AUTHENTICATED
U.S. GOVERNMENT
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106TH CONGRESS
2D SESSION

S. 2550

AN ACT

To authorize appropriations for fiscal year 2001 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 2001''.

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

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

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

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

TITLE I—PROCUREMENT

Subtitle A—Authorization of Appropriations

SEC. 101. ARMY.

Funds are hereby authorized to be appropriated for fiscal year 2001 for procurement for the Army as follows:

(1) For aircraft, $1,749,662,000.

(2) For missiles, $1,382,328,000.

(3) For weapons and tracked combat vehicles, $2,115,138,000.

(4) For ammunition, $1,224,323,000.

(5) For other procurement, $4,039,670,000.

SEC. 102. NAVY AND MARINE CORPS.

(a) NAVY.—Funds are hereby authorized to be appropriated for fiscal year 2001 for procurement for the Navy as follows:

(1) For aircraft, $8,685,958,000.

(2) For weapons, including missiles and torpedoes, $1,539,950,000.

(3) For shipbuilding and conversion, $12,900,076,000.

(4) For other procurement, $3,378,311,000.

(b) MARINE CORPS.—Funds are hereby authorized to be appropriated for fiscal year 2001 for procurement for the Marine Corps in the amount of $1,191,035,000.

(c) NAVY AND MARINE CORPS AMMUNITION.—Funds are hereby authorized to be appropriated for fiscal year 2001 for procurement of ammunition for the Navy and the Marine Corps in the amount of $500,749,000.

SEC. 103. AIR FORCE.

Funds are hereby authorized to be appropriated for fiscal year 2001 for procurement for the Air Force as follows:

(1) For aircraft, $9,968,371,000.

(2) For ammunition, $666,808,000.

(3) For missiles, $3,005,915,000.

(4) For other procurement, $7,724,527,000.

SEC. 104. DEFENSE-WIDE ACTIVITIES.

Funds are hereby authorized to be appropriated for fiscal year 2001 for Defense-wide procurement in the amount of $2,203,508,000.

SEC. 105. DEFENSE INSPECTOR GENERAL.

Funds are hereby authorized to be appropriated for fiscal year 2001 for procurement for the Inspector General of the Department of Defense in the amount of $3,300,000.

SEC. 106. CHEMICAL DEMILITARIZATION PROGRAM.

There is hereby authorized to be appropriated for fiscal year 2001 the amount of $1,003,500,000 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 materiel of the United States that is not covered by section 1412 of such Act.

SEC. 107. DEFENSE HEALTH PROGRAMS.

Funds are hereby authorized to be appropriated for fiscal year 2001 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 $290,006,000.

Subtitle B—Army Programs

SEC. 111. MULTIYEAR PROCUREMENT AUTHORITY FOR CERTAIN PROGRAMS.

(a) AUTHORITY.—Beginning with the fiscal year 2001 program year, the Secretary of the Army may, in accordance with section 2306b of title 10, United States Code, enter into multiyear contracts for procurement of the following:

(1) M2A3 Bradley fighting vehicles.

(2) UH–60L Blackhawk helicopters.

(3) CH–60S Seahawk helicopters.

(b) LIMITATION FOR BRADLEY FIGHTING VEHICLES.—The period for a multiyear contract entered into under subsection (a)(1) may not exceed the three consecutive program years beginning with the fiscal year 2001 program year.

(c) REPEAL OF SUPERSEDED AUTHORITY.—Section 111 of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 531) is amended by striking paragraph (2).

SEC. 112. REPORTS AND LIMITATIONS RELATING TO ARMY TRANSFORMATION.

(a) REPORT ON OBJECTIVE FORCE DEVELOPMENT PROCESS.—The Secretary of the Army shall submit to the congressional defense committees a report on the process for developing the objective force in the transformation of the Army. The report shall include the following:

(1) The operational environments envisioned for the objective force.

(2) The threat assumptions on which research and development efforts for transformation of the Army into the objective force are based.

(3) The potential operational and organizational concepts for the objective force.

(4) The key performance parameters anticipated for the objective force and the operational re-

quirements anticipated for the operational requirements document of the objective force.

(5) The schedule of Army transformation activities through fiscal year 2012, together with—

(A) the projected funding requirements through that fiscal year for the research and development activities and the procurement activities;

(B) the specific adjustments that are made for Army programs in the future-years defense program and in the extended planning program in order to program the funding necessary to meet the funding requirements for Army transformation; and

(C) a summary of the anticipated investments of the Defense Advanced Research Projects Agency in programs designed to lead to the fielding of future combat systems for the objective force.

