122, nuclear materials storage facility renovation, Los Alamos National Laboratory, Los Alamos, New Mexico, $4,864,000.

Project 97–D–123, structural upgrades, Kansas City Plant, Kansas City, Missouri, $6,400,000.

Project 96–D–122, sewage treatment quality upgrade (STQU), Pantex Plant, Amarillo, Texas, $3,700,000.

Project 95–D–102, chemistry and metallurgy research building (CMR) upgrades project, Los Alamos National Laboratory, Los Alamos, New Mexico, $5,000,000.

Project 93–D–122, life safety upgrades, Y–12 Plant, Oak Ridge, Tennessee, $3,250,000.

(3) PROGRAM DIRECTION.—Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1999 for program direction in carrying out weapons activities necessary for national security programs in the amount of $255,500,000.

(b) ADJUSTMENT.—The total amount authorized to be appropriated in paragraphs (1), (2), and (3) of subsection (a) is the sum of the amounts authorized to be appropriated by such paragraphs reduced by the sum of $145,000,000 for use of prior year balances.

SEC. 3102. ENVIRONMENTAL RESTORATION AND WASTE MANAGEMENT.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1999 for environmental restoration and waste management in carrying out programs necessary for national security in the amount of $5,323,143,000, to be allocated as follows:

(1) SITE AND PROJECT COMPLETION.—Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1999 for site project and completion in carrying out environmental restoration and waste management activities necessary for national security programs in the

amount of $1,047,253,000, to be allocated as follows:

(A) For operation and maintenance, $848,090,000.

(B) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto), $199,163,000, to be allocated as follows:

Project 99–D–402, tank farm support services, F&H area, Savannah River Site, Aiken, South Carolina, $2,745,000.

Project 99–D–404, health physics instrumentation laboratory, Idaho National Engineering and Environmental Laboratory, Idaho Falls, Idaho, $950,000.

Project 98–D–401, H-tank farm storm water systems upgrade, Savannah River Site, Aiken, South Carolina, $3,120,000.

Project 98–D–453, plutonium stabilization and handling system for plutonium finishing plant, Richland, Washington, $26,814,000.

Project 98–D–700, road rehabilitation, Idaho National Engineering and Environmental Laboratory, Idaho Falls, Idaho, $7,710,000.

Project 97–D–450, actinide packaging and storage facility, Savannah River Site, Aiken, South Carolina, $79,184,000.

Project 97–D–470, regulatory monitoring and bioassay laboratory, Savannah River Site, Aiken, South Carolina, $7,000,000.

Project 96–D–406, spent nuclear fuels canister storage and stabilization facility, Richland, Washington, $38,680,000.

Project 96–D–408, waste management upgrades, Kansas City Plant, Kansas City, Missouri, and Savannah River Site, Aiken, South Carolina, $4,512,000.

Project 96–D–464, electrical and utility systems upgrade, Idaho Chemical Processing Plant, Idaho National Engineering and Environmental Laboratory, Idaho Falls, Idaho, $11,544,000.

Project 96–D–471, chlorofluorocarbon heating, ventilation, and air conditioning

and chiller retrofit, Savannah River Site, Aiken, South Carolina, $8,000,000.

Project 95–D–456, security facilities consolidation, Idaho Chemical Processing Plant, Idaho National Engineering and Environmental Laboratory, Idaho Falls, Idaho, $485,000.

Project 92–D–140, F-canyon and H-canyon exhaust upgrades, Savannah River Site, Aiken, South Carolina, $3,667,000.

Project 86–D–103, decontamination and waste treatment facility, Lawrence Livermore National Laboratory, Livermore, California, $4,752,000.

(2) POST 2006 COMPLETION.—Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1999 for post 2006 project completion in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $2,683,451,000, to be allocated as follows:

(A) For operation and maintenance, $2,602,195,000.

(B) For plant projects (including maintenance, restoration, planning, construction, ac-

quisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto), $81,256,000, to be allocated as follows:

Project 99–D–403, privatization phase I infrastructure support, Richland, Washington, $14,800,000.

Project 97–D–402, tank farm restoration and safe operations, Richland, Washington, $22,723,000.

Project 96–D–408, waste management upgrades, Richland, Washington, $171,000.

Project 94–D–407, initial tank retrieval systems, Richland, Washington, $32,860,000.

Project 93–D–187, high-level waste removal from filled waste tanks, Savannah River Site, Aiken, South Carolina, $10,702,000.

(3) CLOSURE PROJECTS.—Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1999 for closure projects carried out in accordance with section 3143 of the National Defense Authorization Act for Fiscal Year

1997 (Public Law 104–201; 110 Stat. 2836; 42 U.S.C. 7274n) in the amount of $1,006,240,000.

(4) TECHNOLOGY DEVELOPMENT.—Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1999 for science and technology in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $250,000,000.

(5) PROGRAM DIRECTION.—Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1999 for program direction in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $336,199,000.

