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105TH CONGRESS
2D SESSION

S. 2060

AN ACT

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

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

SECTION 1. SHORT TITLE.

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

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

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

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

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

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, $3,565,927,000.

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, $4,052,012,000.

(b) MARINE CORPS.—Funds are hereby authorized to be appropriated for fiscal year 1999 for procurement for the Marine Corps in the amount of $910,558,000.

(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 $476,539,000.

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, $2,354,745,000.

(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 Vehi-

cles 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".

SEC. 117. ALTERNATIVE TECHNOLOGIES FOR DESTRUCTION OF ASSEMBLED CHEMICAL WEAPONS.

(a) PROGRAM MANAGEMENT.—The program manager for the Assembled Chemical Weapons Assessment shall continue to manage the development and testing (including demonstration and pilot-scale testing) of technologies for the destruction of lethal chemical munitions that are potential or demonstrated alternatives to incineration. In performing such function, the program manager shall act independently of the program manager for the baseline chemical demilitarization program and shall report to the Under Secretary of Defense for Acquisition and Technology.

(b) POST-DEMONSTRATION ACTIVITIES.—(1) The program manager for the Assembled Chemical Weapons Assessment may undertake the activities that are necessary to ensure that an alternative technology for the destruction of lethal chemical munitions can be implemented immediately after—

(A) the technology has been demonstrated successful; and

(B) the Under Secretary of Defense for Acquisition and Technology has submitted a report on the demonstration to Congress.

(2) To prepare for the immediate implementation of any such technology, the program manager may, during fiscal years 1998 and 1999, take the following actions:

(A) Establish program requirements.

(B) Prepare procurement documentation.

(C) Develop environmental documentation.

(D) Identify and prepare to meet public outreach and public participation requirements.

(E) Prepare to award a contract for the design, construction, and operation of a pilot facility for the technology to the provider team for the technology not later than June 1, 1999.

(c) INDEPENDENT EVALUATION.—The Under Secretary of Defense for Acquisition and Technology shall provide for two evaluations of the cost and schedule of the Assembled Chemical Weapons Assessment to be performed, and for each such evaluation to be submitted to the Under Secretary, not later than September 30, 1999. One of the evaluations shall be performed by a nongovernmental organization qualified to make such an evaluation, and the other evaluation shall be performed separately by

the Cost Analysis Improvement Group of the Department of Defense.

(d) PILOT FACILITIES CONTRACTS.—(1) The Under Secretary of Defense for Acquisition and Technology shall determine whether to proceed with pilot-scale testing of a technology referred to in paragraph (2) in time to award a contract for the design, construction, and operation of a pilot facility for the technology to the provider team for the technology not later than December 30, 1999. If the Under Secretary determines to proceed with such testing, the Under Secretary shall (exercising the acquisition authority of the Secretary of Defense) so award a contract not later than such date.

(2) Paragraph (1) applies to an alternative technology for the destruction of lethal chemical munitions, other than incineration, that the Under Secretary—

(A) certifies in writing to Congress is—

(i) as safe and cost effective for disposing of assembled chemical munitions as is incineration of such munitions; and

(ii) is capable of completing the destruction of such munitions on or before the later of the date by which the destruction of the munitions would be completed if incineration were used or the deadline date for completing the destruction

of the munitions under the Chemical Weapons Convention; and

(B) determines as satisfying the Federal and State environmental and safety laws that are applicable to the use of the technology and to the design, construction, and operation of a pilot facility for use of the technology.

(3) The Under Secretary shall consult with the National Research Council in making determinations and certifications for the purpose of paragraph (2).

(4) In this subsection, the term ''Chemical Weapons Convention'' means the Convention on the Prohibition of Development, Production, Stockpiling and Use of Chemical Weapons and on their Destruction, opened for signature on January 13, 1993, together with related annexes and associated documents.

(e) FUNDING.—(1) Of the total amount authorized to be appropriated under section 107, $18,000,000 shall be available for the program manager for the Assembled Chemical Weapons Assessment for the following:

(A) Demonstrations of alternative technologies under the Assembled Chemical Weapons Assessment.

(B) Planning and preparation to proceed from demonstration of an alternative technology imme-

diately into the development of a pilot-scale facility for the technology, including planning and preparation for—

(i) continued development of the technology leading to deployment of the technology for use;

(ii) satisfaction of requirements for environmental permits;

(iii) demonstration, testing, and evaluation;

(iv) initiation of actions to design a pilot plant;

(v) provision of support at the field office or depot level for deployment of the technology for use; and

(vi) educational outreach to the public to engender support for the deployment.

(C) The independent evaluation of cost and schedule required under subsection (c).

(2) Funds authorized to be appropriated under section 107(1) are authorized to be used for awarding contracts in accordance with subsection (d) and for taking any other action authorized in this section.

(f) ASSEMBLED CHEMICAL WEAPONS ASSESSMENT DEFINED.—In this section, the term ''Assembled Chemical Weapons Assessment'' means the pilot program car-

ried out under section 8065 of the Department of Defense Appropriations Act, 1997 (section 101(b) of Public Law 104–208; 110 Stat. 3009–101; 50 U.S.C. 1521 note).

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.

SEC. 124. MULTIYEAR PROCUREMENT AUTHORITY FOR CERTAIN AIRCRAFT PROGRAMS.

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 multiyear contracts for the procurement of the following aircraft:

(1) The AV–8B aircraft.

(2) The E–2C aircraft.

(3) The T–45 aircraft.

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 obli-

gated 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, $8,219,997,000.

(3) For the Air Force, $13,673,993,000.

(4) For Defense-wide activities, $9,583,822,000, 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".

SEC. 219. NATO ALLIANCE GROUND SURVEILLANCE CONCEPT DEFINITION.

Amounts authorized to be appropriated under subtitle A are available for a NATO alliance ground surveillance concept definition that is based on the Joint Surveillance Target Attack Radar System (Joint STARS) Radar Technology Insertion Program (RTIP) sensor of the United States, as follows:

(1) Of the amount authorized to be appropriated under section 201(1), $6,400,000.

(2) Of the amount authorized to be appropriated under section 201(3), $3,500,000.

SEC. 220. NATO COMMON-FUNDED CIVIL BUDGET.

Of the amount authorized to be appropriated by section 201(1), $750,000 shall be available for contributions for the common-funded Civil Budget of NATO.

SEC. 221. PERSIAN GULF ILLNESSES.

(a) ADDITIONAL AMOUNT FOR PERSIAN GULF ILLNESSES.—The total amount authorized to be appropriated under this title for research and development relating to Persian Gulf illnesses is the total amount authorized to be appropriated for such purpose under the other provisions of this title plus $10,000,000.

(b) REDUCED AMOUNT FOR ARMY COMMERCIAL OPERATIONS AND SUPPORT SAVINGS PROGRAM.—Of the amount authorized to be appropriated under section

201(1), $23,600,000 shall be available for the Army Commercial Operations and Support Savings Program.

SEC. 222. DOD/VA COOPERATIVE RESEARCH PROGRAM.

(a) AVAILABILITY OF FUNDS.—(1) The amount authorized to be appropriated by section 201(4) is hereby increased by $10,000,000.

(2) Of the amount authorized to be appropriated by section 201(4), as increased by paragraph (1), $10,000,000 shall be available for the DOD/VA Cooperative Research Program.

(b) OFFSET.—(1) The amount authorized to be appropriated by section 201(2) is hereby decreased by $10,000,000.

(2) Of the amount authorized to be appropriated by section 201(2), as decreased by paragraph (1), not more than $18,500,000 shall be available for the Commercial Operations and Support Savings Program.

(c) EXECUTIVE AGENT.—The Secretary of Defense, acting through the Army Medical Research and Materiel Command and the Naval Operational Medicine Institute, shall be the executive agent for the utilization of the funds made available by subsection (a).

SEC. 223. LOW COST LAUNCH DEVELOPMENT PROGRAM.

Of the total amount authorized to be appropriated under section 201(3), $5,000,000 is available for the Low Cost Launch Development Program.

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.

SEC. 232. REVIEW OF PHARMACOLOGICAL INTERVENTIONS FOR REVERSING BRAIN INJURY.

(a) REVIEW AND REPORT REQUIRED.—The Assistant Secretary of Defense for Health Affairs shall review research on pharmacological interventions for reversing brain injury and, not later than March 31, 1999, submit a report on the results of the review to Congress.

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

(1) The potential for pharmacological interventions for reversing brain injury to reduce mortality and morbidity in cases of head injuries incurred in

combat or resulting from exposures to chemical weapons or agents.

(2) The potential utility of such interventions for the Armed Forces.

(3) A conclusion regarding whether funding for research on such interventions should be included in the budget for the Department of Defense for fiscal year 2000.

SEC. 233. LANDMINES.

(a) AVAILABILITY OF FUNDS.—(1) Of the amounts authorized to be appropriated in section 201, $17,200,000 shall be available for activities relating to the identification, adaptation, modification, research, and development of existing and new tactics, technologies, and operational concepts that—

(A) would provide a combat capability that is comparable to the combat capability provided by anti-personnel landmines, including anti-personnel landmines used in mixed mine systems; and

(B) comply with the Convention on the Prohibition of the Use, Stockpiling, Production and Transfer of Anti-Personnel Mines and on Their Destruction.

(2) The amount available under paragraph (1) shall be derived as follows:

(A) $12,500,000 shall be available from amounts authorized to be appropriated by section 201(1).

(B) $4,700,000 shall be available from amounts authorized to be appropriated by section 201(4).

(b) STUDIES.—(1) Not later than 30 days after the date of enactment of this Act, the Secretary of Defense shall enter into a contract with each of two appropriate scientific organizations for purposes of identifying existing and new tactics, technologies, and concepts referred to in subsection (a).

(2) Each contract shall require the organization concerned to submit a report to the Secretary and to Congress, not later than one year after the execution of such contract, describing the activities under such contract and including recommendations with respect to the adaptation, modification, and research and development of existing and new tactics, technologies, and concepts identified under such contract.

(3) Amounts available under subsection (a) shall be available for purposes of the contracts under this subsection.

(c) REPORTS.—Not later than April 1 of each of 1999 through 2001, the Secretary shall submit to the congressional defense committees a report describing the

progress made in identifying and deploying tactics, technologies, and concepts referred to in subsection (a).

(d) DEFINITIONS.—In this section:

(1) ANTI-PERSONNEL LANDMINE.—The term ''anti-personnel landmine'' has the meaning given the term ''anti-personnel mine'' in Article 2 of the Convention on the Prohibition of the Use, Stockpiling, Production and Transfer of Anti-Personnel Mines and on Their Destruction.

(2) MIXED MINE SYSTEM.—The term ''mixed mine system'' includes any system in which an anti-vehicle landmine or other munition is constructed with or used with one or more anti-personnel landmines, but does not include an anti-handling device as that term is defined in Article 2 of the Convention on the Prohibition of the Use, Stockpiling, Production and Transfer of Anti-Personnel Mines and on Their Destruction.

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, $2,621,703,000.

(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.

SEC. 314. NATO COMMON-FUNDED MILITARY BUDGET.

Of the amount authorized to be appropriated by section 30(a)(1), $227,377,000 shall be available for contributions for the common-funded Military Budget of NATO.

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, and only if such materials are specifically provided for in subchapter VIII, chapter 98 of the Harmonized Tariff Schedule of the United States.

"(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 Strom Thurmond 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.

SEC. 328. SENSE OF SENATE REGARDING OIL SPILL PREVENTION TRAINING FOR PERSONNEL ON BOARD NAVY VESSELS.

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

(1) There have been six significant oil spills in Puget Sound, Washington, in 1998, five at Puget Sound Naval Shipyard (including three from the U.S.S. Kitty Hawk, one from the U.S.S. Carl Vinson, and one from the U.S.S. Sacramento) and one at Naval Station Everett from the U.S.S. Paul F. Foster.

(2) Navy personnel on board vessels, and not shipyard employees, were primarily responsible for a majority of these oil spills at Puget Sound Naval Shipyard.

(3) Oil spills have the potential to damage the local environment, killing microscopic organisms, contributing to air pollution, harming plants and marine animals, and increasing overall pollution levels in Puget Sound.

(b) SENSE OF SENATE.—It is the sense of the Senate that the Secretary of the Navy should take immediate action to significantly reduce the risk of vessel oil spills, including the minimization of fuel oil transfers, the assurance of proper training and qualifications of all Naval personnel in occupations that may contribute to or minimize the risk of shipboard oil spills, and the improvement of liaison with local authorities concerning oil spill prevention and response activities.

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.

SEC. 334. REVISION AND CLARIFICATION OF AUTHORITY FOR FEDERAL SUPPORT OF NATIONAL GUARD DRUG INTERDICTION AND COUNTER-DRUG ACTIVITIES.

(a) PROCUREMENT OF EQUIPMENT.—Subsection (a)(3) of section 112 of title 32, United States Code, is amended by striking out ''and leasing of equipment'' and inserting in lieu thereof ''and equipment, and the leasing of equipment,''.

(b) TRAINING AND READINESS.—Subsection (b)(2) of such section is amended to read as follows:

''(2)(A) A member of the National Guard serving on full-time National Guard duty under orders authorized under paragraph (1) shall participate in the training required under section 502(a) of this title in addition to the duty performed for the purpose authorized under that paragraph. The pay, allowances, and other benefits of the member while participating in the training shall be the

same as those to which the member is entitled while performing duty for the purpose of carrying out drug interdiction and counter-drug activities.

''(B) Appropriations available for the Department of Defense for drug interdiction and counter-drug activities may be used for paying costs associated with a member's participation in training described in subparagraph (A). The appropriation shall be reimbursed in full, out of appropriations available for paying those costs, for the amounts paid. Appropriations available for paying those costs shall be available for making the reimbursements.''.

(c) ASSISTANCE TO YOUTH AND CHARITABLE ORGANIZATIONS.—Subsection (b)(3) of such section is amended to read as follows:

''(2) A unit or member of the National Guard of a State may be used, pursuant to a State drug interdiction and counter-drug activities plan approved by the Secretary of Defense under this section, to provide services or other assistance (other than air transportation) to an organization eligible to receive services under section 508 of this title if—

''(A) the State drug interdiction and counter-drug activities plan specifically recognizes the organization as being eligible to receive the services or assistance;

"(B) in the case of services, the provision of the services meets the requirements of paragraphs (1) and (2) of subsection (a) of section 508 of this title; and

"(C) the services or assistance is authorized under subsection (b) or (c) of such section or in the State drug interdiction and counter-drug activities plan.".

(d) DEFINITION OF DRUG INTERDICTION AND COUNTER-DRUG ACTIVITIES.—Subsection (i)(1) of such section is amended by inserting after "drug interdiction and counter-drug law enforcement activities" the following: ", including drug demand reduction activities,".

SEC. 335. SENSE OF CONGRESS REGARDING PRIORITY OF DRUG INTERDICTION AND COUNTER-DRUG ACTIVITIES.

It is the sense of Congress that the Secretary of Defense should revise the Global Military Force Policy of the Department of Defense—

(1) to treat the international drug interdiction and counter-drug activities of the department as a military operation other than war, thereby elevating the priority given such activities under the policy to the next priority below the priority given to war

under the policy and to the same priority as is given to peacekeeping operations under the policy; and

(2) to allocate the assets of the department to drug interdiction and counter-drug activities in accordance with the priority given those activities.

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.

(3) The waiver authority under paragraph (1) does not apply to the limitation in subsection (d) or the limitation in section 2208(l)(3) of title 10, United States Code (as added by subsection (e)).

(d) FISCAL YEAR 1999 LIMITATION ON ADVANCE BILLINGS.—(1) The total amount of the advance billings rendered or imposed for the working-capital funds of the Department of Defense and the Defense Business Operations Fund in fiscal year 1999—

(A) for the Department of the Navy, may not exceed $500,000,000; and

(B) for the Department of the Air Force, may not exceed $500,000,000.

(2) In paragraph (1), the term ''advance billing'' has the meaning given such term in section 2208(l) of title 10, United States Code.

(e) PERMANENT LIMITATION ON ADVANCE BILLINGS.—(1) Section 2208(l) of title 10, United States Code, is amended—

(A) by redesignating paragraph (3) as paragraph (4); and

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

"(3) The total amount of the advance billings rendered or imposed for all working-capital funds of the Department of Defense in a fiscal year may not exceed $1,000,000,000.".

(2) Section 2208(l)(3) of such title, as added by paragraph (1), applies to fiscal years after fiscal year 1999.

(f) 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 re-

lated 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 Secretary 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 Strom Thurmond 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.

SEC. 349. INVENTORY MANAGEMENT OF IN-TRANSIT SECONDARY ITEMS.

(a) REQUIREMENT FOR PLAN.—Not later than March 1, 1999, the Secretary of Defense shall submit to Congress a plan to address problems with Department of Defense management of the department's inventories of in-transit secondary items as follows:

(1) The vulnerability of in-transit secondary items to loss through fraud, waste, and abuse.

(2) Loss of oversight of in-transit secondary items, including any loss of oversight when items are being transported by commercial carriers.

(3) Loss of accountability for in-transit secondary items due to either a delay of delivery of the items or a lack of notification of a delivery of the items.

(b) CONTENT OF PLAN.— The plan shall include, for each of the problems described in subsection (a), the following information:

(1) The actions to be taken to correct the problems.

(2) Statements of objectives.

(3) Performance measures and schedules.

(4) An identification of any resources that may be necessary for correcting the problem, together with an estimate of the annual costs.

(c) GAO REVIEWS.—(1) Not later than 60 days after the date on which the Secretary of Defense submits the plan to Congress, the Comptroller General shall review the plan and submit to Congress any comments that the Comptroller General considers appropriate regarding the plan.

(2) The Comptroller General shall monitor any implementation of the plan and, not later than one year after the date referred to in paragraph (1), submit to Congress an assessment of the extent to which the plan has been implemented.

SEC. 350. PERSONNEL REDUCTIONS IN ARMY MATERIEL COMMAND.

Not later than March 31, 1999, the Comptroller General shall submit to the congressional defense committees a report concerning—

(1) the effect that the quadrennial defense review's proposed personnel reductions in the Army Materiel Command will have on workload and readiness if implemented; and

(2) the projected cost savings from such reductions and the manner in which such savings are expected to be achieved.

SEC. 351. PROHIBITIONS REGARDING EVALUATION OF MERIT OF SELLING MALT BEVERAGES AND WINE IN COMMISSARY STORES AS EXCHANGE SYSTEM MERCHANDISE.

Neither the Secretary of Defense nor any other official of the Department of Defense may—

(1) by contract or otherwise, conduct a survey of eligible patrons of the commissary store system to determine patron interest in having commissary stores sell malt beverages and wine as exchange store merchandise; or

(2) conduct a demonstration project to evaluate the merit of selling malt beverages and wine in commissary stores as exchange store merchandise.

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''.

SEC. 505. ATTENDANCE OF RECIPIENTS OF NAVAL RESERVE OFFICERS' TRAINING CORPS SCHOLARSHIPS AT PARTICIPATING COLLEGES OR UNIVERSITIES.

Section 2107 of title 10, United States Code, is amended by adding at the end the following:

''(i)(1) Notwithstanding any other provision of law or any policy or regulation of the Department of Defense or

of the Department of the Navy, recipients of Naval Reserve Officers' Training Corps scholarships who live in a State which has more scholarship awardees than slots available under the Navy quotas in their State colleges and universities may attend any college or university of their choice in their State to which they have been accepted, so long as the college or university is a participant in the Naval Reserve Officers' Training Corps program.

''(2) The Department of Defense and the Department of the Navy are prohibited from setting maximum limits on the number of Naval Reserve Officers' Training Corps scholarship students who can be enrolled at any college or university participating in the Naval Reserve Officers' Training Corps program in such State.''.