(6) The joint warfighting requirements that will be supported by the fielding of the objective force, together with a description of the adjustments that are planned to be made in the war plans of the commanders of the regional unified combatant com-

mands in relation to the fielding of the objective force.

(7) The changes in lift requirements that result from the establishment and fielding of the combat brigades of the objective force.

(8) The evaluation process that will be used to support decisionmaking on the course of the Army transformation, including a description of the operational evaluations and experimentation that will be used to validate the key performance parameters associated with the objective force and the operational requirements for the operational requirements document of the objective force.

(b) REPORTS ON MEDIUM ARMORED COMBAT VEHICLES FOR THE INTERIM BRIGADE COMBAT TEAMS.—(1) The Secretary of the Army shall develop and carry out a plan for comparing—

(A) the costs and operational effectiveness of the medium armored combat vehicles selected for the infantry battalions of the interim brigade combat teams; and

(B) the costs and operational effectiveness of the medium armored vehicles currently in the Army inventory for the use of infantry battalions.

(2) The plan shall provide for the costs and operational effectiveness of the two sets of vehicles to be determined on the basis of the results of an operational analysis that involves the participation of at least one infantry battalion that is fielded with medium armored vehicles currently in the Army inventory and is similar in organization to the infantry battalions of the interim brigade combat teams.

(3) The Director of Operational Test and Evaluation of the Department of Defense shall review the plan developed under paragraph (1) and submit the Director's comments on the plan to the Secretary of the Army.

(4) Not later than February 1, 2001, the Secretary of the Army shall submit to the congressional defense committees a report on the plan developed under paragraph (1). The report shall include the following:

(A) The plan.

(B) The comments of the Director of Operational Test and Evaluation on the plan.

(C) A discussion of how the results of the operational analysis are to be used to guide future decisions on the acquisition of medium armored combat vehicles for additional interim brigade combat teams.

(D) The specific adjustments that are made for Army programs in the future-years defense program

and in the extended planning program in order to program the funding necessary for fielding the interim brigade combat teams.

(5)(A) Not later than March 1, 2002, the Secretary of the Army shall submit to the congressional defense committees a report on the results of the comparison of costs and operational effectiveness of the two sets of medium armored combat vehicles under paragraph (1).

(B) The report under subparagraph (A) shall include a certification by the Secretary of Defense regarding whether the results of the comparison would support the continuation in fiscal year 2003 and beyond of the acquisition of the additional medium armored combat vehicles proposed to be used for equipping the interim brigade combat teams.

(c) LIMITATIONS.—(1) Not more than 60 percent of the amount appropriated for the procurement of armored vehicles in the family of new medium armored vehicles pursuant to the authorization of appropriations in section 101(3) may be obligated until the date that is 30 days after the date on which the Secretary of the Army submits the report required under subsection (b)(4) to the congressional defense committees.

(2) Not more than 60 percent of the funds appropriated for the Army for fiscal year 2002 for the procure-

ment of armored vehicles in the family of new medium armored combat vehicles may be obligated until the date that is 30 days after the date on which the Secretary of the Army submits the report required under subsection (b)(5) to the congressional defense committees.

(d) DEFINITIONS.—In this section:

(1) The term ''transformation'', with respect to the Army, means the actions being undertaken to transform the Army, as it is constituted in terms of organization, equipment, and doctrine in 2000, into the objective force.

(2) The term ''objective force'' means the Army that has the organizational structure, the most advanced equipment that early twenty-first century science and technology can provide, and the appropriate doctrine to ensure that the Army is responsive, deployable, agile, versatile, lethal, survivable, and sustainable for the full spectrum of the operations anticipated to be required of the Army during the early years of the twenty-first century following 2010.

(3) The term ''interim brigade combat team'' means an Army brigade that is designated by the Secretary of the Army as a brigade combat team and is reorganized and equipped with currently

available equipment in a configuration that effectuates an evolutionary advancement toward transformation of the Army to the objective force.

SEC. 113. RAPID INTRAVENOUS INFUSION PUMPS.

Of the amount authorized to be appropriated under section 101(5)—

(1) $6,000,000 shall be available for the procurement of rapid intravenous infusion pumps; and

(2) the amount provided for the family of medium tactical vehicles is hereby reduced by $6,000,000.

Subtitle C—Navy Programs

SEC. 121. CVNX–1 NUCLEAR AIRCRAFT CARRIER PROGRAM.