(b) ADJUSTMENT.—The total amount authorized to be appropriated in paragraphs (1), (2), (3), and (5) of subsection (a) is the sum of the amounts authorized to be appropriated by such paragraphs reduced by the sum of $21,000,000 for use of prior year balances.

SEC. 3103. OTHER DEFENSE ACTIVITIES.

Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1999 for other defense activities in carrying out programs necessary for

national security in the amount of $1,672,160,000, to be allocated as follows:

(1) VERIFICATION AND CONTROL TECHNOLOGY.—For verification and control technology, $483,500,000, to be allocated as follows:

(A) For nonproliferation and verification research and development, $210,000,000.

(B) For arms control, $236,900,000.

(C) For intelligence, $36,600,000.

(2) NUCLEAR SAFEGUARDS AND SECURITY.—For nuclear safeguards and security, $53,200,000.

(3) SECURITY INVESTIGATIONS.—For security investigations, $30,000,000.

(4) EMERGENCY MANAGEMENT.—For emergency management, $23,700,000.

(5) PROGRAM DIRECTION.—For program direction, nonproliferation and national security, $84,900,000.

(6) WORKER AND COMMUNITY TRANSITION ASSISTANCE.—For worker and community transition assistance, $40,000,000, to be allocated as follows:

(A) For worker and community transition, $36,000,000.

(B) For program direction, worker and community transition assistance, $4,000,000.

(7) FISSILE MATERIALS CONTROL AND DISPOSITION.—For fissile materials control and disposition, $168,960,000, to be allocated as follows:

(A) For operation and maintenance, $111,372,000.

(B) For program direction, fissile materials control and disposition, $4,588,000.

(C) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and land acquisition related thereto), $53,000,000, to be allocated as follows:

Project 99–D–141, pit disassembly and conversion facility, location to be determined, $25,000,000.

Project 99–D–143, mixed oxide fuel fabrication facility, location to be determined, $28,000,000.

(8) ENVIRONMENT, SAFETY, AND HEALTH.—For environment, safety, and health, defense, $69,000,000, to be allocated as follows:

(A) For the Office of Environment, Safety, and Health (Defense), $64,231,000.

(B) For program direction, environment, safety, and health (defense), $4,769,000.

(9) OFFICE OF HEARINGS AND APPEALS.—For the Office of Hearings and Appeals, $2,400,000.

(10) INTERNATIONAL NUCLEAR SAFETY.—For international nuclear safety, $35,000,000.

(11) NAVAL REACTORS.—For naval reactors, $681,500,000, to be allocated as follows:

(A) For naval reactors development, $661,400,000, to be allocated as follows:

(i) For operation and maintenance, $639,600,000.

(ii) For plant projects (including maintenance, restoration, planning, construction, acquisition, modification of facilities, and the continuation of projects authorized in prior years, and land acquisition related thereto), $12,800,000, to be allocated as follows:

Project 98–D–200, site laboratory/facility upgrade, various locations, $7,000,000.

Project 90–N–102, expended core facility dry cell project, Naval Reactors facility, Idaho Falls, Idaho, $5,800,000.

(iii) For general plant projects, $9,000,000, to be allocated as follows:

Project GPN–101, general plant projects, various locations, $9,000,000.

(B) For program direction, naval reactors, $20,100,000.

SEC. 3104. DEFENSE NUCLEAR WASTE DISPOSAL.

Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1999 for payment to the Nuclear Waste Fund established in section 302(c) of the Nuclear Waste Policy Act of 1982 (42 U.S.C. 10222(c)) in the amount of $190,000,000.

SEC. 3105. DEFENSE ENVIRONMENTAL MANAGEMENT PRIVATIZATION.

(a) IN GENERAL.—Funds are hereby authorized to be appropriated to the Department of Energy for fiscal year 1999 for privatization initiatives in carrying out environmental restoration and waste management activities necessary for national security programs in the amount of $273,857,000, to be allocated as follows:

Project 99–PVT–1, remote handled transuranic waste transportation, Carlsbad, New Mexico, $19,605,000.

Project 98–PVT–2, spent nuclear fuel dry storage, Idaho Falls, Idaho, $20,000,000.

Project 98–PVT–5, waste disposal, Oak Ridge, Tennessee, $33,500,000.

Project 97–PVT–1, tank waste remediation system phase I, Hanford, Washington, $113,500,000.

Project 97–PVT–2, advanced mixed waste treatment facility, Idaho Falls, Idaho, $87,252,000.

(b) ADJUSTMENT.—The amount authorized to be appropriated in subsection (a) is the sum of the amounts authorized to be appropriated for the projects set forth in that subsection reduced by the sum of $32,000,000 for use of prior year balances of funds for defense environmental management privatization.

Subtitle B—Recurring General Provisions

SEC. 3121. REPROGRAMMING.

(a) IN GENERAL.—Until the Secretary of Energy submits to the congressional defense committees the report referred to in subsection (b) and a period of 30 days has elapsed after the date on which such committees receive the report, the Secretary may not use amounts appropriated pursuant to this title for any program—

(1) in amounts that exceed, in a fiscal year—

(A) 110 percent of the amount authorized for that program by this title; or

(B) $1,000,000 more than the amount authorized for that program by this title; or

(2) which has not been presented to, or requested of, Congress.