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 ac-

tive 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 offi-

cer 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 Authoriza-

tion 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 Strom Thurmond 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 delib-

erate 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, officials of the Department of Defense are prohibited from implementing any change of policy or official practice in the department regarding 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 described 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 AND HOME SCHOOL DIPLOMA 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 and home school diploma 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 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 is a GED recipient; or

(B) is a home school diploma recipient and provides a transcript demonstrating completion of high

school to the military department involved under the pilot program.

(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.

(3) For the purposes of this section, a person is a home school diploma recipient if the person has received a diploma for completing a program of education through the high school level at a home school, without regard to whether the home school is treated as a private school under the law of the State in which located.

(c) ANNUAL LIMIT ON NUMBER.—Not more than 1,250 GED recipients, and not more than 1,250 home school diploma recipients, 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 and home school diploma 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 enlisted in that armed force during the fiscal year as GED or home school diploma 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 CERTAIN DECORATIONS TO CERTAIN PERSONS.

(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 decorations described in this section, the award of each such decoration having been determined by the Secretary of the military department concerned to be warranted in accordance with section 1130 of title 10, United States Code.

(b) DISTINGUISHED-SERVICE CROSS.—Subsection (a) applies to award of the Distinguished-Service Cross of the Army as follows:

(1) To Isaac Camacho of El Paso, Texas, for extraordinary heroism in actions at Camp Hiep Hoa in Vietnam on November 24, 1963, while serving as a member of the Army.

(2) To Bruce P. Crandall of Mesa, Arizona, for extraordinary heroism in actions at Landing Zone X-Ray in Vietnam on November 14, 1965, while serving as a member of the Army.

(3) To Leland B. Fair of Jessieville, Arkansas, for extraordinary heroism in actions in the Philippine Islands on July 4, 1945, while serving as a member of the Army.

(c) DISTINGUISHED-SERVICE MEDAL.—Subsection (a) applies to award of the Distinguished-Service Medal of the Army to Richard P. Sakakida of Fremont, California, for exceptionally meritorious service while a prisoner of war in the Philippine Islands from May 7, 1942, to September 14, 1945, while serving as a member of the Army.

(d) DISTINGUISHED FLYING CROSS.—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.

SEC. 531. PROHIBITION ON ENTRY INTO CORRECTIONAL FACILITIES FOR PRESENTATION OF DECORATIONS TO PERSONS WHO COMMIT CERTAIN CRIMES BEFORE PRESENTATION.

(a) PROHIBITION.—Chapter 57 of title 10, United States Code, is amended by adding at the end the following:

"§ 1132. Presentation of decorations: prohibition on entering into correctional facilities for certain presentations

"(a) PROHIBITION.—No member of the armed forces may enter into a Federal, State, or local correctional facility for purposes of presenting a decoration to a person who has been convicted of a serious violent felony.

"(b) DEFINITIONS.—In this section:

"(1) The term 'decoration' means any decoration or award that may be presented or awarded to a member of the armed forces.

"(2) The term 'serious violent felony' has the meaning given that term in section 3359(c)(2)(F) of title 18.".

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

"1132. Presentation of decorations: prohibition on entering into correctional facilities for certain presentations.".

SEC. 532. ADVANCEMENT OF BENJAMIN O. DAVIS, JUNIOR, TO GRADE OF GENERAL.

(a) AUTHORITY.—The President is authorized to advance Benjamin O. Davis, Junior, to the grade of general on the retired list of the Air Force.

(b) ADDITIONAL BENEFITS NOT TO ACCRUE.—An advancement of Benjamin O. Davis, Junior, to the grade of general on the retired list of the Air Force under subsection (a) shall not increase or change the compensation or benefits from the United States to which any person is now or may in the future be entitled based upon the military service of the said Benjamin O. Davis, Junior.

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 3.6 percent.

(c) OFFSETTING REDUCTIONS IN AUTHORIZATIONS OF APPROPRIATIONS.—(1) Notwithstanding any other provision of title I, the total amount authorized to be appropriated under title II is hereby reduced by $150,000,000.

(2) Notwithstanding any other provision of title II, the total amount authorized to be appropriated under title II is hereby reduced by $275,000,000.

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),''.

SEC. 620. HARDSHIP DUTY PAY.

(a) DUTY FOR WHICH PAY AUTHORIZED.—Subsection (a) of section 305 of title 37, United States Code, is amended by striking out ''on duty at a location'' and all that follows and inserting in lieu thereof ''performing duty in the United States or outside the United States that is designated by the Secretary of Defense as hardship duty.''.

(b) REPEAL OF EXCEPTION FOR MEMBERS RECEIVING CAREER SEA PAY.—Subsection (c) of such section is repealed.

(c) CONFORMING AMENDMENTS.—(1) Subsections (b) and (d) of such section are amended by striking out ''hardship duty location pay'' and inserting in lieu thereof ''hardship duty pay''.

(2) Subsection (d) of such section is redesignated as subsection (c).

(3) The heading for such section is amended by striking out **''location''**.

(4) Section 907(d) of title 37, United States Code, is amended by striking out ''duty at a hardship duty location'' and inserting in lieu thereof ''hardship duty''.

(d) CLERICAL AMENDMENT.—The item relating to section 305 in the table of sections at the beginning of chapter 5 of such title is amended to read as follows:

"305. Special pay: hardship duty pay.".

SEC. 620A. INCREASED HAZARDOUS DUTY PAY FOR AERIAL FLIGHT CREWMEMBERS IN PAY GRADES E–4 TO E–9.

(a) RATES.—The table in section 301(b) of title 37, United States Code, is amended by striking out the items relating to pay grades E–4, E–5, E–6, E–7, E–8, and E–9, and inserting in lieu thereof the following:

"E–9	240
E–8	240
E–7	240
E–6	215
E–5	190
E–4	165".

(b) EFFECTIVE DATE.—This section and the amendment made by this section shall take effect on October 1, 1998, and shall apply with respect to months beginning on or after that date.

SEC. 620B. DIVING DUTY SPECIAL PAY FOR DIVERS HAVING DIVING DUTY AS A NONPRIMARY DUTY.

(a) ELIGIBILITY FOR MAINTAINING PROFICIENCY.—Section 304(a)(3) of title 37, United States Code, is amended to read as follows:

"(3) either—

"(A) actually performs diving duty while serving in an assignment for which diving is a primary duty; or

"(B) meets the requirements to maintain proficiency as described in paragraph (2) while serving in an assignment that includes diving duty other than as a primary duty.".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on October 1, 1998, and shall apply with respect to months beginning on or after that date.

SEC. 620C. RETENTION INCENTIVES INITIATIVE FOR CRITICALLY SHORT MILITARY OCCUPATIONAL SPECIALTIES.

(a) REQUIREMENT FOR NEW INCENTIVES.—The Secretary of Defense shall establish and provide for members of the Armed Forces qualified in critically short military occupational specialties a series of new incentives that the Secretary considers potentially effective for increasing the rates at which those members are retained in the Armed Forces for service in such specialties.

(b) CRITICALLY SHORT MILITARY OCCUPATIONAL SPECIALTIES.—For the purposes of this section, a military occupational specialty is a critically short military occupational specialty for an armed force if the number of

members retained in that armed force in fiscal year 1998 for service in that specialty is less than 50 percent of the number of members of that armed force that were projected to be retained in that armed force for service in the specialty by the Secretary of the military department concerned as of October 1, 1997.

(c) INCENTIVES.—It is the sense of Congress that, among the new incentives established and provided under this section, the Secretary of Defense should include the following incentives:

(1) Family support and leave allowances.

(2) Increased special reenlistment or retention bonuses.

(3) Repayment of educational loans.

(4) Priority of selection for assignment to preferred permanent duty station or for extension at permanent duty station.

(5) Modified leave policies.

(6) Special consideration for Government housing or additional housing allowances.

(d) RELATIONSHIP TO OTHER INCENTIVES.—Incentives provided under this section are in addition to any special pay or other benefit that is authorized under any other provision of law.

(e) REPORTS.—(1) Not later than December 1, 1998, the Secretary of Defense shall submit to the congressional defense committees a report that identifies, for each of the Armed Forces, the critically short military occupational specialties to which incentives under this section are to apply.

(2) Not later than April 15, 1999, the Secretary of Defense shall submit to the congressional defense committees a report that specifies, for each of the Armed Forces, the incentives that are to be provided under this section.

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.

SEC. 634. SURVIVOR BENEFIT PLAN OPEN ENROLLMENT PERIOD.

(a) PERSONS NOT CURRENTLY PARTICIPATING IN SURVIVOR BENEFIT PLAN.—

(1) ELECTION OF SBP COVERAGE.—An eligible retired or former member may elect to participate in the Survivor Benefit Plan during the open enrollment period specified in subsection (d).

(2) ELECTION OF SUPPLEMENTAL ANNUITY COVERAGE.—An eligible retired or former member who elects under paragraph (1) to participate in the Survivor Benefit Plan may also elect during the

open enrollment period to participate in the Supplemental Survivor Benefit Plan.

(3) ELIGIBLE RETIRED OR FORMER MEMBER.—For purposes of paragraphs (1) and (2), an eligible retired or former member is a member or former member of the uniformed services who on the day before the first day of the open enrollment period is not a participant in the Survivor Benefit Plan and—

(A) is entitled to retired pay; or

(B) would be entitled to retired pay under chapter 1223 of title 10, United States Code (or chapter 67 of such title as in effect before October 5, 1994), but for the fact that such member or former member is under 60 years of age.

(4) STATUS UNDER SBP OF PERSONS MAKING ELECTIONS.—

(A) STANDARD ANNUITY.—A person making an election under paragraph (1) by reason of eligibility under paragraph (3)(A) shall be treated for all purposes as providing a standard annuity under the Survivor Benefit Plan.

(B) RESERVE-COMPONENT ANNUITY.—A person making an election under paragraph (1) by reason of eligibility under paragraph (3)(B)

shall be treated for all purposes as providing a reserve-component annuity under the Survivor Benefit Plan.

(b) MANNER OF MAKING ELECTIONS.—

(1) IN GENERAL.—An election under this section must be made in writing, signed by the person making the election, and received by the Secretary concerned before the end of the open enrollment period. Except as provided in paragraph (2), any such election shall be made subject to the same conditions, and with the same opportunities for designation of beneficiaries and specification of base amount, that apply under the Survivor Benefit Plan or the Supplemental Survivor Benefit Plan, as the case may be. A person making an election under subsection (a) to provide a reserve-component annuity shall make a designation described in section 1448(e) of title 10, United States Code.

(2) ELECTION MUST BE VOLUNTARY.—An election under this section is not effective unless the person making the election declares the election to be voluntary. An election to participate in the Survivor Benefit Plan under this section may not be required by any court. An election to participate or not to participate in the Survivor Benefit Plan is not

subject to the concurrence of a spouse or former spouse of the person.

(c) EFFECTIVE DATE FOR ELECTIONS.—Any such election shall be effective as of the first day of the first calendar month following the month in which the election is received by the Secretary concerned.

(d) OPEN ENROLLMENT PERIOD DEFINED.—The open enrollment period is the one-year period beginning on March 1, 1999.

(e) EFFECT OF DEATH OF PERSON MAKING ELECTION WITHIN TWO YEARS OF MAKING ELECTION.—If a person making an election under this section dies before the end of the two-year period beginning on the effective date of the election, the election is void and the amount of any reduction in retired pay of the person that is attributable to the election shall be paid in a lump sum to the person who would have been the deceased person's beneficiary under the voided election if the deceased person had died after the end of such two-year period.

(f) APPLICABILITY OF CERTAIN PROVISIONS OF LAW.—The provisions of sections 1449, 1453, and 1454 of title 10, United States Code, are applicable to a person making an election, and to an election, under this section in the same manner as if the election were made under

the Survivor Benefit Plan or the Supplemental Survivor Benefit Plan, as the case may be.

(g) PREMIUMS FOR OPEN ENROLLMENT ELECTION.—

(1) PREMIUMS TO BE CHARGED.—The Secretary of Defense shall prescribe in regulations premiums which a person electing under this section shall be required to pay for participating in the Survivor Benefit Plan pursuant to the election. The total amount of the premiums to be paid by a person under the regulations shall be equal to the sum of—

(A) the total amount by which the retired pay of the person would have been reduced before the effective date of the election if the person had elected to participate in the Survivor Benefit Plan (for the same base amount specified in the election) at the first opportunity that was afforded the member to participate under chapter 73 of title 10, United States Code;

(B) interest on the amounts by which the retired pay of the person would have been so reduced, computed from the dates on which the retired pay would have been so reduced at such rate or rates and according to such methodol-

ogy as the Secretary of Defense determines reasonable; and

(C) any additional amount that the Secretary determines necessary to protect the actuarial soundness of the Department of Defense Military Retirement Fund against any increased risk for the fund that is associated with the election.

(2) PREMIUMS TO BE CREDITED TO RETIREMENT FUND.—Premiums paid under the regulations shall be credited to the Department of Defense Military Retirement Fund.

(h) DEFINITIONS.—In this section:

(1) The term ''Survivor Benefit Plan'' means the program established under subchapter II of chapter 73 of title 10, United States Code.

(2) The term ''Supplemental Survivor Benefit Plan'' means the program established under subchapter III of chapter 73 of title 10, United States Code.

(3) The term ''retired pay'' includes retainer pay paid under section 6330 of title 10, United States Code.

(4) The terms ''uniformed services'' and ''Secretary concerned'' have the meanings given those terms in section 101 of title 37, United States Code.

(5) The term ''Department of Defense Military Retirement Fund'' means the Department of Defense Military Retirement Fund established under section 1461(a) of title 10, United States Code.

SEC. 635. ELIGIBILITY FOR PAYMENTS OF CERTAIN SURVIVORS OF CAPTURED AND INTERNED VIETNAMESE OPERATIVES WHO WERE UNMARRIED AND CHILDLESS AT DEATH.

Section 657(b) of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201; 110 Stat. 2585) is amended by adding at the end the following:

''(3) In the case of a decedent who had not been married at the time of death—

''(A) to the surviving parents; or

''(B) if there are no surviving parents, to the surviving siblings by blood of the decedent, in equal shares.''.

SEC. 636. CLARIFICATION OF RECIPIENT OF PAYMENTS TO PERSONS CAPTURED OR INTERNED BY NORTH VIETNAM.

Section 657(f)(1) of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201; 110

Stat. 2585) is amended by striking out ''The actual disbursement'' and inserting in lieu thereof ''Notwithstanding any agreement (including a power of attorney) to the contrary, the actual disbursement''.

SEC. 637. PRESENTATION OF UNITED STATES FLAG TO MEMBERS OF THE ARMED FORCES.

(a) ARMY.—(1) Chapter 353 of title 10, United States Code, is amended by inserting after the table of sections the following:

''§ 3681. Presentation of flag upon retirement at end of active duty service

''(a) REQUIREMENT.—The Secretary of the Army shall present a United States flag to a member of any component of the Army upon the release of the member from active duty for retirement.

''(b) MULTIPLE PRESENTATIONS NOT AUTHORIZED.—A member is not eligible for a presentation of a flag under subsection (a) if the member has previously been presented a flag under this section or section 6141 or 8681 of this title.

''(c) NO COST TO RECIPIENT.—The presentation of a flag under his section shall be at no cost to the recipient.''.

(2) The table of sections at the beginning of such chapter is amended by inserting before the item relating to section 3684 the following:

"3681. Presentation of flag upon retirement at end of active duty service.".

(b) NAVY AND MARINE CORPS.—(1) Chapter 561 of title 10, United States Code, is amended by inserting after the table of sections the following:

"§ 6141. Presentation of flag upon retirement at end of active duty service

"(a) REQUIREMENT.—The Secretary of the Navy shall present a United States flag to a member of any component of the Navy or Marine Corps upon the release of the member from active duty for retirement or for transfer to the Fleet Reserve or the Fleet Marine Corps Reserve.

"(b) MULTIPLE PRESENTATIONS NOT AUTHORIZED.—A member is not eligible for a presentation of a flag under subsection (a) if the member has previously been presented a flag under this section or section 3681 or 8681 of this title.

"(c) NO COST TO RECIPIENT.—The presentation of a flag under his section shall be at no cost to the recipient.".

(2) The table of sections at the beginning of such chapter is amended by inserting before the item relating to section 6151 the following:

"6141. Presentation of flag upon retirement at end of active duty service.".

(c) AIR FORCE.—(1) Chapter 853 of title 10, United States Code, is amended by inserting after the table of sections the following:

"§ 8681. Presentation of flag upon retirement at end of active duty service

"(a) REQUIREMENT.—The Secretary of the Air Force shall present a United States flag to a member of any component of the Air Force upon the release of the member from active duty for retirement.

"(b) MULTIPLE PRESENTATIONS NOT AUTHORIZED.—A member is not eligible for a presentation of a flag under subsection (a) if the member has previously been presented a flag under this section or section 3681 or 6141 of this title.

"(c) NO COST TO RECIPIENT.—The presentation of a flag under his section shall be at no cost to the recipient.".

(2) The table of sections at the beginning of such chapter is amended by inserting before the item relating to section 8684 the following:

"8681. Presentation of flag upon retirement at end of active duty service.".

(d) REQUIREMENT FOR ADVANCE APPROPRIATIONS.—The Secretary of a military department may

present flags under authority provided the Secretary in section 3681, 6141, or 8681 title 10, United States Code (as added by this section), only to the extent that funds for such presentations are appropriated for that purpose in advance.

(e) EFFECTIVE DATE.—Sections 3681, 6141, and 8681 of title 10, United States Code (as added by this section shall take effect on October 1, 1998, and shall apply with respect to releases described in those sections on or after that date.

SEC. 638. ELIMINATION OF BACKLOG OF UNPAID RETIRED PAY.

(a) REQUIREMENT.—The Secretary of the Army shall take such actions as are necessary to eliminate, by December 31, 1998, the backlog of unpaid retired pay for members and former members of the Army (including members and former members of the Army Reserve and the Army National Guard).

(b) REPORT.—Not later than 30 days after the date of the enactment of this Act, the Secretary of the Army shall submit to Congress a report on the backlog of unpaid retired pay. The report shall include the following:

(1) The actions taken under subsection (a).

(2) The extent of the remaining backlog.

(3) A discussion of any additional actions that are necessary to ensure that retired pay is paid in a timely manner.

(c) FUNDING.—Of the amount authorized to be appropriated under section 421, $1,700,000 shall be available for carrying out this section.

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.''.

SEC. 644. VOTING RIGHTS OF MILITARY PERSONNEL.

(a) GUARANTEE OF RESIDENCY.—Article VII of the Soldiers' and Sailors' Civil Relief Act of 1940 (50 U.S.C. App. 590 et seq.) is amended by adding at the end the following:

''SEC. 704. (a) For purposes of voting for an office of the United States or of a State, a person who is absent from a State in compliance with military or naval orders shall not, solely by reason of that absence—

''(1) be deemed to have lost a residence or domicile in that State;

''(2) be deemed to have acquired a residence or domicile in any other State; or

''(3) be deemed to have become resident in or a resident of any other State.

''(b) In this section, the term 'State' includes a territory or possession of the United States, a political subdivision of a State, territory, or possession, and the District of Columbia.''.

(b) STATE RESPONSIBILITY TO GUARANTEE MILITARY VOTING RIGHTS.—(1) Section 102 of the Uniformed and Overseas Citizens Absentee Voting Act (42 U.S.C. 1973ff–1) is amended—

(A) by inserting ''(a) ELECTIONS FOR FEDERAL OFFICES.—'' before ''Each State shall—''; and

(B) by adding at the end the following:

''(b) ELECTIONS FOR STATE AND LOCAL OFFICES.—Each State shall—

''(1) permit absent uniformed services voters to use absentee registration procedures and to vote by absentee ballot in general, special, primary, and runoff elections for State and local offices; and

''(2) accept and process, with respect to any election described in paragraph (1), any otherwise valid voter registration application from an absent uniformed services voter if the application is received by the appropriate State election official not less than 30 days before the election.''.