(a) AUTHORIZATION OF SHIP.—The Secretary of the Navy is authorized to procure the aircraft carrier to be designated CVNX–1.

(b) ADVANCE PROCUREMENT AND CONSTRUCTION.—The Secretary may enter into one or more contracts for the advance procurement and advance construction of components for the ship authorized under subsection (a).

(c) AMOUNT AUTHORIZED FROM SCN ACCOUNT.—Of the amounts authorized to be appropriated under section 102(a)(3) for fiscal year 2001, $21,869,000 is available for the advance procurement and advance construc-

tion of components (including nuclear components) for the CVNX–1 aircraft carrier program.

SEC. 122. ARLEIGH BURKE CLASS DESTROYER PROGRAM.

(a) ECONOMICAL MULTIYEAR PROCUREMENT OF PREVIOUSLY AUTHORIZED VESSELS AND ONE ADDITIONAL VESSEL.—(1) Subsection (b) of section 122 of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201; 110 Stat. 2446), as amended by section 122(a) of Public Law 106–65 (113 Stat. 535), is further amended by striking ''a total of 18 Arleigh Burke class destroyers'' in the first sentence and all that follows through the period at the end of that sentence and inserting ''Arleigh Burke class destroyers in accordance with this subsection and subsection (a)(4) at procurement rates not in excess of 3 ships in each of the fiscal years beginning after September 30, 1998, and before October 1, 2005. The authority under the preceding sentence is subject to the availability of appropriations for such destroyers.''.

(2) The heading for such subsection is amended by striking ''18''.

(b) ECONOMICAL RATE OF PROCUREMENT.—It is the sense of Congress that, for the procurement of the Arleigh Burke class destroyers to be procured after fiscal year

2001 under multiyear contracts authorized under section 122(b) of Public Law 104–201—

(1) the Secretary of the Navy should—

(A) achieve the most economical rate of procurement; and

(B) enter into such contracts for advance procurement as may be necessary to achieve that rate of procurement;

(2) the most economical rate of procurement would be achieved by procuring 3 of the destroyers in each of fiscal years 2002 and 2003 and procuring another destroyer in fiscal year 2004; and

(3) the Secretary has the authority under section 122(b) of Public Law 104–201 (110 Stat. 2446) and subsections (b) and (c) of section 122 of Public Law 106–65 (113 Stat. 534) to provide for procurement at the most economical rate, as described in paragraph (2).

(c) UPDATE OF 1993 REPORT ON DDG–51 CLASS SHIPS.—(1) The Secretary of the Navy shall submit to the Committees on Armed Services of the Senate and the House of Representatives, not later than November 1, 2000, a report that updates the information provided in the report of the Secretary of the Navy entitled the ''Arleigh Burke (DDG–51) Class Industrial Base Study

of 1993''. The Secretary shall transmit a copy of the updated report to the Comptroller General not later than the date on which the Secretary submits the report to the committees.

(2) The Comptroller General shall review the updated report submitted under paragraph (1) and, not later than December 1, 2000, submit to the Committees on Armed Services of the Senate and House of Representatives the Comptroller General's comments on the updated report.

SEC. 123. VIRGINIA CLASS SUBMARINE PROGRAM.

(a) AMOUNTS AUTHORIZED FROM SCN ACCOUNT.—Of the amounts authorized to be appropriated by section 102(a)(3) for fiscal year 2001, $1,711,234,000 is available for the Virginia class submarine program.

(b) CONTRACT AUTHORITY.—(1) The Secretary of the Navy is authorized to enter into a contract for the procurement of up to five Virginia class submarines, including the procurement of material in economic order quantities when cost savings are achievable, during fiscal years 2003 through 2006. The submarines authorized under the preceding sentence are in addition to the submarines authorized under section 121(b) of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 1648).

(2) A contract entered into under paragraph (1) shall include a clause that states that any obligation of the United States to make a payment under this contract is subject to the availability of appropriations for that purpose.

(c) SHIPBUILDER TEAMING.—Paragraphs (2)(A), (3), and (4) of section 121(b) of Public Law 105–85 apply to the procurement of submarines under this section.

(d) LIMITATION OF LIABILITY.—If a contract entered into under this section is terminated, the United States shall not be liable for termination costs in excess of the total of the amounts appropriated for the Virginia class submarine program that remain available for the program.