(b) REPORT.—(1) The report referred to in subsection (a) is a report containing a full and complete statement of the action proposed to be taken and the facts and circumstances relied upon in support of such proposed action.

(2) In the computation of the 30-day period under subsection (a), there shall be excluded any day on which either House of Congress is not in session because of an adjournment of more than 3 days to a day certain.

(c) LIMITATIONS.—(1) In no event may the total amount of funds obligated pursuant to this title exceed the total amount authorized to be appropriated by this title.

(2) Funds appropriated pursuant to this title may not be used for an item for which Congress has specifically denied funds.

SEC. 3122. LIMITS ON GENERAL PLANT PROJECTS.

(a) IN GENERAL.—The Secretary of Energy may carry out any construction project under the general plant

projects authorized by this title if the total estimated cost of the construction project does not exceed $5,000,000.

(b) REPORT TO CONGRESS.—If, at any time during the construction of any general plant project authorized by this title, the estimated cost of the project is revised because of unforeseen cost variations and the revised cost of the project exceeds $5,000,000, the Secretary shall immediately furnish a complete report to the congressional defense committees explaining the reasons for the cost variation.

SEC. 3123. LIMITS ON CONSTRUCTION PROJECTS.

(a) IN GENERAL.—(1) Except as provided in paragraph (2), construction on a construction project may not be started or additional obligations incurred in connection with the project above the total estimated cost, whenever the current estimated cost of the construction project, which is authorized by section 3101, 3102, or 3103, or which is in support of national security programs of the Department of Energy and was authorized by any previous Act, exceeds by more than 25 percent the higher of—

(A) the amount authorized for the project; or

(B) the amount of the total estimated cost for the project as shown in the most recent budget justification data submitted to Congress.

(2) An action described in paragraph (1) may be taken if—

(A) the Secretary of Energy has submitted to the congressional defense committees a report on the actions and the circumstances making such action necessary; and

(B) a period of 30 days has elapsed after the date on which the report is received by the committees.

(3) In the computation of the 30-day period under paragraph (2), there shall be excluded any day on which either House of Congress is not in session because of an adjournment of more than 3 days to a day certain.

(b) EXCEPTION.—Subsection (a) shall not apply to any construction project which has a current estimated cost of less than $5,000,000.

SEC. 3124. FUND TRANSFER AUTHORITY.

(a) TRANSFER TO OTHER FEDERAL AGENCIES.—The Secretary of Energy may transfer funds authorized to be appropriated to the Department of Energy pursuant to this title to other Federal agencies for the performance of work for which the funds were authorized. Funds so transferred may be merged with and be available for the same purposes and for the same period as the authoriza-

tions of the Federal agency to which the amounts are transferred.

(b) TRANSFER WITHIN DEPARTMENT OF ENERGY.—(1) Subject to paragraph (2), the Secretary of Energy may transfer funds authorized to be appropriated to the Department of Energy pursuant to this title between any such authorizations. Amounts of authorizations so transferred may be merged with and be available for the same purposes and for the same period as the authorization to which the amounts are transferred.

(2) Not more than five percent of any such authorization may be transferred between authorizations under paragraph (1). No such authorization may be increased or decreased by more than five percent by a transfer under such paragraph.

(c) LIMITATION.—The authority provided by this section to transfer authorizations—

(1) may only be used to provide funds for items relating to activities necessary for national security programs that have a higher priority than the items from which the funds are transferred; and

(2) may not be used to provide funds for an item for which Congress has specifically denied funds.

(d) NOTICE TO CONGRESS.—The Secretary of Energy shall promptly notify the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives of any transfer of funds to or from authorizations under this title.

SEC. 3125. AUTHORITY FOR CONCEPTUAL AND CONSTRUCTION DESIGN.

(a) REQUIREMENT FOR CONCEPTUAL DESIGN.—(1) Subject to paragraph (2) and except as provided in paragraph (3), before submitting to Congress a request for funds for a construction project that is in support of a national security program of the Department of Energy, the Secretary of Energy shall complete a conceptual design for that project.

(2) If the estimated cost of completing a conceptual design for a construction project exceeds $3,000,000, the Secretary shall submit to Congress a request for funds for the conceptual design before submitting a request for funds for the construction project.

(3) The requirement in paragraph (1) does not apply to a request for funds—

(A) for a construction project the total estimated cost of which is less than $5,000,000; or

(B) for emergency planning, design, and construction activities under section 3126.

(b) AUTHORITY FOR CONSTRUCTION DESIGN.—(1) Within the amounts authorized by this title, the Secretary of Energy may carry out construction design (including architectural and engineering services) in connection with any proposed construction project if the total estimated cost for such design does not exceed $600,000.