(2) The heading of title I of such Act is amended by striking out **"FOR FEDERAL OFFICE"**.

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 bene-

ficiary 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 federally 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 regarding 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

1 insurance benefits under part A of title XVIII
2 of that Act.
3 (3) The Secretary may not carry out a demonstration
4 project under this section in any area in which the Sec-
5 retary is carrying out any other medical care demonstra-
6 tion project unless the Secretary determines that the con-
7 duct of such other medical care demonstration project will
8 not interfere with the conduct or evaluation of the dem-
9 onstration project under this section.
10 (d) FEHBP AS SUPPLEMENT TO MEDICARE DEM-
11 ONSTRATION.—(1)(A) Under one of the demonstration
12 projects under this section, the Secretary shall permit eli-
13 gible individuals described in subsection (b) who reside in
14 the areas of the demonstration project selected under sub-
15 section (c) to enroll in the health benefits plans offered
16 through the Federal Employees Health Benefits program
17 under chapter 89 of title 5, United States Code.
18 (B) The Secretary shall carry out the demonstration
19 project under this subsection under an agreement with the
20 Office of Personnel Management.
21 (2)(A) An eligible individual described in paragraph
22 (1) shall not be required to satisfy any eligibility criteria
23 specified in chapter 89 of title 5, United States Code, as
24 a condition for enrollment in the health benefits plans of-
25 fered through the Federal Employee Health Benefits pro-

gram 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 Sec-

retary 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 described in subsection (b) who reside in each area of the demonstration project selected under subsection (c) to participate in the mail order pharmacy benefit available under the TRICARE program.

(2) The Secretary may collect from eligible individuals who participate in the mail order pharmacy benefit under the demonstration project any premiums, deductibles, copayments, or other charges that the Secretary would otherwise collect from individuals similar to such eligible individuals for participation in the benefit.

(g) INDEPENDENT EVALUATION.—(1) The Secretary shall provide for an evaluation of the demonstration projects conducted under this section by an appropriate person or entity that is independent of the Department of Defense.

(2) The evaluation shall include the following:

(A) An analysis of the costs of each demonstration project to the United States and to the eligible individuals who enroll or participate in such demonstration project.

(B) An assessment of the extent to which each demonstration project satisfied the requirements of such eligible individuals for the health care services 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) ADDITIONAL REQUIREMENTS RELATING TO FEHBP DEMONSTRATION PROJECT.—(1) Notwithstanding subsection (a)(2), the Secretary shall commence the demonstration project under subsection (d) on July 1, 1999.

(2) Notwithstanding subsection (c), the Secretary shall carry out the demonstration project under subsection (d) in four separate areas, of which—

(A) two shall meet the requirements of subsection (c)(1)(A); and

(B) two others shall meet the requirements of subsection (c)(1)(B).

(3)(A) Notwithstanding subsection (f), the Secretary shall provide for an annual evaluation of the demonstration project under subsection (d) that meets the requirements of subsection (f)(2).

(B) The Comptroller shall review each evaluation provided for under subparagraph (A).

(C) Not later than September 15 in each of 2000 through 2004, the Secretary shall submit a report on the results of the evaluation under subparagraph (A) during such year, together with the evaluation, to the Committee on Armed Services of the Senate and the Committee on National Security of the House of Representatives.

(D) Not later than December 31 in each of 2000 through 2004, the Comptroller General shall submit a report on the results of the review under subparagraph (B) during such year to the committees referred to in subparagraph (C).

(i) 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.

(j) COMPETITION FOR SERVICES.—The program under this section will allow retail to compete for services in delivery of pharmacy benefits without increasing costs to the Government or the beneficiaries.

SEC. 708. PROFESSIONAL QUALIFICATIONS OF PHYSICIANS PROVIDING MILITARY HEALTH CARE.

(a) REQUIREMENT FOR UNRESTRICTED LICENSE.—Section 1094(a)(1) of title 10, United States Code, is amended by adding at the end the following: ''In the case of a physician, the physician may not provide health care as a physician under this chapter unless the current license is an unrestricted license that is not subject to limitation on the scope of practice ordinarily granted to other physicians for a similar specialty by the jurisdiction that granted the license.''.

(b) SATISFACTION OF CONTINUING MEDICAL EDUCATION REQUIREMENTS.—(1) Chapter 55 of title 10, United States Code, is amended by inserting after section 1094 the following new section:

"§ 1094a. Continuing medical education requirements: system for monitoring physician compliance

''The Secretary of Defense shall establish a mechanism for ensuring that each person under the jurisdiction of the Secretary of a military department who provides health care under this chapter as a physician satisfies the continuing medical education requirements applicable to the physician.''.

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

''1094a. Continuing medical education requirements: system for monitoring physician compliance.''.

(c) EFFECTIVE DATES.—(1) The amendment made by subsection (a) shall take effect on October 1, 1998.

(2) The system required by section 1094a of title 10, United States Code (as added by subsection (b)), shall take effect on the date that is three years after the date of the enactment of this Act.

SEC. 709. ASSESSMENT OF ESTABLISHMENT OF INDEPENDENT ENTITY TO EVALUATE POST-CONFLICT ILLNESSES AMONG MEMBERS OF THE ARMED FORCES AND HEALTH CARE PROVIDED BY THE DEPARTMENT OF DEFENSE AND DEPARTMENT OF VETERANS AFFAIRS BEFORE AND AFTER DEPLOYMENT OF SUCH MEMBERS.

(a) AGREEMENT FOR ASSESSMENT.—The Secretary of Defense shall seek to enter into an agreement with the National Academy of Sciences, or other appropriate independent organization, under which agreement the Academy shall carry out the assessment referred to in subsection (b).

(b) ASSESSMENT.—(1) Under the agreement, the Academy shall assess the need for and feasibility of establishing an independent entity to—

(A) evaluate and monitor interagency coordination on issues relating to the post-deployment health concerns of members of the Armed Forces, including coordination relating to outreach and risk communication, recordkeeping, research, utilization of new technologies, international cooperation and research, health surveillance, and other health-related activities;

(B) evaluate the health care (including preventive care and responsive care) provided to members of the Armed Forces both before and after their deployment on military operations;

(C) monitor and direct government efforts to evaluate the health of members of the Armed Forces upon their return from deployment on military operations for purposes of ensuring the rapid identification of any trends in diseases or injuries among such members as a result of such operations;

(D) provide and direct the provision of ongoing training of health care personnel of the Department of Defense and the Department of Veterans Affairs in the evaluation and treatment of post-deployment diseases and health conditions, including nonspecific and unexplained illnesses; and

(E) make recommendations to the Department of Defense and the Department of Veterans Affairs regarding improvements in the provision of health care referred to in subparagraph (B), including improvements in the monitoring and treatment of members referred to in that subparagraph.

(2) The assessment shall cover the health care provided by the Department of Defense and, where applicable, by the Department of Veterans Affairs.

(c) REPORT.—(1) The agreement shall require the Academy to submit to the committees referred to in paragraph (3) a report on the results of the assessment under this section not later than one year after the date of enactment of this Act.

(2) The report shall include the following:

(A) The recommendation of the Academy as to the need for and feasibility of establishing an independent entity as described in subsection (b) and a justification of such recommendation.

(B) If the Academy recommends that an entity be established, the recommendations of the Academy as to—

(i) the organizational placement of the entity;

(ii) the personnel and other resources to be allocated to the entity;

(iii) the scope and nature of the activities and responsibilities of the entity; and

(iv) mechanisms for ensuring that any recommendations of the entity are carried out by the Department of Defense and the Department of Veterans Affairs.

(3) The report shall be submitted to the following:

(A) The Committee on Armed Services and the Committee on Veterans' Affairs of the Senate.

(B) The Committee on National Security and the Committee on Veterans' Affairs of the House of Representatives.

SEC. 710. LYME DISEASE.

Of the amounts authorized to be appropriated by this Act for Defense Health Programs, $3,000,000 shall be available for research and surveillance activities relating to Lyme disease and other tick-borne diseases.

SEC. 711. ACCESSIBILITY TO CARE UNDER TRICARE.

(a) REHABILITATIVE SERVICES FOR HEAD INJURIES.—The Secretary of Defense shall revise the TRICARE policy manual to clarify that rehabilitative services are available to a patient for a head injury when the treating physician certifies that such services would be beneficial for the patient and there is potential for the patient to recover from the injury.

(b) REVIEW OF ADEQUACY OF PROVIDER NETWORK.—The Secretary of Defense shall review the administration of the TRICARE Prime health plans to determine whether, for the region covered by each such plan, there is a sufficient number, distribution, and variety of qualified participating health care providers to ensure that all covered health care services, including specialty serv-

ices, are available and accessible in a timely manner to all persons covered by the plan. If the Secretary determines during the review that, in the region, there is an inadequate network of providers to provide the covered benefits in proximity to the permanent duty stations of covered members of the uniformed services in the region, or in proximity to the residences of other persons covered by the plan in the region, the Secretary shall take such actions as are necessary to ensure that the TRICARE Prime plan network of providers in the region is adequate to provide for all covered benefits to be available and accessible in a timely manner to all persons covered by the plan.

SEC. 712. HEALTH BENEFITS FOR ABUSED DEPENDENTS OF MEMBERS OF THE ARMED FORCES.

Paragraph (1) of section 1076(e) of title 10, United States Code, is amended to read as follows:

"(1) The administering Secretary shall furnish an abused dependent of a former member of a uniformed service described in paragraph (4), during that period that the abused dependent is in receipt of transitional compensation under section 1059 of this title, with medical and dental care, including mental health services, in facilities of the uniformed services in accordance with the same eligibility and

benefits as were applicable for that abused dependent during the period of active service of the former member.''.

SEC. 713. PROCESS FOR WAIVING INFORMED CONSENT REQUIREMENT FOR ADMINISTRATION OF CERTAIN DRUGS TO MEMBERS OF ARMED FORCES.

(a) LIMITATION AND WAIVER.—(1) Section 1107 of title 10, United States Code, is amended—

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

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

''(f) LIMITATION AND WAIVER.—(1) An investigational new drug or a drug unapproved for its applied use may not be administered to a member of the armed forces pursuant to a request or requirement referred to in subsection (a) unless—

''(A) the member provides prior consent to receive the drug in accordance with the requirements imposed under the regulations required under paragraph (4) of section 505(i) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 355(i)); or

''(B) the Secretary obtains—

"(i) under such section a waiver of such requirements; and

"(ii) a written statement that the President concurs in the determination of the Secretary required under paragraph (2) and with the Secretary's request for the waiver.

"(2) The Secretary of Defense may request a waiver referred to in paragraph (1)(B) in the case of any request or requirement to administer a drug under this section if the Secretary determines that obtaining consent is not feasible, is contrary to the best interests of the members involved, or is not in the best interests of national security. Only the Secretary may exercise the authority to make the request for the Department of Defense, and the Secretary may not delegate that authority.

"(3) The Secretary shall submit to the chairman and ranking minority member of each congressional defense committee a notification of each waiver granted pursuant to a request of the Secretary under paragraph (2), together with the concurrence of the President under paragraph (1)(B) that relates to the waiver and the justification for the request or requirement under subsection (a) for a member to receive the drug covered by the waiver.

"(4) In this subsection, the term 'congressional defense committee' means each of the following:

"(A) The Committee on Armed Services and the Committee on Appropriations of the Senate.

"(B) The Committee on National Security and the Committee on Appropriations of the House of Representatives.".

(2) The requirements for a concurrence of the President and a notification of committees of Congress that are set forth in section 1107(f) of title 10, United States Code (as added by paragraph (1)(B)) shall apply with respect to—

(A) each waiver of the requirement for prior consent imposed under the regulations required under paragraph (4) of section 505(i) of the Federal Food, Drug, and Cosmetic Act (or under any antecedent provision of law or regulations) that—

(i) has been granted under that section (or antecedent provision of law or regulations) before the date of the enactment of this Act; and

(ii) is applied after that date; and

(B) each waiver of such requirement that is granted on or after that date.

(b) TIME AND FORM OF NOTICE.—(1) Subsection (b) of such section is amended by striking out ", if practicable" and all that follows through "first administered to the member".

(2) Subsection (c) of such section is amended by striking out ''unless the Secretary of Defense determines'' and all that follows through ''alternative method''.

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 amounts were charged.

"(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 2302(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, or subsection (b)(1)(B) of section 304A of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 254b), from the requirements for submission of certified cost or pricing data under that section.

(c) COMMERCIAL PRICING REGULATIONS.—(1) The Federal Acquisition Regulation issued in accordance with sections 6 and 25 of the Office of Federal Procurement Policy Act shall be revised to 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 congressional 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''.

SEC. 812. PLAN FOR RAPID TRANSITION FROM COMPLETION OF SMALL BUSINESS INNOVATION RESEARCH INTO DEFENSE ACQUISITION PROGRAMS.

(a) PLAN REQUIRED.—Not later than February 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 plan for facilitating the rapid transition into Department of Defense acquisition programs of successful first phase and second phase activities under the Small Business Innovation Research program under section 9 of the Small Business Act (15 U.S.C. 638).

(b) CONDITIONS.—The plan submitted under subsection (a) shall—

(1) be consistent with the Small Business Innovation Research program and with recent acquisition reforms that are applicable to the Department of Defense; and

(2) provide—

(A) a high priority for funding the projects under the Small Business Innovation Research program that are likely to be successful under

a third phase agreement entered into pursuant to section 9(r) of the Small Business Act (15 U.S.C. 638(r)); and

(B) for favorable consideration, in the acquisition planning process, for funding projects under the Small Business Innovation Research program that are subject to a third phase agreement described in subparagraph (A).

SEC. 813. SENIOR EXECUTIVES COVERED BY LIMITATION ON ALLOWABILITY OF COMPENSATION FOR CERTAIN CONTRACTOR PERSONNEL.

(a) DEFENSE CONTRACTS.—Section 2324(l)(5) of title 10, United States Code, is amended to read as follows:

''(5) The term 'senior executive', with respect to a contractor, means the five most highly compensated employees in management positions at each home office and segment of the contractor.''.

(b) NON-DEFENSE CONTRACTS.—Section 306(m)(2) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 256(m)(2)) is amended to read as follows:

''(2) The term 'senior executive', with respect to a contractor, means the five most highly com-

pensated employees in management positions at each home office and segment of the contractor.''.

(c) CONFORMING AMENDMENT.—Section 39(c)(2) of the Office of Federal Procurement Policy Act (41 U.S.C. 435(c)(2)) is amended to read as follows:

''(2) The term 'senior executive', with respect to a contractor, means the five most highly compensated employees in management positions at each home office and segment of the contractor.''.

SEC. 814. SEPARATE DETERMINATIONS OF EXCEPTIONAL WAIVERS OF TRUTH IN NEGOTIATION REQUIREMENTS FOR PRIME CONTRACTS AND SUBCONTRACTS.

(a) DEFENSE PROCUREMENTS.—Section 2306a(a)(5) of title 10, United States Code, is amended to read as follows:

''(5) A waiver of requirements for submission of certified cost or pricing data that is granted under subsection (b)(1)(C) in the case of a contract or subcontract does not waive the requirement under paragraph (1)(C) for submission of cost or pricing data in the case of subcontracts under that contract or subcontract unless the head of the agency concerned determines that the requirement under that paragraph should be waived in the case

of such subcontracts and justifies in writing the reasons for the determination.''.

(b) NON-DEFENSE PROCUREMENTS.—Section 304A(a)(5) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 254b(a)(5)) is amended to read as follows:

''(5) A waiver of requirements for submission of certified cost or pricing data that is granted under subsection (b)(1)(C) in the case of a contract or subcontract does not waive the requirement under paragraph (1)(C) for submission of cost or pricing data in the case of subcontracts under that contract or subcontract unless the head of the executive agency concerned determines that the requirement under that paragraph should be waived in the case of such subcontracts and justifies in writing the reasons for the determination.''.

SEC. 815. FIVE-YEAR AUTHORITY FOR SECRETARY OF THE NAVY TO EXCHANGE CERTAIN ITEMS.

(a) BARTER AUTHORITY.—The Secretary of the Navy may enter into a barter agreement to exchange trucks and other tactical vehicles for the repair and remanufacture of ribbon bridges for the Marine Corps in accordance with section 201(c) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 481(c)), except that the requirement for items exchanged

under that section to be similar items shall not apply to the authority under this subsection.

(b) PERIOD OF AUTHORITY.—The authority to enter into agreements under subsection (a) and to make exchanges under any such agreement is effective during the 5-year period beginning on October 1, 1998, and ending at the end of September 30, 2003.

SEC. 816. CLARIFICATION OF RESPONSIBILITY FOR SUBMISSION OF INFORMATION ON PRICES PREVIOUSLY CHARGED FOR PROPERTY OR SERVICES OFFERED.

(a) ARMED SERVICES PROCUREMENTS.—Section 2306a(d)(1) of title 10, United States Code is amended—

(1) by striking out ''the data submitted shall'' in the second sentence and inserting in lieu thereof the following: ''the contracting officer shall require that the data submitted''; and

(2) by adding at the end the following: ''Submission of data required of an offeror under the preceding sentence in the case of a contract or subcontract shall be a condition for the eligibility of the offeror to enter into the contract or subcontract.''.

(b) CIVILIAN AGENCY PROCUREMENTS.—Section 304A(d)(1) of the Federal Property and Administrative

Services Act of 1949 (41 U.S.C. 254b(d)(1)), is amended—

(1) by striking out ''the data submitted shall'' in the second sentence and inserting in lieu thereof the following: ''the contracting officer shall require that the data submitted''; and

(2) by adding at the end the following: ''Submission of data required of an offeror under the preceding sentence in the case of a contract or subcontract shall be a condition for the eligibility of the offeror to enter into the contract or subcontract.''.

(c) CRITERIA FOR CERTAIN DETERMINATIONS.—Not later than 180 days after the date of the enactment of this Act, the Federal Acquisition Regulation shall be amended to include criteria for contracting officers to apply for determining the specific price information that an offeror should be required to submit under section 2306(d) of title 10, United States Code, or section 304A(d) of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 254b(d)).

SEC. 817. DENIAL OF QUALIFICATION OF A SMALL DISADVANTAGED BUSINESS SUPPLIER.

(a) No later than December 1, 1998, the Secretary shall submit to the Congress a report recommending alternative means through which a refiner that qualifies as a

small disadvantaged business and that delivers fuel by barge to Defense Energy Supply Point-Anchorage under a contract with the Defense Energy Supply Center can—

(1) fulfill its contractual obligations,

(2) maintain its status as a small disadvantaged business, and

(3) receive the small disadvantaged business premium for the total amount of fuel under the contract,

when ice conditions in Cook Inlet threaten physical delivery of such fuel.

(b) Any inability by such refiner to satisfy its contractual obligations to the Defense Energy Supply Center for the delivery of fuel to Defense Energy Supply Point-Anchorage may not be used as a basis for the denial of such refiner's small disadvantaged business status or small disadvantaged business premium for the total amount of fuel under the contract, where such inability is a result of ice conditions, as determined by the United States Coast Guard, in Cook Inlet through February 1999, and if the Secretary of Defense determines that such inability will result in an inequity to the refiner.

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, informa-

tion 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 oper-

ational 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 de-

fense 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 sub-

chapter 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 Committee 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 nonappropriated 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 re-

lating 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.