(e) REPORT REQUIREMENT.—At that same time that the President submits the budget for fiscal year 2002 to Congress under section 1105(a) of title 31, United States Code, the Secretary of Defense shall submit to the congressional defense committees a report on the Navy's fleet of fast attack submarines. The report shall include the following:

(1) A plan for maintaining at least 55 fast attack submarines in commissioned service through 2015, including, by 2015, 18 Virginia class submarines.

(2) Two assessments of the potential savings that would be achieved under the Virginia class submarine program if the production rate for such program were at least two submarines each fiscal year, as follows:

(A) An assessment if that were the production rate beginning in fiscal year 2004.

(B) An assessment if that were the production rate beginning in fiscal year 2006.

(3) An analysis of the advantages and disadvantages of various contracting strategies for Virginia class submarine program, including one or more multiyear procurement strategies and one or more strategies for block buy with economic order quantity.

SEC. 124. ADC(X) SHIP PROGRAM.

Notwithstanding any other provision of law, the Secretary of the Navy may procure the construction of all ADC(X) class ships in one shipyard if the Secretary determines that it is more cost effective to do so than to procure the construction of such ships from more than one shipyard.

SEC. 125. REFUELING AND COMPLEX OVERHAUL PROGRAM OF THE CVN–69 NUCLEAR AIRCRAFT CARRIER.

(a) AMOUNT AUTHORIZED FROM SCN ACCOUNT.—Of the amount authorized to be appropriated by section 102(a)(3) for fiscal year 2001, $703,441,000 is available for the commencement of the nuclear refueling and complex overhaul of the CVN–69 aircraft carrier during fiscal year 2001. The amount made available in the preceding sentence is the first increment in the incremental funding planned for the nuclear refueling and complex overhaul of the CVN–69 aircraft carrier.

(b) CONTRACT AUTHORITY.—The Secretary of the Navy is authorized to enter into a contract during fiscal year 2001 for the nuclear refueling and complex overhaul of the CVN–69 nuclear aircraft carrier.

(c) CONDITION FOR OUT-YEAR CONTRACT PAYMENTS.—A contract entered into under subsection (b) shall include a clause that states that any obligation of the United States to make a payment under the contract for a fiscal year after fiscal year 2001 is subject to the availability of appropriations for that purpose for that later fiscal year.

SEC. 126. REMANUFACTURED AV–8B AIRCRAFT.

Of the amount authorized to be appropriated by section 102(a)(1)—

(1) $318,646,000 is available for the procurement of remanufactured AV–8B aircraft;

(2) $15,200,000 is available for the procurement of UC–35 aircraft;

(3) $3,300,000 is available for the procurement of automatic flight control systems for EA–6B aircraft; and

(4) $46,000,000 is available for engineering change proposal 583 for FA–18 aircraft.

SEC. 127. ANTI-PERSONNEL OBSTACLE BREACHING SYSTEM.

Of the total amount authorized to be appropriated under section 102(c), $4,000,000 is available only for the procurement of the anti-personnel obstacle breaching system.

Subtitle D—Air Force Programs

SEC. 131. REPEAL OF REQUIREMENT FOR ANNUAL REPORT ON B–2 BOMBER AIRCRAFT PROGRAM.

Section 112 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101–189; 103 Stat. 1373), as amended by section 141 of Public Law 104–106 (110 Stat. 213), is repealed.

SEC. 132. CONVERSION OF AGM–65 MAVERICK MISSILES.

(a) INCREASE IN AMOUNT.—The amount authorized to be appropriated by section 103(3) for procurement of

missiles for the Air Force is hereby increased by $2,100,000.

(b) AVAILABILITY OF AMOUNT.—(1) Of the amount authorized to be appropriated by section 103(3), as increased by subsection (a), $2,100,000 shall be available for In-Service Missile Modifications for the purpose of the conversion of Maverick missiles in the AGM–65B and AGM–65G configurations to Maverick missiles in the AGM–65H and AGM–65K configurations.

(2) The amount available under paragraph (1) for the purpose specified in that paragraph is in addition to any other amounts available under this Act for that purpose.

(c) OFFSET.—The amount authorized to be appropriated by section 103(1) for procurement of aircraft for the Air Force is hereby reduced by $2,100,000, with the amount of the reduction applicable to amounts available under that section for ALE–50 Code Decoys.

Subtitle E—Other Matters

SEC. 141. PUEBLO CHEMICAL DEPOT CHEMICAL AGENT AND MUNITIONS DESTRUCTION TECHNOLOGIES.