(2) If the total estimated cost for construction design in connection with any construction project exceeds $600,000, funds for such design must be specifically authorized by law.

SEC. 3126. AUTHORITY FOR EMERGENCY PLANNING, DESIGN, AND CONSTRUCTION ACTIVITIES.

(a) AUTHORITY.—The Secretary of Energy may use any funds available to the Department of Energy pursuant to an authorization in this title, including those funds authorized to be appropriated for advance planning and construction design under sections 3101, 3102, and 3103, to perform planning, design, and construction activities for any Department of Energy national security program construction project that, as determined by the Secretary, must proceed expeditiously in order to protect public health and safety, to meet the needs of national defense, or to protect property.

(b) LIMITATION.—The Secretary may not exercise the authority under subsection (a) in the case of any con-

struction project until the Secretary has submitted to the congressional defense committees a report on the activities that the Secretary intends to carry out under this section and the circumstances making such activities necessary.

(c) SPECIFIC AUTHORITY.—The requirement of section 3125(b)(2) does not apply to emergency planning, design, and construction activities conducted under this section.

SEC. 3127. FUNDS AVAILABLE FOR ALL NATIONAL SECURITY PROGRAMS OF THE DEPARTMENT OF ENERGY.

Subject to the provisions of appropriations Acts and section 3121, amounts appropriated pursuant to this title for management and support activities and for general plant projects are available for use, when necessary, in connection with all national security programs of the Department of Energy.

SEC. 3128. AVAILABILITY OF FUNDS.

(a) IN GENERAL.—Except as provided in subsection (b), when so specified in an appropriations Act, amounts appropriated for operation and maintenance or for plant projects may remain available until expended.

(b) EXCEPTION FOR PROGRAM DIRECTION FUNDS.—Amounts appropriated for program direction pursuant to an authorization of appropriations in subtitle A shall re-

main available to be expended only until the end of fiscal year 2001.

SEC. 3129. TRANSFERS OF DEFENSE ENVIRONMENTAL MANAGEMENT FUNDS.

(a) TRANSFER AUTHORITY FOR DEFENSE ENVIRONMENTAL MANAGEMENT FUNDS.—The Secretary of Energy shall provide the manager of each field office of the Department of Energy with the authority to transfer defense environmental management funds from a program or project under the jurisdiction of the office to another such program or project.

(b) LIMITATIONS.—(1) Only one transfer may be made to or from any program or project under subsection (a) in a fiscal year.

(2) The amount transferred to or from a program or project under subsection (a) may not exceed $5,000,000 in a fiscal year.

(3) A transfer may not be carried out by a manager of a field office under subsection (a) unless the manager determines that the transfer is necessary to address a risk to health, safety, or the environment or to assure the most efficient use of defense environmental management funds at the field office.

(4) Funds transferred pursuant to subsection (a) may not be used for an item for which Congress has spe-

cifically denied funds or for a new program or project that has not been authorized by Congress.

(c) EXEMPTION FROM REPROGRAMMING REQUIREMENTS.—The requirements of section 3121 shall not apply to transfers of funds pursuant to subsection (a).

(d) NOTIFICATION.—The Secretary, acting through the Assistant Secretary of Energy for Environmental Management, shall notify Congress of any transfer of funds pursuant to subsection (a) not later than 30 days after such transfer occurs.

(e) DEFINITIONS.—In this section:

(1) The term ''program or project'' means, with respect to a field office of the Department of Energy, any of the following:

(A) An activity carried out pursuant to paragraph (1), (2), or (3) of section 3102(a).

(B) A project or program not described in subparagraph (A) that is for environmental restoration or waste management activities necessary for national security programs of the Department, that is being carried out by the office, and for which defense environmental management funds have been authorized and appropriated before the date of enactment of this Act.

(2) The term ''defense environmental management funds'' means funds appropriated to the Department of Energy pursuant to an authorization for carrying out environmental restoration and waste management activities necessary for national security programs.

(f) DURATION OF AUTHORITY.—The managers of the field offices of the Department may exercise the authority provided under subsection (a) during the period beginning on October 1, 1998, and ending on September 30, 1999.

Subtitle C—Program Authorizations, Restrictions, and Limitations

SEC. 3131. INTERNATIONAL COOPERATIVE STOCKPILE STEWARDSHIP.

(a) FUNDING PROHIBITION.—No funds authorized to be appropriated or otherwise available to the Department of Energy for fiscal year 1999 may be obligated or expended to conduct any activities associated with international cooperative stockpile stewardship.

(b) EXCEPTIONS.—Subsection (a) does not apply to the following:

(1) Activities conducted between the United States and the United Kingdom.

(2) Activities conducted between the United States and France.

(3) Activities carried out under title III of this Act relating to cooperative threat reduction with states of the former Soviet Union.

SEC. 3132. PROHIBITION ON USE OF FUNDS FOR BALLISTIC MISSILE DEFENSE AND THEATER MISSILE DEFENSE.