SEC. 908. REDESIGNATION OF DIRECTOR OF DEFENSE RESEARCH AND ENGINEERING AS DIRECTOR OF DEFENSE TECHNOLOGY AND COUNTERPROLIFERATION AND TRANSFER OF RESPONSIBILITIES.

(a) REDESIGNATION.—Subsection (a) of section 137 of title 10, United States Code, is amended by striking out ''Director of Defense Research and Engineering'' and inserting in lieu thereof ''Director of Defense Technology and Counterproliferation''.

(b) DUTIES.—Subsection (b) of such section 137 is amended to read as follows:

''(b) The Director of Defense Technology and Counterproliferation shall—

''(1) except as otherwise prescribed by the Secretary of Defense, perform such duties relating to research and engineering as the Under Secretary of Defense for Acquisition and Technology may prescribe;

"(2) advise the Secretary of Defense on matters relating to nuclear energy and nuclear weapons;

"(3) serve as the Staff Director of the Joint Nuclear Weapons Council under section 179 of this title; and

"(4) perform such other duties as the Secretary of Defense may prescribe.".

(c) ABOLISHMENT OF POSITION OF ASSISTANT TO THE SECRETARY OF DEFENSE FOR NUCLEAR AND CHEMICAL AND BIOLOGICAL DEFENSE PROGRAMS.—Section 142 of such title is repealed.

(d) CONFORMING AMENDMENTS.—(1) Title 5, United States Code, is amended as follows:

(A) In section 5315, by striking out "Director of Defense Research and Engineering" and inserting in lieu thereof the following:

"Director of Defense Technology and Counterproliferation".

(B) In section 5316, by striking out "Assistant to the Secretary of Defense for Nuclear and Chemical and Biological Defense Programs, Department of Defense.".

(2) Title 10, United States Code, is amended as follows:

(A) In section 131(b), by striking out paragraph (6) and inserting in lieu thereof the following:

''(6) Director of Defense Technology and Counterproliferation.''.

(B) In section 138(d), by striking out ''Director of Defense Research and Engineering'' and inserting in lieu thereof ''Director of Defense Technology and Counterproliferation''.

(C) In section 179(c)(2), by striking out ''Assistant to the Secretary of Defense for Nuclear and Chemical and Biological Defense Programs'' and inserting in lieu thereof ''Director of Defense Technology and Counterproliferation''.

(D) In section 2350a(g)(3), by striking out ''Deputy Director, Defense Research and Engineering (Test and Evaluation)'' and inserting in lieu thereof ''Under Secretary of Defense for Acquisition and Technology''.

(E) In section 2617(a), by striking out ''Director of Defense Research and Engineering'' and inserting in lieu thereof ''Director of Defense Technology and Counterproliferation''.

(F) In section 2902(b), by striking out paragraph (1) and inserting in lieu thereof the following:

"(1) The Director of Defense Technology and Counterproliferation.".

(3) Section 257(a) of the National Defense Authorization Act for Fiscal Year 1995 (10 U.S.C. 2358 note) is amended by striking out "Director of Defense Research and Engineering" and inserting in lieu thereof "Director of Defense Technology and Counterproliferation".

(4) The National Defense Authorization Act for Fiscal Year 1994 is amended as follows:

(A) In section 802(a) (10 U.S.C. 2358 note), by striking out "Director of Defense Research and Engineering" and inserting in lieu thereof "Director of Defense Technology and Counterproliferation".

(B) In section 1605(a)(5), (22 U.S.C. 2751 note) by striking out "Assistant to the Secretary of Defense for Nuclear and Chemical and Biological Defense Programs" and inserting in lieu thereof "Director of Defense Technology and Counterproliferation".

(e) CLERICAL AMENDMENTS.—(1) The section heading of section 137 of title 10, United States Code, is amended to read as follows:

"§ 137. Director of Defense Technology and Counterproliferation".

(2) The table of sections at the beginning of chapter 4 of title 10, United States Code, is amended—

(A) by striking out the item relating to section 137 and inserting in lieu thereof the following:

"137. Director of Defense Technology and Counterproliferation.";

and

(B) by striking out the item relating to section 142.

SEC. 909. CENTER FOR HEMISPHERIC DEFENSE STUDIES.

(a) FUNDING FOR CENTER FOR HEMISPHERIC DEFENSE STUDIES.—(1) Chapter 108 of title 10, United States Code, is amended by adding at the end the following:

"§ 2166. National Defense University: funding of component institution

"Funds available for the payment of personnel expenses under the Latin American cooperation authority set forth in section 1050 of this title are also available for the costs of the operation of the Center for Hemispheric Defense Studies.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following:

"2166. National Defense University: funding of component institution.".

(b) CONFORMING AMENDMENT.—Section 1050 of title 10, United States Code, is amended by inserting ''Secretary of Defense or the'' before ''Secretary of a military department''.

SEC. 910. MILITARY AVIATION ACCIDENT INVESTIGATIONS.

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

(1) In February 1996, the Government Accounting Office released a report highlighting a 75 percent reduction in aviation Class A mishaps, a 70 percent reduction in aviation mishap fatalities and a 65 percent reduction in Class A mishap rates from 1975–1995 (Military Aircraft Safety—Significant Improvements since 1975).

(2) In February 1998, the Government Accounting Office completed a follow-up review of military aircraft safety, noting that the military experienced fewer serious aviation mishaps in fiscal years 1996 and 1997 than in previous fiscal years (Military Aircraft Safety: Serious Accidents Remain at Historically Low Levels).

(3) The report required by section 1046 of the National Defense Authorization Act for fiscal year 1998 (Public Law 105–85; 111 Stat. 1888) concluded, ''DoD found no evidence that changing exist-

ing investigation processes to more closely resemble those of the NTSB would help DoD to find more answers more quickly, or accurately''.

(4) The Department of Defense must further improve its aviation safety by fully examining all options for improving or replacing its current aviation accident investigation processes.

(5) The inter-service working group formed as a result of that report has contributed to progress in military aviation accident investigations by identifying ways to improve family assistance, as has the formal policy direction coordinated by the Office of the Secretary of Defense.

(6) Such progress includes the issuance of Air Force Instruction 90–701 entitled ''Assistance to Families of Persons Involved in Air Force Aviation Mishaps'', that attempts to meet the need for a more timely flow of relevant information to families, a family liaison officer, and the establishment of the Air Force Office of Family Assistance. However, formal policy directions and Air Force instructions have not adequately addressed the failure to provide primary next of kin of members of the Armed Forces involved in military aviation accidents with interim reports regarding the course of investigations into

such accidents, and the Department of Defense must improve its procedures for informing the families of the persons involved in military aviation mishaps.

(7) The report referred to in paragraph (3) concluded that the Department would ''benefit from the disappearance of the misperception that the privileged portion of the safety investigation exists to hide unfavorable information''.

(8) That report further specified that ''[e]ach Military Department has procedures in place to place to provide redacted copies of the final [privileged] safety report to the families. However, families must formally request a copy of the final safety investigation report''.

(9) Current efforts to improve family notification would be enhanced by the issuance by the Secretary of Defense of uniform regulations to improve the timeliness and reliability of information provided to the primary next of kin of persons involved in military aviation accidents during and following both the legal investigation and safety investigation phases of such investigations.

(b) EVALUATION OF DEPARTMENT OF DEFENSE AVIATION ACCIDENT INVESTIGATION PROCEDURES.—(1) The Secretary of Defense shall establish a task force to—

(A) review the procedures employed by the Department of Defense to conduct military aviation accident investigations; and

(B) identify mechanisms for improving such investigations and the military aviation accident investigation process.

(2) The Secretary shall appoint to the task force the following:

(A) An appropriate number of members of the Armed Forces, including both members of the regular components and the reserve components, who have experience relating to military aviation or investigations into military aviation accidents.

(B) An appropriate number of former members of the Armed Forces who have such experience.

(C) With the concurrence of the member concerned, a member of the National Transportation Safety Board.

(3)(A) The task force shall submit to Congress an interim report and a final report on its activities under this subsection. The interim report shall be submitted on December 1, 1998, and the final report shall be submitted on March 31, 1999.

(B) Each report under subparagraph (A) shall include the following:

(i) An assessment of the advisability of conducting all military aviation accident investigations through an entity that is independent of the military departments.

(ii) An assessment of the effectiveness of the current military aviation accident investigation process in identifying the cause of military aviation accidents and correcting problems so identified in a timely manner.

(iii) An assessment whether or not the procedures for sharing the results of military aviation accident investigations among the military departments should be improved.

(iv) An assessment of the advisability of centralized training and instruction for military aircraft investigators.

(v) An assessment of any costs or cost avoidances that would result from the elimination of any overlap in military aviation accident investigation activities conducted under the current so-called ''two-track'' investigation process.

(vi) Any improvements or modifications in the current military aviation accident investigation process that the task force considers appropriate to re-

duce the potential for aviation accidents and increase public confidence in the process.

(c) UNIFORM REGULATIONS FOR RELEASE OF INTERIM SAFETY INVESTIGATION REPORTS.—(1)(A) Not later than May 1, 1999, the Secretary of Defense shall prescribe regulations that provide for the release to the family members of persons involved in military aviation accidents, and to members of the public, of reports referred to in paragraph (2).

(B) The regulations shall apply uniformly to each military department.

(2) A report under paragraph (1) is a report on the findings of any ongoing privileged safety investigation into an accident referred to in that paragraph. Such report shall be in a redacted form or other form appropriate to preserve witness confidentiality and to minimize the effects of the release of information in such report on national security.

(3) Reports under paragraph (1) shall be made available—

(A) in the case of family members, at least once every 30 days or upon the development of a new or significantly changed finding during the course of the investigation concerned; and

(B) in the case of members of the public, on request.

TITLE X—GENERAL PROVISIONS

Subtitle A—Financial Matters

SEC. 1001. TRANSFER AUTHORITY.

(a) AUTHORITY TO TRANSFER AUTHORIZATIONS.—(1) Upon determination by the Secretary of Defense that such action is necessary in the national interest, the Secretary may transfer amounts of authorizations made available to the Department of Defense in this division for fiscal year 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.

SEC. 1005. REDUCTIONS IN FISCAL YEAR 1998 AUTHORIZATIONS OF APPROPRIATIONS FOR DIVISION A AND DIVISION B AND INCREASES IN CERTAIN AUTHORIZATIONS OF APPROPRIATIONS.

(a) TOTAL REDUCTION.—Notwithstanding any other provision in this division, amounts authorized to be appropriated under other provisions of this division are reduced in accordance with subsection (b) by the total amount of $421,900,000 in order to reflect savings resulting from revised economic assumptions.

(b) DISTRIBUTION OF REDUCTION.—

(1) PROCUREMENT.—Amounts authorized to be appropriated for procurement under title I are reduced as follows:

(A) ARMY.—For the Army:

(i) AIRCRAFT.—For aircraft under section 101(1), by $4,000,000.

(ii) MISSILES.—For missiles under section 101(2), by $4,000,000.

(iii) WEAPONS AND TRACKED COMBAT VEHICLES.—For weapons and tracked combat vehicles under section 101(3), by $4,000,000.

(iv) AMMUNITION.—For ammunition under section 101(4), by $3,000,000.

(v) OTHER PROCUREMENT.—For other procurement under section 101(5), by $9,000,000.

(B) NAVY AND MARINE CORPS.—For the Navy, Marine Corps, or both the Navy and Marine Corps:

(i) AIRCRAFT.—For aircraft under section 102(a)(1), by $22,000,000.

(ii) WEAPONS.—For weapons, including missiles and torpedoes, under section 102(a)(2), by $4,000,000.

(iii) SHIPBUILDING AND CONVERSION.—For shipbuilding and conversion under section 102(a)(3), by $18,000,000.

(iv) OTHER PROCUREMENT.—For other procurement under section 102(a)(4), by $12,000,000.

(v) MARINE CORPS PROCUREMENT.—For procurement for the Marine Corps under section 102(b), by $2,000,000.

(vi) AMMUNITION.—For ammunition under section 102(c), by $1,000,000.

(C) AIR FORCE.—For the Air Force:

(i) AIRCRAFT.—For aircraft under section 103(1), by $23,000,000.

(ii) MISSILES.—For missiles under section 103(2), by $7,000,000.

(iii) AMMUNITION.—For ammunition under section 103(3), by $1,000,000.

(iv) OTHER PROCUREMENT.—For other procurement under section 103(4), by $17,500,000.

(D) DEFENSE-WIDE ACTIVITIES.—For the Department of Defense for Defense-wide activities under section 104, by $5,800,000.

(E) CHEMICAL DEMILITARIZATION PROGRAM.—For the destruction of lethal chemical agents and munitions and of chemical warfare material under section 107, by $3,000,000.

(2) R D T & E.—Amounts authorized to be appropriated for research, development, test, and evaluation under title II are reduced as follows:

(A) ARMY.—For the Army under section 201(1), by $10,000,000.

(B) NAVY.—For the Navy under section 201(2), by $20,000,000.

(C) AIR FORCE.—For the Air Force under section 201(3), by $39,000,000.

(D) DEFENSE-WIDE ACTIVITIES.—For Defense-wide activities under section 201(4), by $26,700,000.

(3) OPERATION AND MAINTENANCE.—Amounts authorized to be appropriated for operation and maintenance under title III are reduced as follows:

(A) ARMY.—For the Army under section 301(a)(1), by $24,000,000.

(B) NAVY.—For the Navy under section 301(a)(2), by $32,000,000.

(C) MARINE CORPS.—For the Marine Corps under section 301(a)(3), by $4,000,000.

(D) AIR FORCE.—For the Air Force under section 301(a)(4), by $31,000,000.

(E) DEFENSE-WIDE ACTIVITIES.—For Defense-wide activities under section 301(a)(6), by $17,600,000.

(F) ARMY RESERVE.—For the Army Reserve under section 301(a)(7), by $2,000,000.

(G) NAVAL RESERVE.—For the Naval Reserve under section 301(a)(8), by $2,000,000.

(H) AIR FORCE RESERVE.—For the Air Force Reserve under section 301(a)(10), by $2,000,000.

(I) ARMY NATIONAL GUARD.—For the Army National Guard under section 301(a)(11), by $4,000,000.

(J) AIR NATIONAL GUARD.—For the Air National Guard under section 301(a)(12), by $4,000,000.

(K) ENVIRONMENTAL RESTORATION, ARMY.—For Environmental Restoration, Army under section 301(a)(15), by $1,000,000.

(L) ENVIRONMENTAL RESTORATION, NAVY.—For Environmental Restoration, Navy under section 301(a)(16), by $1,000,000.

(M) ENVIRONMENTAL RESTORATION, AIR FORCE.—For Environmental Restoration, Air Force under section 301(a)(17), by $1,000,000.

(N) ENVIRONMENTAL RESTORATION, DEFENSE-WIDE.—For Environmental Restoration, Defense-wide under section 301(a)(18), by $1,000,000.

(O) DRUG INTERDICTION AND COUNTER-DRUG ACTIVITIES, DEFENSE-WIDE.—For Drug Interdiction and Counter-drug Activities, Defense-wide under section 301(a)(21), by $2,000,000.

(P) MEDICAL PROGRAMS, DEFENSE.—For Medical Programs, Defense under section 301(a)(23), by $36,000,000.

(4) MILITARY CONSTRUCTION, ARMY.—Amounts authorized to be appropriated for military construction, Army, under title XXI by section 2104(a) are reduced by $5,000,000, of which $3,000,000 shall be a reduction of support of military family housing under section 2104(a)(5)(B).

(5) MILITARY CONSTRUCTION, NAVY.—Amounts authorized to be appropriated for military construction, Navy, under title XXII by section 2204(a) are reduced by $5,000,000, of which—

(A) $1,000,000 shall be a reduction of construction and acquisition of military family housing under section 2204(a)(5)(A); and

(B) $3,000,000 shall be a reduction of support of military family housing under section 2204(a)(5)(B).

(6) MILITARY CONSTRUCTION, AIR FORCE.—Amounts authorized to be appropriated for military construction, Air Force, under title XXIII by section 2304(a) are reduced by $4,000,000, of which—

(A) $1,000,000 shall be a reduction of construction and acquisition of military family housing under section 2304(a)(5)(A); and

(B) $2,000,000 shall be a reduction of support of military family housing under section 2304(a)(5)(B).

(7) MILITARY CONSTRUCTION, DEFENSE AGENCIES.—Amounts authorized to be appropriated for military construction, Defense Agencies, under title XXIV by section 2404(a) are reduced by $6,300,000, of which $5,000,000 shall be a reduction of defense base closure and realignment under section 2404(a)(10), of which—

(A) $1,000,000 shall be a reduction of defense base closure and realignment, Army;

(B) $2,000,000 shall be a reduction of defense base closure and realignment, Navy; and

(C) $2,000,000 shall be a reduction of defense base closure and realignment, Air Force.

(8) NORTH ATLANTIC TREATY ORGANIZATION SECURITY INVESTMENT PROGRAM.—Amounts authorized to be appropriated for contributions to the North Atlantic Treaty Organization Security Investment program under title XXV by section 2502 are reduced by $1,000,000.

(c) PROPORTIONATE REDUCTIONS WITHIN ACCOUNTS.—The amount provided for each budget activity, budget activity group, budget subactivity group, program, project, or activity under an authorization of appropriations reduced by subsection (b) is hereby reduced by the percentage computed by dividing the total amount of that authorization of appropriations (before the reduction) into the amount by which that total amount is so reduced.

(d) INCREASE IN CERTAIN AUTHORIZATIONS OF APPROPRIATIONS.—

(1) OPERATION AND MAINTENANCE, ARMY NATIONAL GUARD.—The amount authorized to be appropriated by section 301(a)(11), as reduced by subsection (b)(3)(I), is increased by $120,000,000.

(2) OTHER DEFENSE PROGRAMS, DEPARTMENT OF ENERGY.—The amount authorized to be appropriated by section 3103 is increased by $20,000,000, which amount shall be available for verification and control technology under paragraph (1)(C) of that section.

SEC. 1006. AMOUNT AUTHORIZED FOR CONTRIBUTIONS FOR NATO COMMON-FUNDED BUDGETS.

(a) TOTAL AMOUNT.—Contributions are authorized to be made in fiscal year 1999 for the common-funded budgets of NATO, out of funds available for the Depart-

ment of Defense for that purpose, in the total amount that is equal to the sum of (1) the amounts of the unexpended balances, as of the end of fiscal year 1998, of funds appropriated for fiscal years before fiscal year 1999 for payments for such budgets, (2) the amount authorized to be appropriated under section 301(a)(1) that is available for contributions for the NATO common-funded military budget under section 314, (3) the amount authorized to be appropriated under section 201(1) that is available for contribution for the NATO common-funded civil budget under section 219, and (4) the total amount of the contributions authorized to be made under section 2501.

(b) DEFINITION.—In this section, the term ''common-funded budgets of NATO'' means the Military Budget, the Security Investment Program, and the Civil Budget of NATO (and any successor or additional account or program of NATO).

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 reg-

ister. 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 to 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.—The vessels that may be chartered under subsection (a) are as follows:

(1) The Carolyn Chouest (United States official number D102057).

(2) The Kellie Chouest (United States official number D1038519).

(3) The Dolores Chouest (United States official number D600288).

(c) CHARTER PERIOD.—The period for which a vessel is chartered under subsection (a) may not extend beyond October 1, 2004.

(d) FUNDING.—The funds used for charters entered into under subsection (a) shall be funds authorized to be appropriated under section 301(a)(2).

SEC. 1013. TRANSFERS OF CERTAIN NAVAL VESSELS TO CERTAIN FOREIGN COUNTRIES.

(a) AUTHORITY.—

(1) ARGENTINA.—The Secretary of the Navy is authorized to transfer to the Government of Argentina on a grant basis the tank landing ship Newport (LST 1179).