(a) LIMITATION.—In determining the technologies to be used for the destruction of the stockpile of lethal chemical agents and munitions at Pueblo Chemical Depot, Colorado, whether under the assessment required by section

141(a) of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 537; 50 U.S.C. 1521 note), the Assembled Chemical Weapons Assessment, or any other assessment, the Secretary of Defense may consider only the following technologies:

(1) Incineration.

(2) Any technologies demonstrated under the Assembled Chemical Weapons Assessment on or before May 1, 2000.

(b) ASSEMBLED CHEMICAL WEAPONS ASSESSMENT DEFINED.—As used in subsection (a), the term ''Assembled Chemical Weapons Assessment'' means the pilot program carried 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).

SEC. 142. INTEGRATED BRIDGE SYSTEMS FOR NAVAL SYSTEMS SPECIAL WARFARE RIGID INFLATABLE BOATS AND HIGH-SPEED ASSAULT CRAFT.

(a) INCREASE IN AUTHORIZATION FOR PROCUREMENT, DEFENSE-WIDE.—The amount authorized to be appropriated by section 104 for procurement, Defense-wide, is hereby increased by $7,000,000.

(b) AVAILABILITY OF AMOUNT.—Of the amount authorized to be appropriated by section 104, as increased

by subsection (a), $7,000,000 shall be available for the procurement and installation of integrated bridge systems for naval systems special warfare rigid inflatable boats and high-speed assault craft for special operations forces.

(c) OFFSET.—The amount authorized to be appropriated by section 103(4), for other procurement for the Air Force, is hereby reduced by $7,000,000.

SEC. 143. REPEAL OF PROHIBITION ON USE OF DEPARTMENT OF DEFENSE FUNDS FOR PROCUREMENT OF NUCLEAR-CAPABLE SHIPYARD CRANE FROM A FOREIGN SOURCE.

Section 8093 of the Department of Defense Appropriations Act, 2000 (Public Law 106–79; 113 Stat. 1253) is amended by striking subsection (d), relating to a prohibition on the use of Department of Defense funds to procure a nuclear-capable shipyard crane from a foreign source.

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 2001 for the use of the Department of Defense for research, development, test, and evaluation as follows:

(1) For the Army, $5,501,946,000.

(2) For the Navy, $8,665,865,000.

(3) For the Air Force, $13,887,836,000.

(4) For Defense-wide activities, $11,275,202,000, of which $223,060,000 is authorized for the Director of Operational Test and Evaluation.

SEC. 202. AMOUNT FOR BASIC AND APPLIED RESEARCH.

(a) FISCAL YEAR 2001.—Of the amounts authorized to be appropriated by section 201, $4,702,604,000 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 pro-

gram elements for defense research and development under Department of Defense category 6.1 or 6.2.

SEC. 203. ADDITIONAL AUTHORIZATION FOR RESEARCH, DEVELOPMENT, TEST, AND EVALUATION ON WEATHERING AND CORROSION OF AIRCRAFT SURFACES AND PARTS.

(a) INCREASE IN AUTHORIZATION.—The amount authorized to be appropriated by section 201(3) is hereby increased by $1,500,000.

(b) AVAILABILITY OF FUNDS.—The amount available under section 201(3), as increased by subsection (a), for research, development, test, and evaluation on weathering and corrosion of aircraft surfaces and parts (PE62102F) is hereby increased by $1,500,000.

(c) OFFSET.—The amount authorized to be appropriated by section 201(4) is hereby decreased by $1,500,000, with the amount of such decrease being allocated to Sensor and Guidance Technology (PE63762E).

Subtitle B—Program Requirements, Restrictions, and Limitations

SEC. 211. FISCAL YEAR 2002 JOINT FIELD EXPERIMENT.

(a) REQUIREMENTS.—The Secretary of Defense shall carry out a joint field experiment in fiscal year 2002. The

Secretary shall ensure that the planning for the joint field experiment is carried out during fiscal year 2001.

(b) PURPOSE.—The purpose of the joint field experiment is to explore the most critical war fighting challenges at the operational level of war that will confront United States joint military forces after 2010.

(c) PARTICIPATING FORCES.—(1) The joint field experiment shall involve elements of Army, Navy, Marine Corps, and Air Force, and shall include special operations forces.

(2) The forces designated to participate in the joint field experiment shall exemplify the concepts for organization, equipment, and doctrine that are conceived for the forces after 2010 under Joint Vision 2010 (issued by the Joint Chiefs of Staff) and the current vision statements of the Chief of Staff of the Army, the Chief of Naval Operations and the Commandant of the Marine Corps, and the Chief of Staff of the Air Force, including the following concepts:

(A) Air Force expeditionary aerospace forces.