No funds authorized to be appropriated or otherwise made available to the Department of Energy by this title for fiscal year 1999 may be obligated or expended for any activities (including research, development, test, and evaluation activities, demonstration activities, or studies) relating to ballistic missile defense or theater missile defense.

SEC. 3133. LICENSING OF CERTAIN MIXED OXIDE FUEL FABRICATION AND IRRADIATION FACILITIES.

(a) LICENSE REQUIREMENT.—Notwithstanding section 110 a. of the Atomic Energy Act of 1954 (42 U.S.C. 2140(a)), no person may construct or operate a facility referred to in subsection (b) without obtaining a license from the Nuclear Regulatory Commission.

(b) COVERED FACILITIES.—(1) Except as provided in paragraph (2), subsection (a) applies to any facility under a contract with and for the account of the Depart-

ment of Energy that fabricates mixed plutonium-uranium oxide nuclear reactor fuel for use in a commercial nuclear reactor.

(2) Subsection (a) does not apply to any such facility that is utilized for research, development, demonstration, testing, or analysis purposes.

(c) AVAILABILITY OF FUNDS FOR LICENSING BY NRC.—Section 210 of the Department of Energy National Security and Military Applications of Nuclear Energy Authorization Act of 1981 (42 U.S.C. 7272) shall not apply to any licensing activities required as a result of subsection (a).

(d) APPLICABILITY OF OCCUPATIONAL SAFETY AND HEALTH REQUIREMENTS TO ACTIVITIES UNDER LICENSE.—Any activities carried out under a license referred to in subsection (a) shall be subject to regulation under the Occupational Safety and Health Act of 1970 (29 U.S.C. 651 et seq.).

SEC. 3134. CONTINUATION OF PROCESSING, TREATMENT, AND DISPOSITION OF LEGACY NUCLEAR MATERIALS.

The Secretary of Energy shall continue operations and maintain a high state of readiness at the F–canyon and H–canyon facilities at the Savannah River site and

shall provide technical staff necessary to operate and so maintain such facilities.

SEC. 3135. AUTHORITY FOR DEPARTMENT OF ENERGY FEDERALLY FUNDED RESEARCH AND DEVELOPMENT CENTERS TO PARTICIPATE IN MERIT-BASED TECHNOLOGY RESEARCH AND DEVELOPMENT PROGRAMS.

Section 217(f)(1) of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 108 Stat. 2695) is amended by inserting ''or of the Department of Energy'' after ''the Department of Defense''.

SEC. 3136. SUPPORT FOR PUBLIC EDUCATION IN THE VICINITY OF LOS ALAMOS NATIONAL LABORATORY, NEW MEXICO.

(a) AVAILABILITY OF FUNDS.—Of the funds authorized to be appropriated or otherwise made available to the Department of Energy by this title, $5,000,000 shall be available for payment by the Secretary of Energy to the educational foundation chartered to enhance educational activities in the public schools in the vicinity of Los Alamos National Laboratory, New Mexico (in this section referred to as the ''Foundation'').

(b) USE OF FUNDS.—(1) The Foundation shall utilize funds provided under subsection (a) as a contribution to an endowment fund for the Foundation.

(2) The Foundation shall use the income generated from investments in the endowment fund that are attributable to the payment made under subsection (a) to fund programs to support the educational needs of children in public schools in the vicinity of Los Alamos National Laboratory.

Subtitle D—Other Matters

SEC. 3141. REPEAL OF FISCAL YEAR 1998 STATEMENT OF POLICY ON STOCKPILE STEWARDSHIP PROGRAM.

Section 3156 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 2045; 42 U.S.C. 2121 note) is repealed.

SEC. 3142. INCREASE IN MAXIMUM RATE OF PAY FOR SCIENTIFIC, ENGINEERING, AND TECHNICAL PERSONNEL RESPONSIBLE FOR SAFETY AT DEFENSE NUCLEAR FACILITIES.

Section 3161(a)(2) of the National Defense Authorization Act for Fiscal Year 1995 (42 U.S.C. 7231 note) is amended by striking out ''level IV of the Executive Schedule under section 5315'' and inserting in lieu thereof ''level III of the Executive Schedule under section 5314''.

SEC. 3143. SENSE OF SENATE REGARDING TREATMENT OF FORMERLY UTILIZED SITES REMEDIAL ACTION PROGRAM UNDER A NONDEFENSE DISCRETIONARY BUDGET FUNCTION.

It is the sense of the Senate that the Office of Management and Budget should, beginning with fiscal year 2000, transfer the Formerly Utilized Sites Remedial Action Program from the 050 budget function to a nondefense discretionary budget function.

TITLE XXXII—DEFENSE NUCLEAR FACILITIES SAFETY BOARD

SEC. 3201. AUTHORIZATION.

There are authorized to be appropriated for fiscal year 1999, $17,500,000 for the operation of the Defense Nuclear Facilities Safety Board under chapter 21 of the Atomic Energy Act of 1954 (42 U.S.C. 2286 et seq.).

TITLE XXXIII—NATIONAL DEFENSE STOCKPILE

SEC. 3301. DEFINITIONS.