(2) BRAZIL.—The Secretary of the Navy is authorized to transfer vessels to the Government of Brazil as follows:

(A) On a sale basis, the Newport class tank landing ships Cayuga (LST 1186) and Peoria (LST 1183).

(B) On a combined lease-sale basis, the Cimarron class oiler Merrimack (AO 179).

(3) CHILE.—The Secretary of the Navy is authorized to transfer vessels to the Government of Chile on a sale basis as follows:

(A) The Newport class tank landing ship San Bernardino (LST 1189).

(B) The auxiliary repair dry dock Waterford (ARD 5).

(4) GREECE.—The Secretary of the Navy is authorized to transfer vessels to the Government of Greece as follows:

(A) On a sale basis, the following vessels:

(i) The Oak Ridge class medium dry dock Alamogordo (ARDM 2).

(ii) The Knox class frigates Vreeland (FF 1068) and Trippe (FF 1075).

(B) On a combined lease-sale basis, the Kidd class guided missile destroyers Kidd (DDG 993), Callaghan (DDG 994), Scott (DDG 995) and Chandler (DDG 996).

(C) On a grant basis, the following vessels:

(i) The Knox class frigate Hepburn (FF 1055).

(ii) The Adams class guided missile destroyers Strauss (DDG 16), Semmes (DDG 18), and Waddell (DDG 24).

(5) MEXICO.—The Secretary of the Navy is authorized to transfer to the Government of Mexico on a sale basis the auxiliary repair dry dock San Onofre (ARD 30) and the Knox class frigate Pharris (FF 1094).

(6) PHILIPPINES.—The Secretary of the Navy is authorized to transfer to the Government of the Philippines on a sale basis the Stalwart class ocean surveillance ship Triumph (T-AGOS 4).

(7) PORTUGAL.—The Secretary of the Navy is authorized to transfer to the Government of Por-

tugal on a grant basis the Stalwart class ocean surveillance ship Assurance (T-AGOS 5).

(8) SPAIN.—The Secretary of the Navy is authorized to transfer to the Government of Spain on a sale basis the Newport class tank landing ships Harlan County (LST 1196) and Barnstable County (LST 1197).

(9) TAIWAN.—The Secretary of the Navy is authorized to transfer vessels to the Taipei Economic and Cultural Representative Office in the United States (which is the Taiwan instrumentality designated pursuant to section 10(a) of the Taiwan Relations Act) on a sale basis as follows:

(A) The Knox class frigates Peary (FF 1073), Joseph Hewes (FF 1078), Cook (FF 1083), Brewton (FF 1086), Kirk (FF 1087) and Barbey (FF 1088).

(B) The Newport class tank landing ships Manitowoc (LST 1180) and Sumter (LST 1181).

(C) The floating dry dock Competent (AFDM 6).

(D) The Anchorage class dock landing ship Pensacola (LSD 38).

(10) TURKEY.—The Secretary of the Navy is authorized to transfer vessels to the Government of Turkey as follows:

(A) On a sale basis, the following vessels:

(i) The Oliver Hazard Perry class guided missile frigates Mahlon S. Tisdale (FFG 27), Reid (FFG 30) and Duncan (FFG 10).

(ii) The Knox class frigates Reasoner (FF 1063), Fanning (FF 1076), Bowen (FF 1079), McCandless (FF 1084), Donald Beary (FF 1085), Ainsworth (FF 1090), Thomas C. Hart (FF 1092), and Capodanno (FF 1093).

(B) On a grant basis, the Knox class frigates Paul (FF 1080), Miller (FF 1091), W.S. Simms (FF 1059).

(11) VENEZUELA.—The Secretary of the Navy is authorized to transfer to the Government of Venezuela on a sale basis the unnamed medium auxiliary floating dry dock AFDM 2.

(b) BASES OF TRANSFER.—

(1) GRANT.—A transfer of a naval vessel authorized to be made on a grant basis under sub-

section (a) shall be made under section 516 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j).

(2) SALE.—A transfer of a naval vessel authorized to be made on a sale basis under subsection (a) shall be made under section 21 of the Arms Export Control Act (22 U.S.C. 2761).

(3) COMBINED LEASE-SALE.—(A) A transfer of a naval vessel authorized to be made on a combined lease-sale basis under subsection (a) shall be made under sections 61 and 21 of the Arms Export Control Act (22 U.S.C. 2796 and 2761, respectively) in accordance with this paragraph.

(B) For each naval vessel authorized by subsection (a) for transfer on a lease-sale basis, the Secretary of the Navy is authorized to transfer the vessel under the terms of a lease, with lease payments suspended for the term of the lease, if the country entering into the lease of the vessel simultaneously enters into a foreign military sales agreement for the transfer of title to the leased vessel. Delivery of title to the purchasing country shall not be made until the purchase price of the vessel has been paid in full. Upon delivery of title to the purchasing country, the lease shall terminate.

(C) If the purchasing country fails to make full payment of the purchase price by the date required under the sales agreement, the sales agreement shall be immediately terminated, the suspension of lease payments under the lease shall be vacated, and the United States shall retain all funds received on or before the date of the termination under the sales agreement, up to the amount of the lease payments due and payable under the lease and all other costs required by the lease to be paid to that date. No interest shall be payable to the recipient by the United States on any amounts that are paid to the United States by the recipient under the sales agreement and are not retained by the United States under the lease.

(c) REQUIREMENT FOR PROVISION IN ADVANCE IN AN APPROPRIATIONS ACT.—Authority to transfer vessels on a sale or combined lease-sale basis under subsection (a) shall be effective only to the extent that authority to effectuate such transfers, together with appropriations to cover the associated cost (as defined in section 502 of the Congressional Budget and Impoundment Control Act of 1974 (2 U.S.C. 661a)), are provided in advance in an appropriations Act.

(d) NOTIFICATION OF CONGRESS.—Not later than 30 days after the date of the enactment of this Act, the Secretary of the Navy shall submit to Congress, for each naval vessel that is to be transferred under this section before January 1, 1999, the notifications required under section 516 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j) and section 525 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1998 (Public Law 105–118; 111 Stat. 2413).

(e) GRANTS NOT COUNTED IN ANNUAL TOTAL OF TRANSFERRED EXCESS DEFENSE ARTICLES.—The value of the naval vessels authorized by subsection (a) to be transferred on a grant basis under section 516 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j) shall not be counted for the purposes of that section in the aggregate value of excess defense articles transferred to countries under that section in any fiscal year.

(f) COSTS OF TRANSFERS.—Any expense of the United States in connection with a transfer authorized by subsection (a) 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 to be made on a grant basis under subsection (a)).

(g) 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.

(h) EXPIRATION OF AUTHORITY.—The authority to transfer a vessel under subsection (a) shall expire at the end of the two-year period beginning on the date of the enactment of this Act.

SEC. 1014. SENSE OF CONGRESS CONCERNING THE NAMING OF AN LPD–17 VESSEL.

It is the sense of Congress that, consistent with section 1018 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 425), the next unnamed vessel of the LPD–17 class of amphibious vessels should be named the U.S.S. Clifton B. Cates, in honor of Marine General Clifton B. Cates (1893–1970), a native of Tennessee whose distinguished career of service in the Marine Corps included combat service in World War I so heroic that he became the most decorated Marine Corps officer of World War I, included exemplary combat leadership from Guadalcanal to Tinian and Iwo Jima and

beyond in the Pacific Theater during World War II, and culminated in Lieutenant General Cates being appointed the 19th Commandant of the Marine Corps, a position in which he led the Marine Corps' efficient and alacritous response to the invasion of the Republic of South Korea by Communist North Korea.

SEC. 1015. CONVEYANCE OF NDRF VESSEL EX-U.S.S. LORAIN COUNTY.

(a) AUTHORITY TO CONVEY.—The Secretary of Transportation may convey all right, title, and interest of the Federal Government in and to the vessel ex-U.S.S. LORAIN COUNTY (LST–1177) to the Ohio War Memorial, Inc., located in Sandusky, Ohio (in this section referred to as the ''recipient''), for use as a memorial to Ohio veterans.

(b) TERMS OF CONVEYANCE.—

(1) DELIVERY OF VESSEL.—In carrying out subsection (a), the Secretary shall deliver the vessel—

(A) at the place where the vessel is located on the date of conveyance;

(B) in its condition on that date; and

(C) at no cost to the Federal Government.

(2) REQUIRED CONDITIONS.—The Secretary may not convey a vessel under this section unless—

(A) the recipient agrees to hold the Government harmless for any claims arising from exposure to hazardous materials, including asbestos and polychlorinated biphenyls, after conveyance of the vessel, except for claims arising before the date of the conveyance of from use of the vessel by the Government after that date; and

(B) the recipient has available, for use to restore the vessel, in the form of cash, liquid assets, or a written loan commitment, financial resources of at least $100,000.

(3) ADDITIONAL TERMS.—The Secretary may require such additional terms and conditions in connection with the conveyance authorized by this section as the Secretary considers appropriate.

(c) OTHER UNNEEDED EQUIPMENT.—The Secretary may convey to the recipient of the vessel conveyed under this section any unneeded equipment from other vessels in the National Defense Reserve Fleet, for use to restore the vessel conveyed under this section to museum quality.

SEC. 1016. HOMEPORTING OF THE U.S.S. IOWA BATTLESHIP IN SAN FRANCISCO.

It is the sense of Congress that the U.S.S. Iowa should be homeported at the Port of San Francisco, California.

SEC. 1017. SHIP SCRAPPING PILOT PROGRAM.

(a) IN GENERAL.—The Secretary of the Navy shall carry out a vessel scrapping pilot program within the United States during fiscal years 1999 and 2000. The scope of the program shall be that which the Secretary determines is sufficient to gather data on the cost of scrapping Government vessels domestically and to demonstrate cost effective technologies and techniques to scrap such vessels in a manner that is protective of worker safety and health and the environment.

(b) CONTRACT AWARD.—(1) The Secretary shall award a contract or contracts under subsection (a) to the offeror or offerors that the Secretary determines will provide the best value to the United States, taking into account such factors as the Secretary considers appropriate.

(2) In making a best value determination under this subsection, the Secretary shall give a greater weight to technical and performance-related factors than to cost and price-related factors.

(3) The Secretary shall give significant weight to the technical qualifications and past performance of the con-

tractor and the major subcontractors or team members of the contractor in complying with applicable Federal, State, and local laws and regulations for environmental and worker protection. In accordance with the requirements of the Federal Acquisition Regulation, in the case of an offeror without a record of relevant past performance or for whom information on past performance is not available, the offeror may not be evaluated favorably or unfavorably on past performance.

(c) CONTRACT TERMS AND CONDITIONS.—The contract or contracts awarded by the Secretary pursuant to subsection (b) shall, at a minimum, provide for—

(1) the transfer of the vessel or vessels to the contractor or contractors;

(2) the sharing, by any appropriate contracting method, of the costs of scrapping the vessel or vessels between the Government and the contractor or contractors;

(3) a performance incentive for a successful record of environmental and worker protection; and

(4) Government access to contractor records in accordance with the requirements of section 2313 of title 10, United States Code.

(d) REPORTS.—(1) Not later than September 30, 1999, the Secretary of the Navy shall submit an interim

report on the pilot program to the congressional defense committees. The report shall contain the following:

(A) The procedures used for the solicitation and award of a contract or contracts under the pilot program.

(B) The contract or contracts awarded under the pilot program.

(2) Not later than September 30, 2000, the Secretary of the Navy shall submit a final report on the pilot program to the congressional defense committees. The report shall contain the following:

(A) The results of the pilot program and the performance of the contractors under such program.

(B) The Secretary's procurement strategy for future ship scrapping activities.

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.—Sec-

tion 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 anal-

ysis 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 redundant 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) FINDINGS.—Congress makes the following findings:

(1) Because of the way computers store and process dates, most computers will not function properly, or at all, after January 1, 2000, a problem that is commonly referred to as the year 2000 problem.

(2) The United States Government is currently conducting a massive program to identify and correct computer systems that suffer from the year 2000 problem.

(3) The cost to the Department of Defense of correcting this problem in its computer systems has been estimated to be more than $1,000,000,000.

(4) Other nations have failed to initiate aggressive action to identify and correct the year 2000 problem within their own computers.

(5) Unless other nations initiate aggressive actions to ensure the reliability and stability of certain communications and strategic systems, United States nationally security may be jeopardized.

(b) 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.

(c) 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.

(9) The countries that have critical computer-based systems any disruption of which, due to not being year 2000 compliant, would cause a significant potential national security risk to the United States.

(10) A discussion of the cooperative arrangements between the United States and other nations to assist those nations in identifying and correcting (to the extent necessary to meet national security interests of the United States) any problems in their communications and strategic systems, or other systems identified by the Secretary of Defense, that make the systems not year 2000 compliant.

(11) A discussion of the threat posed to the national security interests of the United States from any potential failure of strategic systems of foreign countries that are not year 2000 compliant.

(d) SUBMITTAL.—The report shall be submitted not later than March 31, 1999, in classified form and, as necessary, unclassified form.

(e) INTERNATIONAL COOPERATIVE ARRANGEMENTS.—The Secretary of Defense, with the concurrence of the Secretary of State may enter into a cooperative arrangement with a representative of any foreign government to provide for the United States to assist the foreign government in identifying and correcting (to the extent necessary to meet national security interests of the United States) any problems in communications, strategic, or other systems of that foreign government that make the systems not year 2000 compliant.

(f) 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 Commit-

tee 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 Authorization 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 coordina-

tion 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 Oper-

ation 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.

SEC. 1031. SUBMISSION OF REPORT ON OBJECTIVES OF A CONTINGENCY OPERATION WITH FIRST REQUEST FOR FUNDING THE OPERATION.

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

(1) On May 3, 1994, the President issued Presidential Decision Directive 25 declaring that American participation in United Nations and other peace operations would depend in part on whether the role of United States forces is tied to clear objectives and an endpoint for United States participation can be identified.

(2) Between that date and mid-1998, the President and other executive branch officials have obligated or requested appropriations of approximately $9,400,000,000 for military-related operations throughout Bosnia and Herzegovina without provid-

ing to Congress, in conjunction with the budget submission for any fiscal year, a strategic plan for such operations under the criteria set forth in that Presidential Decision Directive.

(3) Between November 27, 1995, and mid-1998 the President has established three deadlines, since elapsed, for the termination of United States military-related operations throughout Bosnia and Herzegovina.

(4) On December 17, 1997, the President announced that United States ground combat forces would remain in Bosnia and Herzegovina for an unknown period of time.

(5) Approximately 47,880 United States military personnel (excluding personnel serving in units assigned to the Republic of Korea) have participated in 14 international contingency operations between fiscal years 1991 and 1998.

(6) The 1998 posture statements of the Navy and Air Force included declarations that the pace of military operations over fiscal year 1997 adversely affected the readiness of non-deployed forces, personnel retention rates, and spare parts inventories of the Navy and Air Force.

(b) INFORMATION TO BE REPORTED WITH FUNDING REQUEST.—Section 113 of title 10, United States Code, is amended by adding at the end the following:

"(l) INFORMATION TO ACCOMPANY INITIAL FUNDING REQUEST FOR CONTINGENCY OPERATION.—Whenever the President submits to Congress a request for appropriations for costs associated with a contingency operation that involves, or likely will involve, the deployment of more than 500 members of the armed forces, the Secretary of Defense shall submit to Congress a report on the objectives of the operation. The report shall include a discussion of the following:

"(1) What clear and distinct objectives guide the activities of United States forces in the operation.

"(2) What the President has identified on the basis of those objectives as the date, or the set of conditions, that defines the endpoint of the operation.".

SEC. 1032. REPORTS ON THE DEVELOPMENT OF THE EUROPEAN SECURITY AND DEFENSE IDENTITY.

(a) REQUIREMENT FOR REPORTS.—The Secretary of Defense shall submit to the congressional defense committees in accordance with this section reports on the development of the European Security and Defense Identity

(ESDI) within the NATO Alliance that would enable the Western European Union (WEU), with the consent of the NATO Alliance, to assume the political control and strategic direction of NATO assets and capabilities made available by the Alliance.

(b) REPORTS TO BE SUBMITTED.—The reports required to be submitted under subsection (a) are as follows:

(1) An initial report, submitted not later than December 15, 1998, that contains a discussion of the actions taken, and the plans for future actions, to build the European Security and Defense Identity, together with the matters required under subsection (c).

(2) A semiannual report on the progress made toward establishing the European Security and Defense Identity, submitted not later than March 15 and December 15 of each year after 1998.

(c) CONTENT OF REPORTS.—The Secretary shall include in each report under this section the following:

(1) A discussion of the arrangements between NATO and the Western European Union for the release, transfer, monitoring, return, and recall of NATO assets and capabilities.

(2) A discussion of the development of such planning and other capabilities by the Western Eu-

ropean Union that are necessary to provide political control and strategic direction of NATO assets and capabilities.

(3) A discussion of the development of terms of reference for the Deputy Supreme Allied Commander, Europe, with respect to the European Security and Defense Identity.

(4) A discussion of the arrangements for the assignment or appointment of NATO officers to serve in two positions concurrently (commonly referred to as ''dual-hatting'').

(5) A discussion of the development of the Combined Joint Task Force (CJTF) concept, including lessons-learning from the NATO-led Stabilization Force in Bosnia.

(6) Identification within the NATO Alliance of the types of separable but not separate capabilities, assets, and support assets for Western European Union-led operations.

(7) Identification of separable but not separate headquarters, headquarters elements, and command positions for command and conduct of Western European Union-led operations.

(8) The conduct by NATO, at the request of and in coordination with the Western European

Union, of military planning and exercises for illustrative missions.

(9) A discussion of the arrangements between NATO and the Western European Union for the sharing of information, including intelligence.

(10) Such other information as the Secretary considers useful for a complete understanding of the establishment of the European Security and Defense Identity within the NATO Alliance.

(d) TERMINATION OF SEMIANNUAL REPORTING REQUIREMENT.—No report is required under subsection (b)(2) after the Secretary submits under that subsection a report in which the Secretary states that the European Security and Defense Identity has been fully established.

SEC. 1033. REPORT ON REDUCTION OF INFRASTRUCTURE COSTS AT BROOKS AIR FORCE BASE, TEXAS.

(a) REQUIREMENT.—Not later than December 31, 1998, the Secretary of the Air Force shall, in consultation with the Secretary of Defense, submit to the congressional defense committees a report on means of reducing significantly the infrastructure costs at Brooks Air Force Base, Texas, while also maintaining or improving the support for Department of Defense missions and personnel provided through Brooks Air Force Base.

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

(1) A description of any barriers (including barriers under law and through policy) to improved infrastructure management at Brooks Air Force Base.

(2) A description of means of reducing infrastructure management costs at Brooks Air Force Base through cost-sharing arrangements and more cost-effective utilization of property.

(3) A description of any potential public partnerships or public-private partnerships to enhance management and operations at Brooks Air Force Base.

(4) An assessment of any potential for expanding infrastructure management opportunities at Brooks Air Force Base as a result of initiative considered at the Base or at other installations.

(5) An analysis (including appropriate data) on current and projected costs of the ownership or lease of Brooks Air Force Base under a variety of ownership or leasing scenarios, including the savings that would accrue to the Air Force under such scenarios and a schedule for achieving such savings.

(6) Any recommendations relating to reducing the infrastructure costs at Brooks Air Force Base that the Secretary considers appropriate.

SEC. 1034. ANNUAL GAO REVIEW OF F/A–18E/F AIRCRAFT PROGRAM.