(B) Army medium weight brigades.

(C) Navy forward from the sea.

(d) FUNDING.—Of the amount authorized to be appropriated under section 201(2) for joint experimentation,

$6,000,000 shall be available only for planning the joint field experiment required under this section.

SEC. 212. NUCLEAR AIRCRAFT CARRIER DESIGN AND PRODUCTION MODELING.

Of the amount authorized to be appropriated under section 201(2) for the Navy for nuclear aircraft carrier design and production modeling, $10,000,000 shall be available for the conversion and development of nuclear aircraft carrier design data into an electronic, three-dimensional product model.

SEC. 213. DD–21 CLASS DESTROYER PROGRAM.

(a) AUTHORITY.—The Secretary of the Navy is authorized to pursue a technology insertion approach for the construction of the DD–21 destroyer on the following schedule:

(1) Commencement of construction during fiscal year 2004.

(2) Delivery of the completed vessel during fiscal year 2009.

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

(1) there are compelling reasons for starting the program for constructing the DD–21 destroyer in fiscal year 2004 and continuing with sequential construction of DD–21 class destroyers during the

ensuing fiscal years until 32 DD–21 class destroyers are constructed; and

(2) the Secretary of the Navy, in providing for the acquisition of DD–21 class destroyers, should consider that—

(A) the Marine Corps needs the surface fire support capabilities of the DD–21 class destroyers as soon as possible in order to mitigate the inadequacies of the surface fire support capabilities that are currently available;

(B) the Navy and Marine Corps need to resolve whether there is a requirement for surface fire support missile weapon systems to be easily sustainable by means of replenishment while under way;

(C) the technology insertion approach has been successful for other ship construction programs and is being pursued for the CVN(X) and Virginia class submarine programs;

(D) the establishment of a stable configuration for the first 10 DD–21 class destroyers should enable the construction of the ships with the greatest capabilities at the lowest cost; and

(E) action to acquire DD–21 class destroyers should be taken as soon as possible in order

to realize fully the cost savings that can be derived from the construction and operation of DD–21 class destroyers, including—

(i) savings in construction costs that would result from achievement of the Navy's target per-ship cost of $750,000,000 by the fifth ship constructed in each construction yard;

(ii) savings that will result from the estimated reduction of the crews of destroyers by 200 or more personnel for each ship; and

(iii) savings that will result from a reduction in the operating costs for destroyers by an estimated 70 percent.

(c) NAVY PLAN FOR USE OF TECHNOLOGY INSERTION APPROACH FOR CONSTRUCTION OF THE DD–21 SHIP.—The Secretary of the Navy shall submit to the Committees on Armed Services of the Senate and the House of Representatives, not later than April 18, 2001, a plan for pursuing a technology insertion approach for the construction of the DD–21 destroyer as authorized under subsection (a). The plan shall include estimates of the resources necessary to execute the plan.

(d) REPORT ON ACQUISITION AND MAINTENANCE PLAN FOR DD–21 CLASS SHIPS.—The Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives, not later than April 18, 2001, a report on the Navy's plan for the acquisition and maintenance of DD–21 class destroyers. The report shall include a discussion of each of the following matters:

(1) The technical feasibility of commencing construction of the DD–21 destroyer in fiscal year 2004 and achieving delivery of the completed ship to the Navy during fiscal year 2009.

(2) An analysis of the advantages and disadvantages of various contracting strategies for the construction of the first 10 DD–21 class destroyers, including one or more multiyear procurement strategies and one or more strategies for block buy in economic order quantity.

(3) The effects on the destroyer industrial base and on costs to other Navy shipbuilding programs of delaying the commencement of construction of the DD–21 destroyer until fiscal year 2005 and delaying the commencement of construction of the next DD–21 class destroyer until fiscal year 2007.

(4) The effects on the fleet maintenance strategies of Navy fleet commanders, on commercial maintenance facilities in fleet concentration areas, and on the administration of funds in compliance with section 2466 of title 10, United States Code, of awarding to a contractor for the construction of a DD–21 class destroyer all maintenance workloads for DD–21 class destroyers that are below depot-level maintenance and above ship-level maintenance.

SEC. 214. F–22 AIRCRAFT PROGRAM.