In this title:

(1) The term ''National Defense Stockpile'' means the stockpile provided for in section 4 of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98c).

(2) The term ''National Defense Stockpile Transaction Fund'' means the fund in the Treasury of the United States established under section 9(a) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h(a)).

SEC. 3302. AUTHORIZED USES OF STOCKPILE FUNDS.

(a) OBLIGATION OF STOCKPILE FUNDS.—During fiscal year 1999, the National Defense Stockpile Manager may obligate up to $83,000,000 of the funds in the National Defense Stockpile Transaction Fund for the authorized uses of such funds under section 9(b)(2) of the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98h(b)(2)), including the disposal of hazardous materials that are environmentally sensitive.

(b) ADDITIONAL OBLIGATIONS.—The National Defense Stockpile Manager may obligate amounts in excess of the amount specified in subsection (a) if the National Defense Stockpile Manager notifies Congress that extraordinary or emergency conditions necessitate the additional obligations. The National Defense Stockpile Manager may make the additional obligations described in the notification after the end of the 45-day period beginning on the date Congress receives the notification.

(c) LIMITATIONS.—The authorities provided by this section shall be subject to such limitations as may be provided in appropriations Acts.

SEC. 3303. AUTHORITY TO DISPOSE OF CERTAIN MATERIALS IN NATIONAL DEFENSE STOCKPILE.

(a) DISPOSAL REQUIRED.—Subject to subsection (c), the President shall dispose of materials contained in the National Defense Stockpile and specified in the table in subsection (b) so as to result in receipts to the United States in the amount of $100,000,000 by the end of fiscal year 1999.

(b) LIMITATION ON DISPOSAL QUANTITY.—The total quantities of materials authorized for disposal by the President under subsection (a) may not exceed the amounts set forth in the following table:

Authorized Stockpile Disposals

Material for disposal	Quantity
Columbium Carbide Powder	21,372 pounds contained
Columbium Ferro High Carbon	249,395 pounds contained
Columbium Concentrates	1,733,454 pounds contained
Chromium Ferroalloy Low Carbons	92,000 short tons
Chromium Metal—EL	8,511 short tons
Diamond, Stones	3,000,000 carats
Germanium Metal	28,198 kilograms
Indium	14,248 troy ounces
Palladium	1,227,831 troy ounces
Platinum	439,887 troy ounces
Tantalum Carbide Powder	22,687 pounds contained
Tantalum Metal Powder	50,000 pounds contained
Tantalum Minerals	1,751,364 pounds contained
Tantalum Oxide	122,730 pounds contained
Tungsten Ferro	2,024,143 pounds
Tungsten Carbide Powder	2,024,143 pounds
Tungsten Metal Powder	1,898,009 pounds
Tungsten Ores & Concentrates	76,358,230 pounds.

(c) MINIMIZATION OF DISRUPTION AND LOSS.—The President may not dispose of materials under subsection (a) to the extent that the disposal will result in—

(1) undue disruption of the usual markets of producers, processors, and consumers of the materials proposed for disposal; or

(2) avoidable loss to the United States.

(d) RELATIONSHIP TO OTHER DISPOSAL AUTHORITY.—The disposal authority provided in subsection (a) is new disposal authority and is in addition to, and shall not affect, any other disposal authority provided by law regarding the materials specified in such subsection.

TITLE XXXIV—NAVAL PETROLEUM RESERVES

SEC. 3401. AUTHORIZATION OF APPROPRIATIONS.

(a) AMOUNT.—There is hereby authorized to be appropriated to the Secretary of Energy $117,000,000 for fiscal year 1999 for the purposes of carrying out—

(1) activities under chapter 641 of title 10, United States Code, relating to the naval petroleum reserves (as defined in section 7420(2) of such title); and

(2) activities necessary to terminate the administration of Naval Petroleum Reserve Numbered 1 by the Secretary after the sale of that reserve under

subtitle B of title XXXIV of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 10 U.S.C. 7420 note).

(b) AVAILABILITY.—Funds appropriated pursuant to the authorization in subsection (a) shall remain available until expended.

TITLE XXXV—PANAMA CANAL COMMISSION

SEC. 3501. SHORT TITLE; REFERENCES TO PANAMA CANAL ACT OF 1979.

(a) SHORT TITLE.—This title may be cited as the ''Panama Canal Commission Authorization Act for Fiscal Year 1999''.

(b) REFERENCES TO PANAMA CANAL ACT OF 1979.—Except as otherwise expressly provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Panama Canal Act of 1979 (22 U.S.C. 3601 et seq.).

SEC. 3502. AUTHORIZATION OF EXPENDITURES.

(a) IN GENERAL.—Subject to subsection (b), the Panama Canal Commission is authorized to use amounts in the Panama Canal Revolving Fund to make such expenditures within the limits of funds and borrowing au-

thority available to it in accordance with law, and to make such contracts and commitments, as may be necessary under the Panama Canal Act of 1979 (22 U.S.C. 3601 et seq.) for the operation, maintenance, improvement, and administration of the Panama Canal for fiscal year 1999.