(a) REVIEW AND REPORT REQUIRED.—Not later than June 15 of each year, the Comptroller General shall review the F/A–18E/F aircraft program and submit to Congress a report on the results of the review. The Comptroller General shall also submit to Congress with each report a certification regarding whether the Comptroller General has had access to sufficient information to make informed judgments on the matters covered by the report.

(b) CONTENT OF REPORT.—The report submitted on the program each year shall include the following:

(1) The extent to which engineering and manufacturing development and operational test and evaluation under the program are meeting the goals established for engineering and manufacturing development and operational test and evaluation under the program, including the performance, cost, and schedule goals.

(2) The status of modifications expected to have a significant effect on the cost or performance of the F/A–18E/F aircraft.

(c) DURATION OF REQUIREMENT.—The Comptroller General shall submit the first report under this section not later than June 15, 1999. No report is required under this section after the full rate production contract is awarded under the program.

(d) REQUIREMENT TO SUPPORT ANNUAL GAO REVIEW.—The Secretary of Defense and the prime contractors under the F/A–18E/F aircraft program shall timely provide the Comptroller General with such information on the program, including information on program performance, as the Comptroller General considers necessary to carry out the responsibilities under this section.

SEC. 1035. REVIEW AND REPORT REGARDING THE DISTRIBUTION OF NATIONAL GUARD RESOURCES AMONG STATES.

(a) REQUIREMENT FOR REVIEW.—The Chief of the National Guard Bureau shall review the process used for allocating and distributing resources, including all categories of full-time manning, among the States for the National Guard of the States.

(b) PURPOSE OF REVIEW.—The purpose of the review is to determine whether the process provides for adequately funding the National Guard of the States that have within the National Guard no unit or few (15 or less) units categorized in readiness tiers I, II, and III.

(c) MATTERS REVIEWED.—The matters reviewed shall include the following:

(1) The factors considered for the process of determining the distribution of resources, including the weights assigned to the factors.

(2) The extent to which the process results in funding for the units of the States described in subsection (b) at the levels necessary to optimize the preparedness of the units to meet the mission requirements applicable to the units.

(3) The effects that funding at levels determined under the process will have on the National Guard of those States in the future, including the effects on all categories of full-time manning, and unit readiness, recruitment, and continued use of existing National Guard armories and other facilities.

(d) REPORT.—Not later than March 15, 1999, the Chief of the National Guard Bureau shall submit a report on the results of the review to the congressional defense committees.

SEC. 1036. REPORT ON THE PEACEFUL EMPLOYMENT OF FORMER SOVIET EXPERTS ON WEAPONS OF MASS DESTRUCTION.

(a) REPORT REQUIRED.—Not later than January 31, 1999, the Secretary of Defense shall submit to the con-

gressional defense committees a report on the need for and the feasibility of programs, other than those involving the development or promotion of commercially viable proposals, to further United States nonproliferation objectives regarding former Soviet experts in ballistic missiles or weapons of mass destruction. The report shall contain an analysis of the following:

(1) The number of such former Soviet experts who are, or are likely to become within the coming decade, unemployed, underemployed, or unpaid and, therefore, at risk of accepting export orders, contracts, or job offers from countries developing weapons of mass destruction.

(2) The extent to which the development of nonthreatening, commercially viable products and services, with or without United States assistance, can reasonably be expected to employ such former experts.

(3) The extent to which projects that do not involve the development of commercially viable products or services could usefully employ additional such former experts.

(4) The likely cost and benefits of a 10-year program of United States or international assistance to projects of the sort discussed in paragraph (3).

(b) CONSULTATION REQUIREMENT.—The report shall be prepared in consultation with the Secretary of State, the Secretary of Energy, and such other officials as the Secretary of Defense considers appropriate.

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 certifi-

cation 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 com-

manders 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 Sec-

retary 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.''.

(c) CUSTOMS SERVICE EMPLOYEE DEPENDENTS IN PUERTO RICO.—(1) Subsection (c) of such section is further amended by adding at the end the following:

''(4)(A) A dependent of a United States Customs Service employee who resides in Puerto Rico but not on a military installation may enroll in an educational program provided by the Secretary pursuant to subsection (a) in Puerto Rico.

''(B) Notwithstanding the limitation on duration of enrollment set forth in paragraph (2), a dependent described in subparagraph (A) who is enrolled in an education program described in that subparagraph may be removed from the program only for good cause (as determined by the Secretary). No requirement under that paragraph for reimbursement of the Secretary for the costs of educational services provided for the dependent shall apply with respect to the dependent.

''(C) In the event of the death in the line of duty of an employee described in subparagraph (A), a dependent of the employee may remain enrolled in an educational program described in that subparagraph until—

''(i) the end of the academic year in which the death occurs; or

''(ii) the dependent is removed for good cause (as so determined).''.

(2) The amendment made by paragraph (1) shall take effect on the date of enactment of this Act and apply to academic years beginning on or after that date.

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 inserting in lieu thereof the following: ''Any such Federal entity which proposes to so relocate shall notify the NTIA, which in turn shall notify the Commission, before the auction concerned of the marginal costs anticipated to be associated with such relocation or with modifications necessary to accommodate prospective licensees. The Commission in turn shall notify potential bidders of the estimated

relocation or modification costs based on the geographic area covered by the proposed licenses before the auction; 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 operates 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.

"(E) IMPLEMENTATION PROCEDURES.—The NTIA and the Commission shall develop procedures for the implementation of this paragraph, which procedures shall include a process for resolving any differences that arise between the Federal Government and commercial licensees regarding estimates of relocation or modification costs under this paragraph.

"(F) INAPPLICABILITY TO CERTAIN RELOCATIONS.—With the exception of spectrum lo-

cated at 1710–1755 Megahertz, the provisions of this paragraph shall not apply to Federal spectrum identified for reallocation in the first reallocation report submitted to the President and Congress under subsection (a).''.

(d) REPORTS ON COSTS OF RELOCATIONS.—The head of each department or agency of the Federal Government shall include in the annual budget submission of such department or agency to the Director of the Office of Management and Budget a report assessing the costs to be incurred by such department or agency as a result of any frequency relocations of such department or agency that are anticipated under section 113 of the National Telecommunications Information Administration Organization Act (47 U.S.C. 923) as of the date of such report.

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 Congress 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.

SEC. 1064. EXTENSION AND REAUTHORIZATION OF DEFENSE PRODUCTION ACT OF 1950.

(a) EXTENSION OF TERMINATION DATE.—Section 717(a) of the Defense Production Act of 1950 (50 U.S.C. App. 2166(a)) is amended by striking ''September 30, 1998'' and inserting ''September 30, 1999''.

(b) EXTENSION OF AUTHORIZATION.—Section 711(b) of the Defense Production Act of 1950 (50 U.S.C.

App. 2161(b)) is amended by striking ''and 1998'' and inserting ''1998, and 1999''.

SEC. 1065. BUDGETING FOR CONTINUED PARTICIPATION OF UNITED STATES FORCES IN NATO OPERATIONS IN BOSNIA AND HERZEGOVINA.

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

(1) Funding levels in the Department of Defense budget have not been sufficient to pay for the deployment of United States ground combat forces in Bosnia and Herzegovina that began in fiscal year 1996.

(2) The Department of Defense has used funds from the operation and maintenance accounts of the Armed Forces to pay for the operations because the funding levels included in the defense budgets for fiscal years 1996 and 1997 have not been adequate to maintain operations in Bosnia and Herzegovina.

(3) Funds necessary to continue United States participation in the NATO operations in Bosnia and Herzegovina, and to replace operation and maintenance funds used for the operations, have been requested by the President as supplemental appropriations in fiscal years 1996 and 1997. The Department of Defense has also proposed to reprogram

previously appropriated funds to make up the shortfall for continued United States operations in Bosnia and Herzegovina.

(4) In February 1998, the President certified to Congress that the continued presence of United States forces in Bosnia and Herzegovina after June 30, 1998, was necessary in order to meet national security interests of the United States.

(5) The discretionary spending limit established for the defense category for fiscal year 1998 in the Balanced Budget and Emergency Deficit Control Act of 1985 does not take into account the continued deployment of United States forces in Bosnia and Herzegovina after June 30, 1998. Therefore, the President requested emergency supplemental appropriations for the Bosnia and Herzegovina mission through September 30, 1998.

(6) Amounts for operations in Bosnia and Herzegovina were not included in the original budget proposed by the President for the Department of Defense for fiscal year 1999.

(7) The President requested $1,858,600,000 in emergency appropriations in his March 4, 1998 amendment to the fiscal year 1999 budget to cover

the shortfall in funding in the fiscal year 1999 for the costs of extending the mission in Bosnia.

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) the President should include in the budget for the Department of Defense that the President submits to Congress under section 1105(a) of title 31, United States Code, for each fiscal year sufficient amounts to pay for any proposed continuation of the participation of United States forces in NATO operations in Bosnia and Herzegovina for that fiscal year; and

(2) amounts included in the budget for that purpose should not be transferred from amounts that would otherwise be proposed in the budget of any of the Armed Forces in accordance with the future-years defense program related to that budget, or any other agency of the Executive Branch, but, instead, should be an overall increase in the budget for the Department of Defense.

SEC. 1066. NATO PARTICIPATION IN THE PERFORMANCE OF PUBLIC SECURITY FUNCTIONS OF CIVILIAN AUTHORITIES IN BOSNIA AND HERZEGOVINA.

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

(1) The North Atlantic Treaty Organization (NATO) has approved the creation of a multi-national specialized unit of gendarmes- or para-military police composed of European security forces to help promote public security in Bosnia and Herzegovina as a part of the post-June 1998 mission for the Stabilization Force (SFOR) authorized under the United Nations Security Council Resolution 1088 (December 12, 1996).

(2) On at least four occasions, beginning in July 1997, the Stabilization Force (SFOR) has been involved, pursuant to military annex 1(A) of the Dayton Agreement, in carrying out missions for the specific purpose of detaining war criminals, and on at least one of those occasions United States forces were directly involved in carrying out the mission.

(b) SENSE OF CONGRESS.—It is the sense of Congress that United States forces should not serve as civil police in Bosnia and Herzegovina.

(c) REQUIREMENT FOR REPORT.—The President shall submit to Congress, not later than October 1, 1998, a report on the status of the NATO force of gendarmes or paramilitary police referred to in subsection (a)(1), including the mission of the force, the composition of the force, and the extent, if any, to which members of the

Armed Forces of the United States are participating (or are to participate) in the force.

SEC. 1067. PILOT PROGRAM FOR REVITALIZING THE LABORATORIES AND TEST AND EVALUATION CENTERS OF THE DEPARTMENT OF DEFENSE.

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

(1) Officials of the Department of Defense are critically dependent on the science and technology laboratories and test and evaluation centers, of the department—

(A) to exploit commercial technology for unique military purposes;

(B) to develop advanced technology in precise areas;

(C) to provide the officials with objective advice and counsel on science and technology matters; and

(D) to lead the decisionmaking that identifies the most cost-effective procurements of military equipment and services.

(2) The laboratories and test and evaluation centers are facing a number of challenges that, if not overcome, could limit the productivity and self-

sustainability of the laboratories and centers, including—

(A) the declining funding provided for science and technology in the technology base program of the Department of Defense;

(B) difficulties experienced in recruiting, retaining, and motivating high-quality personnel; and

(C) the complex web of policies and regulatory constraints that restrict authority of managers to operate the laboratories and centers in a businesslike fashion.

(3) Congress has provided tools to deal with the changing nature of technological development in the defense sector by encouraging closer cooperation with industry and university research and by authorizing demonstrations of alternative personnel systems.

(4) A number of laboratories and test and evaluation centers have addressed the challenges and are employing a variety of innovative methods, such as the so-called ''Federated Lab Concept'' undertaken at the Army Research Laboratory, to maintain the high quality of the technical program, to provide a challenging work environment for researchers, and

to meet the high cost demands of maintaining facilities that are equal or superior in quality to comparable facilities anywhere in the world.

(b) COMMENDATION.—Congress commends the Secretary of Defense for the progress made by the science and technology laboratories and test and evaluation centers to achieve the results described in subsection (a)(4) and encourages the Secretary to take the actions necessary to ensure continued progress for the laboratories and test and evaluation centers in developing cooperative relationships with universities and other private sector entities for the performance of research and development functions.

(c) PILOT PROGRAM.—(1) In conjunction with the plan for restructuring and revitalizing the science and technology laboratories and test and evaluation centers of the Department of Defense that is required by section 906 of this Act, the Secretary of Defense may carry out a pilot program to demonstrate improved cooperative relationships with universities and other private sector entities for the performance of research and development functions.

(2) Under the pilot program, the Secretary of Defense shall provide the director of one science and technology laboratory, and the director of one test and evaluation center, of each military department with authority for the following:

(A) To explore innovative methods for quickly, efficiently, and fairly entering into cooperative relationships with universities and other private sector entities with respect to the performance of research and development functions.

(B) To waive any restrictions on the demonstration and implementation of such methods that are not required by law.

(C) To develop or expand innovative methods of operation that provide more defense research for each dollar of cost, including to carry out such initiatives as focusing on the performance of core functions and adopting more business-like practices.

(3) In selecting the laboratories and centers for participation in the pilot program, the Secretary shall consider laboratories and centers where innovative management techniques have been demonstrated, particularly as documented under sections 1115 through 1119 of title 31, United States Code, relating to Government agency performance and results.

(4) The Secretary may carry out the pilot program at each selected laboratory and center for a period of three years beginning not later than March 1, 1999.

(d) REPORTS.—(1) Not later than March 1, 1999, the Secretary of Defense shall submit a report on the im-

plementation of the pilot program to Congress. The report shall include the following:

(A) Each laboratory and center selected for the pilot program.

(B) To the extent possible, a description of the innovative concepts that are to be tested at each laboratory or center.

(C) The criteria to be used for measuring the success of each concept to be tested.

(2) Promptly after the expiration of the period for participation of a laboratory or center in the pilot program, the Secretary of Defense shall submit to Congress a final report on the participation of the laboratory or center in the pilot program. The report shall contain the following:

(A) A description of the concepts tested.

(B) The results of the testing.

(C) The lessons learned.

(D) Any proposal for legislation that the Secretary recommends on the basis of the experience at the laboratory or center under the pilot program.

SEC. 1068. SENSE OF CONGRESS REGARDING THE HEROISM, SACRIFICE, AND SERVICE OF FORMER SOUTH VIETNAMESE COMMANDOS IN CONNECTION WITH UNITED STATES ARMED FORCES DURING THE VIETNAM CONFLICT.

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

(1) South Vietnamese commandos were recruited by the United States as part of OPLAN 34A or its predecessor or OPLAN 35 from 1961 to 1970.

(2) The commandos conducted covert operations in North Vietnam during the Vietnam conflict.

(3) Many of the commandos were captured and imprisoned by North Vietnamese forces, some for as long as 20 years.

(4) The commandos served and fought proudly during the Vietnam conflict.

(5) Many of the commandos lost their lives serving in operations conducted by the United States during the Vietnam conflict.

(6) Many of the Vietnamese commandos now reside in the United States.

(b) SENSE OF CONGRESS—Congress recognizes and honors the former South Vietnamese commandos for their

heroism, sacrifice, and service in connection with United States armed forces during the Vietnam conflict.

SEC. 1069. SENSE OF THE SENATE REGARDING DECLASSIFICATION OF CLASSIFIED INFORMATION OF THE DEPARTMENT OF DEFENSE AND THE DEPARTMENT OF ENERGY.

It is the sense of the Senate that the Secretary of Defense and the Secretary of Energy should submit to Congress a request for funds in fiscal year 2000 for activities relating to the declassification of information under the jurisdiction of such Secretaries in order to fulfill the obligations and commitments of such Secretaries under Executive Order No. 12958 and the Atomic Energy Act of 1954 (42 U.S.C. 2011 et seq.) and to the stakeholders.

SEC. 1070. RUSSIAN NONSTRATEGIC NUCLEAR WEAPONS.

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

(1) the 7,000 to 12,000 or more nonstrategic (or ''tactical'') nuclear weapons estimated by the United States Strategic Command to be in the Russian arsenal may present the greatest threat of sale or theft of a nuclear warhead in the world today;

(2) as the number of deployed strategic warheads in the Russian and United States arsenals declines to just a few thousand under the START ac-

cords, Russia's vast superiority in tactical nuclear warheads—many of which have yields equivalent to strategic nuclear weapons—could become strategically destabilizing;

(3) while the United States has unilaterally reduced its inventory of tactical nuclear weapons by nearly 90 percent since the end of the Cold War, Russia is behind schedule in implementing the steep tactical nuclear arms reductions pledged by former Soviet President Gorbachev in 1991 and Russian President Yeltsin in 1992, perpetuating the dangers from Russia's tactical nuclear stockpile; and

(4) the President of the United States should call on the Russian Federation to expedite reduction of its tactical nuclear arsenal in accordance with the promises made in 1991 and 1992.

(b) REPORT.—Not later than March 15, 1999, the Secretary of Defense shall submit to the Congress a report on Russia's nonstrategic nuclear weapons, including—

(1) estimates regarding the current numbers, types, yields, viability, and locations of such warheads;

(2) an assessment of the strategic implications of the Russian Federation's nonstrategic arsenal, including the potential use of such warheads in a stra-

tegic role or the use of their components in strategic nuclear systems;

(3) an assessment of the extent of the current threat of theft, sale, or unauthorized use of such warheads, including an analysis of Russian command and control as it concerns the use of tactical nuclear warheads; and

(4) a summary of past, current, and planned efforts to work cooperatively with the Russian Federation to account for, secure, and reduce Russia's stockpile of tactical nuclear warheads and associated fissile material.

(c) VIEWS.—This report shall include the views of the Director of Central Intelligence and the Commander in Chief of the United States Strategic Command.

SEC. 1071. SENSE OF SENATE ON NUCLEAR TESTS IN SOUTH ASIA.

(a) FINDINGS.—The Senate finds that—

(1) on May 11 and 13, 1998, the Government of India conducted a series of underground nuclear tests;

(2) on May 28 and 30, 1998, the Government of Pakistan conducted a series of underground nuclear tests;

(3) although not recognized or accepted as such by the United Nations Security Council, India and Pakistan have declared themselves nuclear weapon states;

(4) India and Pakistan have conducted extensive nuclear weapons research over several decades, resulting in the development of nuclear capabilities and the potential for the attainment of nuclear arsenals and the dangerous proliferation of nuclear weaponry;

(5) India and Pakistan have refused to enter into internationally recognized nuclear non-proliferation agreements, including the Comprehensive Test Ban Treaty, the Treaty on the Non-Proliferation of Nuclear Weapons, and full-scope safeguards agreements with the International Atomic Energy Agency;

(6) India and Pakistan, which have been at war with each other 3 times in the past 50 years, have urgent bilateral conflicts, most notably over the disputed territory of Kashmir;

(7) the testing of nuclear weapons by India and Pakistan has created grave and serious tensions on the Indian subcontinent; and

(8) the United States response to India and Pakistan's nuclear tests has included the imposition

of wide-ranging sanctions as called for under the Arms Export Control Act and the Nuclear Proliferation Prevention Act of 1994.