Section 217(c) of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 1660) is amended by adding at the end the following:

''(3) With respect to the limitation in subsection (a), an increase by an amount that does not exceed one percent of the total amount of that limitation (taking into account the increases and decreases, if any, under paragraphs (1) and (2)) if the Director of Operational Test and Evaluation, after consulting with the Under Secretary of Defense for Acquisition, Technology, and Logistics, determines that the increase is necessary in order to ensure adequate testing.''.

SEC. 215. JOINT STRIKE FIGHTER PROGRAM.

(a) REPORT.—Not later than December 15, 2000, the Secretary shall submit to Congress a report on the joint strike fighter program. The report shall contain the following:

(1) A description of the program as the program has been restructured before the date of the report, including any modified acquisition strategy that has been incorporated into the program.

(2) The exit criteria that have been established to ensure that technical risks are at levels acceptable for entry of the program into engineering and manufacturing development.

(b) TRANSFERS FROM OTHER NAVY AND AIR FORCE ACCOUNTS.—(1) Notwithstanding any other provision of this Act, the Secretary may transfer to the joint strike fighter program or within the joint strike fighter program amounts authorized to be appropriated under section 201 for a purpose other than the purpose of the authorization of appropriations to which transferred, as follows:

(A) Of the funds authorized to be appropriated under section 201(2), up to $150,000,000.

(B) Of the funds authorized to be appropriated under section 201(3), up to $150,000,000.

(2) The transfer authority under paragraph (1) is in addition to the transfer authority provided in section 1001.

SEC. 216. GLOBAL HAWK HIGH ALTITUDE ENDURANCE UNMANNED AERIAL VEHICLE.

(a) CONCEPT DEMONSTRATION REQUIRED.—The Secretary of Defense shall require and coordinate a concept demonstration of the Global Hawk high altitude endurance unmanned aerial vehicle.

(b) PURPOSE OF DEMONSTRATION.—The purpose of the concept demonstration is to demonstrate the capability of the Global Hawk high altitude endurance unmanned aerial vehicle to operate in an airborne surveillance mode, using available, non-developmental technology.

(c) TIME FOR DEMONSTRATION.—The demonstration shall take place as early in fiscal year 2001 as the Secretary determines practicable.

(d) PARTICIPATION BY CINCS.—The Secretary shall require the Commander in Chief of the United States Joint Forces Command and the Commander in Chief of the United States Southern Command jointly to provide guidance for the demonstration and otherwise to participate in the demonstration.

(e) SCENARIO FOR DEMONSTRATION.—The demonstration shall be conducted in a counter-drug surveil-

lance scenario that is designed to replicate factual conditions typically encountered in the performance of the counter-drug surveillance mission of the Commander in Chief of the United States Southern Command within that commander's area of responsibility.

(f) REPORT.—Not later than 45 days after the concept demonstration is completed, the Secretary shall submit to Congress a report on the results of the demonstration. The report shall include the following:

(1) The Secretary's assessment of the technical feasibility of using the Global Hawk high altitude endurance unmanned aerial vehicle for airborne air surveillance.

(2) A discussion of the operational concept for the use of the vehicle for that purpose.

SEC. 217. UNMANNED ADVANCED CAPABILITY AIRCRAFT AND GROUND COMBAT VEHICLES.

(a) GOAL.—It shall be a goal of the Armed Forces to achieve the fielding of unmanned, remotely controlled technology such that—

(1) by 2010, one-third of the operational deep strike aircraft of the Armed Forces are unmanned; and

(2) by 2015, one-third of the operational ground combat vehicles of the Armed Forces are unmanned.

(b) REPORT ON ADVANCED CAPABILITY GROUND COMBAT VEHICLES.—Not later than January 31, 2001, the Secretary of Defense shall submit to the congressional defense committees a report on each of the programs undertaken by the Secretaries of the Army, Navy, and Air Force jointly with the Director of the Defense Advanced Research Projects Agency to demonstrate advanced capability ground combat vehicles. The report shall include the following for the program of each military department:

(1) A schedule for the program, including, in the case of the Army program, a schedule for the demonstration of the capability for unmanned, remotely controlled operation of advanced capability ground combat vehicles for the Army.

(2) An identification of the funding required for fiscal year 2002 and for the future-years defense program to carry out the program and, in the case of the Army program, for the demonstration described in paragraph (1).

(3) A description and assessment of the acquisition strategy for unmanned ground combat vehicles planned by the Secretary of the military department

concerned, together with a complete identification of all operation, support, ownership, and other costs required to carry out such strategy through the year 2030.