(b) LIMITATIONS.—For fiscal year 1999, the Panama Canal Commission may expend from funds in the Panama Canal Revolving Fund not more than $90,000 for official reception and representation expenses, of which—

(1) not more than $28,000 may be used for official reception and representation expenses of the Supervisory Board of the Commission;

(2) not more than $14,000 may be used for official reception and representation expenses of the Secretary of the Commission; and

(3) not more than $48,000 may be used for official reception and representation expenses of the Administrator of the Commission.

SEC. 3503. PURCHASE OF VEHICLES.

Notwithstanding any other provision of law, the funds available to the Commission shall be available for the purchase and transportation to the Republic of Panama of passenger motor vehicles, the purchase price of which shall not exceed $23,000 per vehicle.

SEC. 3504. EXPENDITURES ONLY IN ACCORDANCE WITH TREATIES.

Expenditures authorized under this title may be made only in accordance with the Panama Canal Treaties of 1977 and any law of the United States implementing those treaties.

SEC. 3505. DONATIONS TO THE COMMISSION.

Section 1102b (22 U.S.C. 3612b) is amended by adding at the end the following new subsection:

''(f)(1) The Commission may seek and accept donations of funds, property, and services from individuals, foundations, corporations, and other private and public entities for the purpose of carrying out its promotional activities.

''(2) The Commission shall establish written guidelines setting forth the criteria to be used in determining whether the acceptance of funds, property, or services authorized by paragraph (1) would reflect unfavorably upon the ability of the Commission (or any employee of the Commission) to carry out its responsibilities or official duties in a fair and objective manner or would compromise the integrity or the appearance of the integrity of its programs or of any official in those programs.''.

SEC. 3506. AGREEMENTS FOR UNITED STATES TO PROVIDE POST-TRANSFER ADMINISTRATIVE SERVICES FOR CERTAIN EMPLOYEE BENEFITS.

Section 1110 (22 U.S.C. 3620) is amended by adding at the end the following new subsection:

''(c)(1) The Secretary of State may enter into one or more agreements to provide for the United States to furnish administrative services relating to the benefits described in paragraph (2) after December 31, 1999, and to establish appropriate procedures for providing advance funding for the services.

''(2) The benefits referred to in paragraph (1) are the following:

''(A) Pension, disability, and medical benefits provided by the Panama Canal Commission pursuant to section 1245.

''(B) Compensation for work injuries covered by chapter 81 of title 5, United States Code.''.

SEC. 3507. SUNSET OF UNITED STATES OVERSEAS BENEFITS JUST BEFORE TRANSFER.

(a) REPEALS.—Effective 11:59 p.m. (Eastern Standard Time), December 30, 1999, the following provisions are repealed and any right or condition of employment provided for in, or arising from, those provisions is terminated: sections 1206 (22 U.S.C. 3646), 1207 (22 U.S.C. 3647), 1217(a), (22 U.S.C. 3657(a)), and 1224(11) (22

U.S.C. 3664(11)), subparagraphs (A), (B), (F), (G), and (H) of section 1231(a)(2) (22 U.S.C. 3671(a)(2)) and section 1321(e) (22 U.S.C. 3731(e)).

(b) SAVINGS PROVISION FOR BASIC PAY.—Notwithstanding subsection (a), benefits based on basic pay, as listed in paragraphs (1), (2), (3), (5), and (6) of section 1218 of the Panama Canal Act of 1979, shall be paid as if sections 1217(a) and 1231(a)(2) (A) and (B) of that Act had been repealed effective 12:00 p.m., December 31, 1999. The exception under the preceding sentence shall not apply to any pay for hours of work performed on December 31, 1999.

(c) NONAPPLICABILITY TO AGENCIES IN PANAMA OTHER THAN PANAMA CANAL COMMISSION.—Section 1212(b)(3) (22 U.S.C. 3652(b)(3)) is amended by striking out ''the Panama Canal Transition Facilitation Act of 1997'' and inserting in lieu thereof ''the Panama Canal Transition Facilitation Act of 1997 (subtitle B of title XXXV of Public Law 105–85; 110 Stat. 2062), or the Panama Canal Commission Authorization Act for Fiscal Year 1999''.

SEC. 3508. CENTRAL EXAMINING OFFICE.

Section 1223 (22 U.S.C. 3663) is repealed.

SEC. 3509. LIABILITY FOR VESSEL ACCIDENTS.

(a) COMMISSION LIABILITY SUBJECT TO CLAIMANT INSURANCE.—(1) Section 1411(a) (22 U.S.C. 3771(a)) is amended by inserting ''to section 1419(b) of this Act and'' after ''Subject'' in the first sentence.

(2) Section 1412 (22 U.S.C. 3772) is amended by striking out ''The Commission'' in the first sentence and inserting in lieu thereof ''Subject to section 1419(b) of this Act, the Commission''.