(b) SENSE OF SENATE.—The Senate—

(1) strongly condemns the decisions by the governments of India and Pakistan to conduct nuclear tests in May 1998;

(2) supports the President's decision to carry out the provisions of the Nuclear Proliferation Prevention Act of 1994 with respect to India and Pakistan and invoke all sanctions in that Act;

(3) calls upon members of the international community to impose similar sanctions against India and Pakistan to those imposed by the United States;

(4) calls for the governments of India and Pakistan to commit not to conduct any additional nuclear tests;

(5) urges the governments of India and Pakistan to take immediate steps, bilaterally and under the auspices of the United Nations, to reduce tensions between them;

(6) urges India and Pakistan to engage in high-level dialogue aimed at reducing the likelihood of armed conflict, enacting confidence and security building measures, and resolving areas of dispute;

(7) commends all nations to take steps which will reduce tensions in South Asia, including appropriate measures to prevent the transfer of technology that could further exacerbate the arms race in South Asia, and thus avoid further deterioration of security there;

(8) calls upon the President to seek a diplomatic solution between the governments of India and Pakistan to promote peace and stability in South Asia and resolve the current impasse;

(9) encourages United States leadership in assisting the governments of India and Pakistan to resolve their 50-year conflict over the disputed territory in Kashmir;

(10) urges India and Pakistan to take immediate, binding, and verifiable steps to roll back their nuclear programs and come into compliance with internationally accepted norms regarding the proliferation of weapons of mass destruction; and

(11) urges the United States to reevaluate its bilateral relationship with India and Pakistan, in light of the new regional security realities in South Asia, with the goal of preventing further nuclear and ballistic missile proliferation, diffusing long-standing regional rivalries between India and Pakistan, and

securing commitments from them which, if carried out, could result in a calibrated lifting of United States sanctions imposed under the Arms Export Control Act and the Nuclear Proliferation Prevention Act of 1994.

SEC. 1072. SENSE OF CONGRESS REGARDING CONTINUED PARTICIPATION OF UNITED STATES FORCES IN OPERATIONS IN BOSNIA AND HERZEGOVINA.

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

(1) The contributions of the people of the United States and other nations have, in large measure, resulted in the suspension of fighting and alleviated the suffering of the people of Bosnia and Herzegovina since December 1995.

(2) the people of the United States have expended approximately $9,500,000,000 in tax dollars between 1992 and mid-1998 just in support of the United States military operations in Bosnia to achieve those results.

(3) Efforts to restore the economy and political structure in Bosnia and Herzegovina have achieved some success in accordance with the Dayton Agreement.

(4) In February 1998, the President certified to Congress that the continued presence of United States forces in Bosnia and Herzegovina after June 30, 1998, was necessary in order to meet national security interests of the United States.

(5) There is, however, no accurate estimate of the time needed to accomplish the civilian implementation tasks outlined in the Dayton Agreement.

(b) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) United States ground combat forces should not remain in Bosnia and Herzegovina indefinitely in view of the world-wide commitments of the Armed Forces of the United States;

(2) the President should work with NATO allies and the other nations whose military forces are participating in the NATO-led Stabilization Force to withdraw United States ground combat forces from Bosnia and Herzegovina within a reasonable period of time, consistent with the safety of those forces and the accomplishment of the Stabilization Force's military tasks;

(3) a NATO-led force without the participation of United States ground combat forces in Bosnia and Herzegovina might be suitable for a follow-on

force for Bosnia and Herzegovina if the European Security and Defense Identity is not sufficiently developed or is otherwise considered inappropriate for such a mission;

(4) the United States may decide to provide appropriate support to a Western European Union-led or NATO-led follow-on force for Bosnia and Herzegovina, including command and control, intelligence, logistics, and, if necessary, a ready reserve force in the region;

(5) the President should inform the European NATO allies of this expression of the sense of Congress and should strongly urge them to undertake preparations for establishing a Western European Union-led or a NATO-led force as a follow-on force to the NATO-led Stabilization Force if needed to maintain peace and stability in Bosnia and Herzegovina; and

(6) the President should consult closely with the congressional leadership and the congressional defense committees with respect to the progress being made toward achieving a sustainable peace in Bosnia and Herzegovina and the progress being made toward a reduction and ultimate withdrawal of United

States ground combat forces from Bosnia and Herzegovina.

(c) ONE-TIME REPORTS.—The President shall submit to Congress the following reports:

(1) Not later than September 30, 1998, a report containing a discussion of the likely impact on the security situation in Bosnia and Herzegovina and on the prospects for establishing self-sustaining peace and stable local government there that would result from a phased reduction in the number of United States military personnel stationed in Bosnia and Herzegovina under the following alternatives:

(A) A phased reduction to 5,000 by February 2, 1999, to 3,500 by June 30, 1999, and to 2,500 by February 2, 2000.

(B) A phased reduction by February 2, 2000, to the number of personnel that is approximately equal to the mean average of—

(i) the number of military personnel of the United Kingdom that are stationed in Bosnia and Herzegovina on that date;

(ii) the number of military personnel of Germany that are stationed there on that date;

(iii) the number of military personnel of France that are stationed there on that date; and

(iv) the number of military personnel of Italy that are stationed there on that date.

(2) Not later than October 1, 1998, a report on the status of the NATO force of gendarmes or paramilitary police referred to in subsection (a)(1), including the mission of the force, the composition of the force, and the extent, if any, to which members of the Armed Forces of the United States are participating (or are to participate) in the force.

(d) REPORT TO ACCOMPANY EACH REQUEST FOR FUNDING.—(1) Each time that the President submits to Congress a proposal for funding continued operations of United States forces in Bosnia and Herzegovina, the President shall submit to Congress a report on the missions of United States forces there. The first report shall be submitted at the same time that the President submits the budget for fiscal year 2000 to Congress under section 1105(a) of title 31, United States Code.

(2) Each report under paragraph (1) shall include the following:

(A) The performance objectives and schedule for the implementation of the Dayton Agreement, including—

(i) the specific objectives for the reestablishment of a self-sustaining peace and a stable local government in Bosnia and Herzegovina, taking into account (I) each of the areas of implementation required by the Dayton Agreement, as well as other areas that are not covered specifically in the Dayton Agreement but are essential for reestablishing such a peace and local government and to permitting an orderly withdrawal of the international peace implementation force from Bosnia and Herzegovina, and (II) the benchmarks reported in the latest semiannual report submitted under section 7(b)(2) of the 1998 Supplemental Appropriations and Rescissions Act (revised as necessary to be current as of the date of the report submitted under this subsection); and

(ii) the schedule, specified by fiscal year, for achieving the objectives.

(B) The military and non-military missions that the President has directed for United States forces in Bosnia and Herzegovina in support of the objec-

tives identified pursuant to paragraph (1), including a specific discussion of—

(i) the mission of the United States forces, if any, in connection with the pursuit and apprehension of war criminals;

(ii) the mission of the United States forces, if any, in connection with civilian police functions;

(iii) the mission of the United States forces, if any, in connection with the resettlement of refugees; and

(iv) the missions undertaken by the United States forces, if any, in support of international and local civilian authorities.

(C) An assessment of the risk for the United States forces in Bosnia and Herzegovina, including, for each mission identified pursuant to subparagraph (B), the assessment of the Chairman of the Joint Chiefs of Staff regarding the nature and level of risk of the mission for the safety and well-being of United States military personnel.

(D) An assessment of the cost to the United States, by fiscal year, of carrying out the missions identified pursuant to subparagraph (B) for the pe-

riod indicated in the schedule provided pursuant to subparagraph (A).

(E) A joint assessment by the Secretary of Defense and the Secretary of State of the status of planning for—

(i) the assumption of all remaining military missions inside Bosnia and Herzegovina by European military and paramilitary forces; and

(ii) the establishment and support of forward-based United States rapid response force outside of Bosnia and Herzegovina that would be capable of deploying rapidly to defeat military threats to a European follow-on force inside Bosnia and Herzegovina, and of providing whatever logistical, intelligence, and air support is needed to ensure that a European follow-on force is fully capable of accomplishing its missions under the Dayton Agreement.

(e) DAYTON AGREEMENT DEFINED.—In this section, the term ''Dayton Agreement'' means the General Framework Agreement for Peace in Bosnia and Herzegovina, together with annexes relating thereto, done at Dayton, November 10 through 16, 1995.

SEC. 1073. COMMISSION TO ASSESS THE RELIABILITY, SAFETY, AND SECURITY OF THE UNITED STATES NUCLEAR DETERRENT.

(a) ESTABLISHMENT.—There is hereby established a commission to be known as the ''Commission for Assessment of the Reliability, Safety, and Security of the United States Nuclear Deterrent''.

(b) COMPOSITION.—(1) The Commission shall be composed of six members who shall be appointed from among private citizens of the United States with knowledge and expertise in the technical aspects of design, maintenance, and deployment of nuclear weapons, as follows:

(A) Two members appointed by the Majority Leader of the Senate.

(B) One member appointed by the Minority Leader of the Senate.

(C) Two members appointed by the Speaker of the House of Representatives.

(D) One member appointed by the Minority Leader of the House of Representatives.

(2) The Senate Majority Leader and the Speaker of the House of Representatives shall each appoint one member to serve for five years and one member to serve for two years. The Minority Leaders of the Senate and House

of Representatives shall each appoint one member to serve for five years. A member may be reappointed.

(3) Any vacancy in the Commission shall be filled in the same manner as the original appointment.

(4) All members of the Commission shall hold appropriate security clearances.

(c) CHAIRMAN.—The Majority Leader of the Senate, after consultation with the Speaker of the House of Representatives and the Minority Leaders of the Senate and House of Representatives, shall designate one of the members of the Commission, without regard to the term of appointment of that member, to serve as Chairman of the Commission.

(d) DUTIES OF COMMISSION.—(1) Each year the Commission shall assess, for Congress—

(A) the safety, security, and reliability of the nuclear deterrent forces of the United States; and

(B) the annual certification on the safety, security, and reliability of the nuclear weapons stockpile of the United States that is provided by the directors of the national weapons laboratories through the Secretary of Energy to the President.

(2) The Commission shall submit to Congress an annual report, in classified form, setting forth the findings and conclusions resulting from each assessment.

(e) COOPERATION OF OTHER AGENCIES.—(1) The Commission may secure directly from the Department of Energy, the Department of Defense, or any of the national weapons laboratories or plants or any other Federal department or agency information that the Commission considers necessary for the Commission to carry out its duties.

(2) For carrying out its duties, the Commission shall be provided full and timely cooperation by the Secretary of Energy, the Secretary of Defense, the Commander of United States Strategic Command, the Directors of the Los Alamos National Laboratory, the Lawrence Livermore National Laboratory, the Sandia National Laboratories, the Savannah River Site, the Y–12 Plant, the Pantex Facility, and the Kansas City Plant, and any other official of the United States that the Chairman determines as having information described in paragraph (1).

(3) The Secretary of Energy and the Secretary of Defense shall each designate at least one officer or employee of the Department of Energy and the Department of Defense, respectively, to serve as a liaison officer between the department and the Commission.

(f) COMMISSION PROCEDURES.—(1) The Commission shall meet at the call of the Chairman.

(2) Four members of the Commission shall constitute a quorum, except that the Commission may designate a lesser number of members as a quorum for the purpose of holding hearings. The Commission shall act by resolution agreed to by a majority of the members of the Commission.

(3) Any member or agent of the Commission may, if authorized by the Commission, take any action that the Commission is authorized to take under this section.

(4) The Commission may establish panels composed of less than the full membership of the Commission for the purpose of carrying out the Commission's duties. Findings and conclusions of a panel of the Commission may not be considered findings and conclusions of the Commission unless approved by the Commission.

(5) The Commission or, at its direction, any panel or member of the Commission, may, for the purpose of carrying out its duties, hold hearings, sit and act at times and places, take testimony, receive evidence, and administer oaths to the extent that the Commission or any panel or member considers advisable.

(g) PERSONNEL MATTERS.—(1) A member of the Commission shall be compensated at the daily equivalent of the rate of basic pay established for level V of the Executive Schedule under 5316 of title 5, United States Code,

for each day on which the member is engaged in any meeting, hearing, briefing, or other work in the performance of duties of the Commission.

(2) A member of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from the member's home or regular place of business in the performance of services for the Commission.

(3) The Chairman of the Commission may, without regard to the provisions of the title 5, United States Code, governing appointments in the competitive service, appoint a staff director and such additional personnel as may be necessary to enable the Commission to perform its duties. The Chairman of the Commission may fix the pay of the staff director and other personnel without regard to the provisions of chapter 51, and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates, except that the rate of pay fixed under this paragraph for the staff director may not exceed the rate payable for level V of the Executive Schedule under section 5316 of such title.

(4) Upon the request of the Chairman of the Commission, the head of any Federal department or agency may

detail, on a nonreimbursable basis, any personnel of that department or agency to the Commission to assist it in carrying out its duties.

(5) The Chairman of the Commission may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, at rates for individuals which do not exceed the daily equivalent of the annual rate of basic pay payable for level V of the Executive Schedule and under section 5316 of such title.

(h) MISCELLANEOUS ADMINISTRATIVE PROVISIONS.—(1) The Commission may use the United States mails and obtain printing and binding services in the same manner and under the same conditions as other departments and agencies of the Federal Government.

(2) The Secretary of Defense and the Secretary of Energy shall furnish the Commission with any administrative and support services requested by the Commission and with office space within the Washington, District Columbia, metropolitan area that is sufficient for the administrative offices of the Commission and for holding general meetings of Commission.

(i) FUNDING.—The Secretary of Defense and the Secretary of Energy shall each contribute 50 percent of the amount of funds that are necessary for the Commission to carry out its duties. Upon receiving from the

Chairman of the Commission a written certification of the amount of funds that is necessary for funding the activities of the Commission for a period, the Secretaries shall promptly make available to the Commission funds in the total amount specified in the certification. Funds available for the Department of Defense for Defense-wide research, development, test, and evaluation shall be available for the Department of Defense contribution. Funds available for the Department of Energy for atomic energy defense activities shall be available for the Department of Energy contribution.

(j) TERMINATION OF THE COMMISSION.—The Commission shall terminate three years after the date of the appointment of the member designated as Chairman.

(k) INITIAL IMPLEMENTATION.—All appointments to the Commission shall be made not later than 45 days after the date of the enactment of this Act. The Commission shall convene its first meeting not later than 30 days after the date as of which all members of the Commission have been appointed.

SEC. 1074. AUTHORITY FOR WAIVER OF MORATORIUM ON ARMED FORCES USE OF ANTIPERSONNEL LANDMINES.

Section 580 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1996 (Public Law 104–107; 110 Stat. 751) is amended—

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

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

''(b) WAIVER AUTHORITY.—(1) The President may waive the moratorium set forth in subsection (a) if the President determines that the waiver is necessary in the national security interests of the United States.

''(2) The President shall notify the President pro tempore of the Senate and the Speaker of the House of Representatives of the exercise of the authority provided by paragraph (1).''.

SEC. 1075. APPOINTMENT OF DIRECTOR AND DEPUTY DIRECTOR OF THE NAVAL HOME.

(a) APPOINTMENT AND QUALIFICATIONS OF DIRECTOR AND DEPUTY DIRECTOR.—Subsection (a) of section 1517 of the Armed Forces Retirement Home Act of 1991 (24 U.S.C. 417) is amended—

(1) in paragraph (2)—

(A) by striking out ''Each Director'' and inserting in lieu thereof ''The Director of the United States Soldiers' and Airmen's Home''; and

(B) by striking out subparagraph (B) and inserting in lieu thereof the following:

''(B) meet the requirements of paragraph (4).'';

(2) by redesignating paragraph (3) as paragraph (5); and

(3) by inserting after paragraph (2) the following new paragraphs (3) and (4):

''(3) The Director, and any Deputy Director, of the Naval Home shall be appointed by the Secretary of Defense from among persons recommended by the Secretaries of the military departments who—

''(A) in the case of the position of Director, are commissioned officers of the Armed Forces serving on active duty in a pay grade above 0–5;

''(B) in the case of the position of Deputy Director, are commissioned officers of the Armed Forces serving on active duty in a pay grade above 0–4; and

''(C) meet the requirements of paragraph (4).

''(4) Each Director shall have appropriate leadership and management skills, an appreciation and understand-

ing of the culture and norms associated with military service, and significant military background.''.

(b) TERM OF DIRECTOR AND DEPUTY DIRECTOR.—Subsection (c) of such section is amended—

(1) by striking out ''(c) TERM OF DIRECTOR.—'' and all that follows through ''A Director'' in the second sentence and inserting in lieu thereof ''(c) TERMS OF DIRECTORS.—(1) The term of office of the Director of the United States Soldiers' and Airmen's Home shall be five years. The Director''; and

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

''(2) The Director and the Deputy Director of the Naval Home shall serve at the pleasure of the Secretary of Defense.''.

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

''(g) DEFINITIONS.—In this section:

''(1) The term 'United States Soldiers' and Airmen's Home' means the separate facility of the Retirement Home that is known as the United States Soldiers' and Airmen's Home.

''(2) The term 'Naval Home' means the separate facility of the Retirement Home that is known as the Naval Home.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 1998.

SEC. 1076. SENSE OF THE CONGRESS ON THE DEFENSE SCIENCE AND TECHNOLOGY PROGRAM.

(a) FUNDING REQUIREMENTS FOR THE DEFENSE SCIENCE AND TECHNOLOGY PROGRAM BUDGET.—It is the sense of the Congress that for each of the fiscal years 2000 through 2008, it should be an objective of the Secretary of Defense to increase the budget for the Defense Science and Technology Program for the fiscal year over the budget for that program for the preceding fiscal year by a percent that is at least two percent above the rate of inflation as determined by the Office of Management and Budget.

(b) GUIDELINES FOR THE DEFENSE SCIENCE AND TECHNOLOGY PROGRAM.—

(1) RELATIONSHIP OF DEFENSE SCIENCE AND TECHNOLOGY PROGRAM TO UNIVERSITY RESEARCH.—It is the sense of the Congress that the following should be key objectives of the Defense Science and Technology Program—

(A) the sustainment of research capabilities in scientific and engineering disciplines critical to the Department of Defense;

(B) the education and training of the next generation of scientists and engineers in disciplines that are relevant to future defense systems, particularly through the conduct of basic research; and

(C) the Continued support of the Defense Experimental Program to Stimulate Competitive Research and research programs at historically black colleges and universities and minority institutions.

(2) RELATIONSHIP OF THE DEFENSE SCIENCE AND TECHNOLOGY PROGRAM TO COMMERCIAL RESEARCH AND TECHNOLOGY.—

(A) It is the sense of the Congress that in supporting projects within the Defense Science and Technology Program, the Secretary of Defense should attempt to leverage commercial research, technology, products, and processes for the benefit of the Department of Defense.

(B) It is the sense of the Congress that funds made available for projects and programs of the Defense Science and Technology Program should be used only for the benefit of the Department of Defense, which includes—

(i) the development of technology that has only military applications;

(ii) the development of militarily useful, commercially viable technology; or

(iii) the adaption of commercial technology, products, or processes for military purposes.

(3) SYNERGISTIC MANAGEMENT OF RESEARCH AND DEVELOPMENT.—It is the sense of the Congress that the Secretary of Defense may allocate a combination of funds available for the Department of Defense for basic and applied research and for advanced development to support any individual project or program within the Defense Science and Technology Program. This flexibility is not intended to change the allocation of funds in any fiscal year among basic and applied research and advanced development.

(c) DEFINITIONS.—In this section:

(1) The term ''Defense Science and Technology Program'' means basic and applied research and advanced development.

(2) The term ''basic and applied research'' means work funded in program elements for defense

research and development under Department of Defense R&D Budget Activities 1 or 2.

(3) The term ''advanced development'' means work funded in program elements for defense research and development under Department of Defense R&D Budget Activity 3.

SEC. 1077. DEMILITARIZATION AND EXPORTATION OF DEFENSE PROPERTY.

(a) CENTRALIZED ASSIGNMENT OF DEMILITARIZATION CODES FOR DEFENSE PROPERTY.—(1) Chapter 153 of title 10, United States Code, is amended by inserting after section 2572 the following:

"§ 2573. Demilitarization codes for defense property

''(a) AUTHORITY.—The Secretary of Defense shall—

''(1) assign the demilitarization codes to the property (other than real property) of the Department of Defense; and

''(2) take any action that the Secretary considers necessary to ensure that the property assigned demilitarization codes is demilitarized in accordance with the assigned codes.

''(b) SUPREMACY OF CODES.—A demilitarization code assigned to an item of property by the Secretary of Defense under this section shall take precedence over any demilitarization code assigned to the item before the date

of enactment of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 by any other official in the Department of Defense.

"(c) ENFORCEMENT.—The Secretary of Defense shall commit the personnel and resources to the exercise of authority under subsection (a) that are necessary to ensure that—

"(1) appropriate demilitarization codes are assigned to property of the Department of Defense; and

"(2) property is demilitarized in accordance with the assigned codes.

"(d) ANNUAL REPORT.—The Secretary of Defense shall include in the annual reports submitted to Congress under section 113(c)(1) of this title in 1999 and 2000 a discussion of the following:

"(1) The exercise of the authority under this section during the fiscal year preceding the fiscal year in which the report is submitted.

"(2) Any changes in the exercise of the authority that are taking place in the fiscal year in which the report is submitted or are planned for that fiscal year or any subsequent fiscal year.

"(e) DEFINITIONS.—In this section:

"(1) The term 'demilitarization code', with respect to property, means a code that identifies the extent to which the property must be demilitarized before disposal.

"(2) The term 'demilitarize', with respect to property, means to destroy the military offensive or defensive advantages inherent in the property, by mutilation, cutting, crushing, scrapping, melting, burning, or altering the property so that the property cannot be used for the purpose for which it was originally made.".

(2) The table of sections at the beginning of such chapter 153 is amended by inserting after the item relating to section 2572 the following:

"2573. Demilitarization codes for defense property.".

(b) CRIMINAL OFFENSE.—(1) Chapter 27 of title 18, United States Code, is amended by adding at the end the following:

"§ 554. Violations of regulated acts involving the exportation of United States property

"(a) Any person who—

"(1) fraudulently or knowingly exports or otherwise sends from the United States (as defined in section 545 of this title), or attempts to export or send from the United States any merchandise contrary to any law of the United States; or

"(2) receives, conceals, buys, sells, or in any manner facilitates, the transportation, concealment, or sale of any merchandise prior to exportation, knowing that the merchandise is intended for exportation in violation of Federal law;

shall be fined under this title, imprisoned not more than 5 years, or both.

"(b) The penalties under this section shall be in addition to any other applicable criminal penalty.".

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following:

"554. Violations of regulated acts involving the exportation of United States property.".

SEC. 1078. DESIGNATION OF AMERICA'S NATIONAL MARITIME MUSEUM.

(a) DESIGNATION OF AMERICA'S NATIONAL MARITIME MUSEUM.—The Mariners' Museum building located at 100 Museum Drive, Newport News, Virginia, and the South Street Seaport Museum buildings located at 207 Front Street, New York, New York, shall be known and designated as "America's National Maritime Museum".

(b) REFERENCE TO AMERICA'S NATIONAL MARITIME MUSEUM.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the buildings referred to in subsection (a) shall be deemed to be a reference to America's National Maritime Museum.

(c) LATER ADDITIONS OF OTHER MUSEUMS NOT PRECLUDED.—The designation of museums named in subsection (a) as America's National Maritime Museum does not preclude the addition of any other museum to the group of museums covered by that designation.

(d) CRITERIA FOR LATER ADDITIONS.—A museum is appropriate for designation as a museum of America's National Maritime Museum if the museum—

(1) houses a collection of maritime artifacts clearly representing America's maritime heritage; and

(2) provides outreach programs to educate the public on America's maritime heritage.

SEC. 1079. BURIAL HONORS FOR VETERANS.

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

(1) Throughout the years, men and women have unselfishly answered the call to arms, at tremendous personal sacrifice. Burial honors for deceased veterans are an important means of reminding Americans of the sacrifices endured to keep the Nation free.

(2) The men and women who serve honorably in the Armed Forces, whether in war or peace, and whether discharged, separated, or retired, deserve

commemoration for their military service at the time of their death by an appropriate military tribute.

(3) It is tremendously important to pay an appropriate final tribute on behalf of a grateful Nation to honor individuals who served the Nation in the Armed Forces.

(b) CONFERENCE ON MILITARY BURIAL HONOR PRACTICES.—(1) Not later than October 31, 1998, the Secretary of Defense shall, in consultation with the Secretary of Veterans Affairs, convene and preside over a conference for the purpose of determining means of improving and increasing the availability of military burial honors for veterans. The Secretary of Veterans Affairs shall also participate in the conference.

(2) The Secretaries shall invite and encourage the participation at the conference of appropriate representatives of veterans service organizations.

(3) The participants in the conference shall—

(A) review current policies and practices of the military departments and the Department of Veterans Affairs relating to the provision of military honors at the burial of veterans;

(B) analyze the costs associated with providing military honors at the burial of veterans, including

the costs associated with utilizing personnel and other resources for that purpose;

(C) assess trends in the rate of death of veterans; and

(D) propose, consider, and determine means of improving and increasing the availability of military honors at the burial of veterans.

(4) Not later than 180 days after the date of enactment of this Act, the Secretary of Defense shall submit to Congress a report on the conference under this subsection. The report shall set forth any modifications to Department of Defense directives on military burial honors adopted as a result of the conference and include any recommendations for legislation that the Secretary considers appropriate as a result of the conference.

(c) VETERANS SERVICE ORGANIZATION DEFINED.—In this section, the term ''veterans service organization'' means any organization recognized by the Secretary of Veterans Affairs under section 5902 of title 38, United States Code.

SEC. 1080. CHEMICAL STOCKPILE EMERGENCY PREPAREDNESS PROGRAM.

Section 1412 of the Department of Defense Authorization Act, 1986 (Public Law 99–145; 50 U.S.C. 1521)

is amended by adding at the end of subsection (c) the following:

"(4)(A) The Director of the Federal Emergency Management Agency shall carry out a program to provide assistance to State and local governments in developing capabilities to respond to emergencies involving risks to the public health or safety within their jurisdictions that are identified by the Secretary as being risks resulting from—

"(i) the storage of any such agents and munitions at military installations in the continental United States; or

"(ii) the destruction of such agents and munitions at facilities referred to in paragraph (1)(B).

"(B) No assistance may be provided under this paragraph after the completion of the destruction of the United States stockpile of lethal chemical agents and munitions.".

SEC. 1081. SENSE OF SENATE REGARDING THE AUGUST 1995 ASSASSINATION ATTEMPT AGAINST PRESIDENT SHEVARDNADZE OF GEORGIA.

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

(1) On Tuesday, August 29, 1995, President Eduard Shevardnadze of Georgia narrowly survived a car bomb attack as he departed his offices in the

Georgian Parliament building to attend the signing ceremony for the new constitution of Georgia.

(2) The former Chief of the Georgian National Security Service, Lieutenant General Igor Giorgadze, after being implicated in organizing the August 29, 1995, assassination attempt on President Shevardnadze, fled Georgia from the Russian-controlled Varziani airbase on a Russian military aircraft.

(3) Lieutenant General Giorgadze has been seen openly in Moscow and is believed to have been given residence at a Russian government facility despite the fact that Interpol is conducting a search for Lieutenant General Giorgadze for his role in the assassination attempt against President Shervardnadze.

(4) The Russian Interior Ministry claims that it is unable to locate Lieutenant General Giorgadze in Moscow.

(5) The Georgian Security and Interior Ministries presented information to the Russian Interior Ministry on November 13, 1996; January 17, 1997; March 7, 1997; March 24, 1997 and August 12, 1997, which included the exact location in Moscow of where Lieutenant General Giorgadze's family

lived, the exact location where Lieutenant General Giorgadze lived outside of Moscow in a dacha of the Russian Ministry of Defense; as well as the changing official Russian government license tag numbers and description of the automobile that Lieutenant General Giorgadze uses; the people he associates with; the apartments he visits, and the places including restaurants, markets, and companies, that he frequents.

(6) On May 12, 1998, the Moscow-based Russian newspaper Zavtra carried an interview with Lieutenant General Giorgadze in which Lieutenant General Giorgadze calls for the overthrow of the Government of Georgia.

(7) Title II of the Foreign Operations Appropriations, Export Financing, and Related Programs Appropriations Act, 1998 (Public Law 105–118) prohibits assistance to any government of the new independent states of the former Soviet Union if that government directs any action in violation of the national sovereignty of any other new independent state.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the Secretary of Defense should—

(1) urge the Government of the Russian Federation to extradite the former Chief of the Georgian National Security Service, Lieutenant General Igor Giorgadze, to Georgia for the purpose of standing trial for his role in the attempted assassination of Georgian President Eduard Shevardnadze on August 29, 1995;

(2) request cooperation from the Minister of Defense of the Russian Federation and the Government of the Russian Federation to ensure that Russian military bases on Georgian territory are no longer used to facilitate the escape of assassins seeking to kill the freely elected President of Georgia and to otherwise respect the national sovereignty of Georgia; and

(3) use all authorities available to the United States Government to provide urgent and immediate assistance to ensure to the maximum extent practicable the personal security of President Shevardnadze.

SEC. 1082. ISSUANCE OF BURIAL FLAGS FOR DECEASED MEMBERS AND FORMER MEMBERS OF THE SELECTED RESERVE.

Section 2301(a) of title 38, United States Code, is amended—

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

(2) by striking out the period at the end of paragraph (2) and inserting in lieu thereof ''; and''; and

(3) by adding at the end the following:

''(3) deceased individual who—

''(A) was serving as a member of the Selected Reserve (as described in section 10143 of title 10) at the time of death;

''(B) had served at least one enlistment, or the period of initial obligated service, as a member of the Selected Reserve and was discharged from service in the Armed Forces under conditions not less favorable than honorable; or

''(C) was discharged from service in the Armed Forces under conditions not less favorable than honorable by reason of a disability incurred or aggravated in line of duty during the individual's initial enlistment, or period of initial obligated service, as a member of the Selected Reserve.''.

SEC. 1083. ELIMINATING SECRET SENATE HOLDS.

(a) STANDING ORDER.—It is a standing order of the Senate that a Senator who provides notice to leadership

of his or her intention to object to proceeding to a motion or matter shall disclose the objection or hold in the Congressional Record not later than 2 session days after the date of the notice.

(b) RULEMAKING.—This section is adopted—

(1) as an exercise of the rulemaking power of the Senate and as such it is deemed a part of the rules of the Senate and it supersedes other rules only to the extent that it is inconsistent with such rules; and

(2) with full recognition of the constitutional right of the Senate to change its rules at any time, in the same manner, and to the same extent as in the case of any other rule of the Senate.

SEC. 1084. DEFENSE BURDENSHARING.

(a) REVISED GOALS FOR EFFORTS TO INCREASE ALLIED BURDENSHARING.—Subsection (a) of section 1221 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 1935; 22 U.S.C. 1928 note) is amended to read as follows:

"(a) EFFORTS TO INCREASE ALLIED BURDENSHARING.—The President shall seek to have each nation that has cooperative military relations with the United States (including security agreements, basing arrangements, or mutual participation in multinational mili-

tary organizations or operations) take one or more of the following actions:

"(1) For any nation in which United States military personnel are assigned to permanent duty ashore, increase its financial contributions to the payment of the nonpersonnel costs incurred by the United States Government for stationing United States military personnel in that nation, with a goal of achieving by September 30, 2000, 75 percent of such costs. An increase in financial contributions by any nation under this paragraph may include the elimination of taxes, fees, or other charges levied on United States military personnel, equipment, or facilities stationed in that nation.

"(2) Increase its annual budgetary outlays for national defense as a percentage of its gross domestic product by 10 percent or at least to a percentage level commensurate to that of the United States by September 30, 1999.

"(3) Increase the military assets (including personnel, equipment, logistics, support and other resources) that it contributes or has pledged to contribute to multinational military activities worldwide by 10 percent by September 30, 1999.

"(4) Increase its annual budgetary outlays for foreign assistance (funds to promote democratization, governmental accountability and transparency, economic stabilization and development, defense economic conversion, respect for the rule of law and internationally recognized human rights, or humanitarian relief efforts) by 10 percent, or to provide such foreign assistance at a minimum annual rate equal to one percent of its gross domestic product, by September 30, 1999.".

(b) REVISED REQUIREMENT FOR REPORT ON PROGRESS IN INCREASING ALLIED BURDENSHARING.—Subsection (c) of such section is amended to read as follows:

"(c) REPORT ON PROGRESS IN INCREASING ALLIED BURDENSHARING.—Not later than March 1, 1999, the Secretary of Defense shall submit to Congress a report on—

"(1) steps taken by other nations toward completing the actions described in subsection (a);

"(2) all measures taken by the President, including those authorized in subsection (b), to achieve the actions described in subsection (a);

"(3) the difference between the amount allocated by other nations for each of the actions de-

scribed in subsection (a) during the period beginning on October 1, 1996, and ending on September 30, 1997, and during the period beginning on October 1, 1997, and ending on September 30, 1998, or, in the case of any nation for which the data for such periods is inadequate, the difference between the amounts for the latest periods for which adequate data is available; and

"(4) the budgetary savings to the United States that are expected to accrue as a result of the steps described under paragraph (1).".

(c) EXTENSION OF DEADLINE FOR REPORT REGARDING NATIONAL SECURITY BASES FOR FORWARD DEPLOYMENT AND BURDENSHARING RELATIONSHIPS.—Subsection (d)(2) of such section is amended by striking out "March 1, 1998" and inserting in lieu thereof "March 1, 1999".

SEC. 1085. REVIEW OF DEFENSE AUTOMATED PRINTING SERVICE FUNCTIONS.

(a) REVIEW REQUIRED.—The Secretary of Defense shall provide for a review of the functions of the Defense Automated Printing Service in accordance with this section and submit to the Committee on Armed Services of the Senate and the Committee on National Security of the

House of Representatives the matters required under subsection (d) not later than March 31, 1999.

(b) PERFORMANCE BY INDEPENDENT ENTITY.—The Secretary of Defense shall select the General Accounting Office, an experienced entity in the private sector, or any other entity outside the Department of Defense to perform the review. The Comptroller General shall perform the review if the Secretary selects the Comptroller General to do so.

(c) REPORT.—The entity performing the review under this section shall submit to the Secretary of Defense a report that sets forth the findings and recommendations of that entity resulting from the review. The report shall contain the following:

(1) The functions that are inherently national security functions and, as such, need to be performed within the Department of Defense, together with a detailed justification for the determination for each such function.

(2) The functions that are appropriate for transfer to another appropriate entity to perform, including private sector entity.

(3) Any recommended legislation and any administrative action that is necessary for transferring or outsourcing the functions.

(4) A discussion of the costs or savings associated with the transfers or outsourcing.

(5) A description of the management structure of the Defense Automated Printing Service.

(6) A list of all sites where functions of the Defense Automated Printing Service are performed by the Defense Automated Printing Service.

(7) The total number of the personnel employed by the Defense Automated Printing Service and the locations where the personnel perform the duties as employees.

(8) A description of the functions performed by the Defense Automated Printing Service and, for each such function, the number of employees of the Defense Automated Printing Service that perform the function.

(9) For each site identified under paragraph (6), an assessment of each type of equipment at the site.

(10) The type and explanation of the networking and technology integration linking all of the sites referred to in paragraph (6).

(11) The current and future requirements of customers of the Defense Automated Printing Service.

(12) An assessment of the effectiveness of the current structure of the Defense Automated Printing Service in supporting current and future customer requirements and plans to address any deficiencies in supporting such requirements.

(13) A description and discussion of the best business practices that are used by the Defense Automated Printing Service and of other best business that could be used by the Defense Automated Printing Service.

(14) Options for maximizing the Defense Automated Printing Service structure and services to provide the most cost effective service to its customers.

(d) REVIEW AND COMMENTS OF SECRETARY OF DEFENSE.—(1) After reviewing the report, the Secretary of Defense shall submit the report to Congress, together with the Secretary's comments on the report and a plan to transfer or outsource from the Defense Automated Printing Service to another appropriate entity the functions of the Defense Automated Printing Service that—

(1) are not identified in the report as being inherently national security functions; and

(2) the Secretary believes should be transferred or outsourced for performance outside the Department of Defense in accordance with law.

(e) EXTENSION OF REQUIREMENT FOR COMPETITIVE PROCUREMENT OF SERVICES.—Section 351(a) of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 110 Stat. 266), as amended by section 351(a) of Public Law 104–201 (110 Stat. 2490) and section 387(a)(1) of Public Law 105–85 (111 Stat. 1713), is further amended by striking out ''1998'' and inserting in lieu thereof ''1999''.

SEC. 1086. INCREASED MISSILE THREAT IN ASIA-PACIFIC REGION.

(a) STUDY.—The Secretary of Defense shall carry out a study of the architecture requirements for the establishment and operation of a theater ballistic missile defense system in the Asia-Pacific region that would have the capability to protect key regional allies of the United States.

(b) REPORT.—(1) Not later than January 1, 1999, the Secretary shall submit to the Committee on National Security of the House of Representatives and the Committee on Armed Services of the Senate a report containing—

(A) the results of the study conducted under subsection (a);

(B) the factors used to obtain such results; and

(C) a description of any existing United States missile defense system that could be transferred to key allies of the United States in the Asia-Pacific region to provide for their self-defense against limited ballistic missile attacks.

(2) The report shall be submitted in both classified and unclassified form.

SEC. 1087. COOPERATION BETWEEN THE DEPARTMENT OF THE ARMY AND THE EPA IN MEETING CWC REQUIREMENTS.

(a) FINDINGS.—The Senate finds that:

(1) Compliance with international obligations to destroy the United States chemical stockpile by April 28, 2007, as required under the Chemical Weapons Convention (CWC), is a national priority.

(2) The President should ensure that the Department of Defense and the Department of the Army receive all necessary assistance from Federal agencies in expediting and accelerating the destruction of the lethal chemical stockpile.

(3) The Environmental Protection Agency, as one of the Federal agencies with responsibilities to assist the Department of Defense and the Department of the Army, has asserted that it is not ade-

quately funded to provide, or meet its National responsibilities under the Resource Conservation and Recovery Act (RCRA) permitting requirements, in order to assist the United States Government in meeting its international obligations to destroy its lethal chemical stockpile.

(4) The Environmental Protection Agency (EPA) should work in concert with the State and local governments in this process, and that they should properly budget for this process.

(b) REPORT REQUIRED.—The Department of Defense, in coordination with the Environmental Protection Agency, shall report to the congressional defense committees by April 1, 1999, on the following—

(1) responsibilities associated with obligations under the Resource Conservation and Recovery Act (RCRA) permitting process related to United States international obligations under the CWC to destroy the United States chemical stockpile;

(2) technical assistance provided by the EPA to its regional offices and the States and local governments in the permitting process, and how that assistance facilitates the issuance of the environmental permits at the various sites;

(3) responsibility of the Department of Defense to provide funding to the EPA, for the facilitation of meetings of the National Chemical Agent Demilitarization Workgroup, meetings between the Office of Solid Waste and the affected EPA Regional Offices and States, and meetings between the Office of Solid Waste, the Program Manager for Chemical Demilitarization and the Department of Defense; and

(4) responsibility of the Department of Defense and the Department of the Army to provide funds to the Environmental Protection Agency to hire full-time equivalents to assist in the formulation of RCRA permits.

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 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 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 intelligence 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 pre-

pare 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 Gold-

water-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 em-

powered 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 transforming 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 ef-

fective, 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 experiments, 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 de-

velopment 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 synchroni-

zation 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 com-

ments 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.

Passed the Senate June 25, 1998.

Attest:

Secretary.

105TH CONGRESS
2D SESSION

S. 2060

AN ACT

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

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S 2060 ES1S——3

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