(3) Section 1416 (22 U.S.C. 3776) is amended by striking out ''A claimant'' in the first sentence and inserting in lieu thereof ''Subject to section 1419(b) of this Act, a claimant''.

(b) LIMITATION ON LIABILITY.—Section 1419 (22 U.S.C. 3779) is amended by designating the text as subsection (a) and by adding at the end the following:

''(b) The Commission may not consider or pay any claim under section 1411 or 1412 of this Act, nor may an action for damages lie thereon, unless the claimant is covered by one or more valid policies of insurance totalling at least $1,000,000 against the injuries specified in those sections. The Commission's liability on any such claim shall be limited to damages in excess of all amounts recovered or recoverable by the claimant from its insurers. The Commission may not consider or pay any claim by an in-

surer or subrogee of a claimant under section 1411 or 1412 of this Act.''.

SEC. 3510. PLACEMENT OF UNITED STATES CITIZENS IN POSITIONS WITH THE UNITED STATES GOVERNMENT.

Section 1232 (22 U.S.C. 3672) is amended—

(1) by striking out subsection (d);

(2) by redesignating subsection (c) as subsection (d); and

(3) by inserting after subsection (b) the following new subsection (c):

''(c)(1) Upon the request of an employee or former employee of the Panama Canal Commission described in paragraph (2), the employee shall be afforded eligibility for appointment on a noncompetitive basis to vacant positions in the competitive service of the civil service within—

''(A) an area determined by the Director of the Office of Personnel Management as being within a reasonable commuting distance of the employee's residence; or

''(B) in the case of an employee in the Republic of Panama who chooses to so designate, any Standard Federal Region designated by the employee.

''(2) Paragraph (1) applies to a person who—

''(A) is a citizen of the United States;

"(B) was an employee of the Panama Canal Commission on or after July 1, 1998; and

"(C) is in receipt of a notice of separation by reason of a reduction in force.

"(3) A person's eligibility for a noncompetitive appointment under paragraph (1) expires one year after the date of the separation of that person from employment by the Panama Canal Commission.

"(4) For the purposes of paragraph (2)(B), an employee of the dissolution office established to manage Panama Canal Commission Dissolution Fund established by section 1305 is an employee of the Panama Canal Commission.

"(5) In this subsection, the terms 'civil service' and 'competitive service' have the meanings given such terms in sections 2101(1) and 2102, respectively, of title 5, United States Code.".

SEC. 3511. PANAMA CANAL BOARD OF CONTRACT APPEALS.

(a) ESTABLISHMENT AND PAY OF BOARD.—Section 3102(a) (22 U.S.C. 3862(a)) is amended—

(1) in paragraph (1), by striking out "shall" in the first sentence and inserting in lieu thereof "may"; and

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

"(3) Compensation for members of the Board of Contract Appeals shall be established by the Commission's supervisory board. The annual compensation established for members may not exceed the rate of basic pay established for level IV of the Executive Schedule under section 5315 of title 5, United States Code. The compensation of a member may not be reduced during the member's term of office from the level established at the time of the appointment of the member.".

(b) DEADLINE FOR COMMENCEMENT OF BOARD.—Section 3102(e) (22 U.S.C. 3862(e)) is amended by striking out ", but not later than January 1, 1999".

SEC. 3512. TECHNICAL AMENDMENTS.

(a) PANAMA CANAL ACT OF 1979.—The Panama Canal Act of 1979 is amended as follows:

(1) Section 1202(c) (22 U.S.C. 3642(c)) is amended—

(A) by striking out "the day before the date of the enactment of the Panama Canal Transition Facilitation Act of 1997" and inserting in lieu thereof "November 17, 1997,";

(B) by striking out "on or after that date"; and

(C) by striking out ''the day before the date of enactment'' and inserting in lieu thereof ''that date''.

(2) Section 1212(b)(3) (22 U.S.C. 3652(b)(3)) is amended by inserting ''the'' after ''by the head of''.

(3) Section 1313 (22 U.S.C. 3723) is amended by striking out ''subsection (d)'' in each of subsections (a), (b), and (d) and inserting in lieu thereof ''subsection (c)''.

(4) Sections 1411(a) and 1412 (22 U.S.C. 3771(a), 3772) are amended by striking out ''the date of the enactment of the Panama Canal Transition Facilitation Act of 1997'' and inserting in lieu thereof ''by November 18, 1998''.

(5) Section 1416 (22 U.S.C. 3776) is amended by striking out ''the date of the enactment of the Panama Canal Transition Facilitation Act of 1997'' and inserting in lieu thereof ''by May 17, 1998''.

(b) PUBLIC LAW 104–201.—Effective as of September 23, 1996, and as if included therein as enacted, section 3548(b)(3) of the Panama Canal Act Amendments of 1996 (subtitle B of title XXXV of Public Law 104–201; 110 Stat. 2869) is amended by striking out ''section'' in

1 both items of quoted matter and inserting in lieu thereof
2 ''sections''.