(c) FUNDS.—Of the amount authorized to be appropriated for Defense-wide activities under section 201(4) for the Defense Advanced Research Projects Agency, $200,000,000 shall be available only to carry out the programs referred to in subsection (b).

SEC. 218. ARMY SPACE CONTROL TECHNOLOGY DEVELOPMENT.

(a) KINETIC ENERGY ANTI-SATELLITE TECHNOLOGY PROGRAM.—Of the funds authorized to be appropriated under section 201(4), $20,000,000 shall be available for the kinetic energy anti-satellite technology program.

(b) OTHER ARMY SPACE CONTROL TECHNOLOGY DEVELOPMENT.—Of the funds authorized to be appropriated under section 201(4), $5,000,000 shall be available for the development of space control technologies that emphasize reversible or temporary effects.

(c) LIMITATION.—None of the funds made available pursuant to subsection (b) may be obligated until the funds provided for the kinetic energy anti-satellite technology program under subsection (a) have been released

to the kinetic energy anti-satellite technology program manager.

SEC. 219. RUSSIAN AMERICAN OBSERVATION SATELLITES PROGRAM.

None of the funds authorized to be appropriated under section 201(4) for the Russian American Observation Satellites program may be obligated or expended until 30 days after the Secretary of Defense submits to Congress a report explaining how the Secretary plans to protect United States advanced military technology that may be associated with the Russian American Observation Satellites program.

SEC. 220. JOINT BIOLOGICAL DEFENSE PROGRAM.

(a) LIMITATION.—Funds authorized to be appropriated by this Act may not be obligated for the procurement of a vaccine for the biological agent anthrax until the Secretary of Defense has submitted to the congressional defense committees the following:

(1) A written notification that the Food and Drug Administration has approved for production of the vaccine the manufacturing source from which the Department of Defense is procuring the vaccine as of the date of the enactment of this Act (hereafter in this section referred to as the ''current manufacturer'').

(2) A report on the contingencies associated with continuing to rely on the current manufacturer to supply anthrax vaccine.

(b) CONTENT OF REPORT.—The report required under subsection (a)(2) shall include the following:

(1) Recommended strategies to mitigate the risk to the Department of Defense of losing the current manufacturer as a source of anthrax vaccine, together with a discussion of the criteria to be applied in determining whether to carry out any of the strategies and which strategy to carry out.

(2) Recommended strategies to ensure that the Department of Defense can procure from any source or sources an anthrax vaccine approved by the Food and Drug Administration that meets the requirements of the department if—

(A) the Food and Drug Administration does not approve the release of the anthrax vaccine available from the current manufacturer; or

(B) the current manufacturer terminates the production of anthrax vaccine permanently.

(3) A five-year budget to support each strategy recommended under paragraph (1) or (2).

SEC. 221. REPORT ON BIOLOGICAL WARFARE DEFENSE VACCINE RESEARCH AND DEVELOPMENT PROGRAMS.

(a) REQUIREMENT FOR REPORT.—The Secretary of Defense shall submit to the congressional defense committees, not later than February 1, 2001, a report on the acquisition of biological warfare defense vaccines for the Department of Defense.

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

(1) The Secretary's evaluation of the implications of reliance on the commercial sector to meet the requirements of the Department of Defense for biological warfare defense vaccines.

(2) A complete design for a facility at an alternative site determined by the Secretary that is designed to be operated under government ownership by a contractor for the production of biological warfare defense vaccines to meet the current and future requirements of the Department of Defense for biological warfare defense vaccines, together with—

(A) an estimation of the cost of contractor operation of such a facility for that purpose;

(B) a determination, developed in consultation with the Surgeon General of the United States, on the utility of such a facility to sup-

port civilian vaccine requirements and a discussion of the effects that the use of the facility for that purpose would have on the operating costs for vaccine production at the facility; and

(C) an analysis of the effects that international demand for vaccines would have on the operating costs for vaccine production at such a facility.

(c) BIOLOGICAL WARFARE DEFENSE VACCINE DEFINED.—In this section, the term ''biological warfare defense vaccine'' means a vaccine useful for the immunization of military personnel to protect against biological agents on the Validated Threat List issued by the Joint Chiefs of Staff, whether such vaccine is in production or is being developed.

SEC. 222. TECHNOLOGIES FOR DETECTION AND TRANSPORT OF POLLUTANTS ATTRIBUTABLE TO LIVE-FIRE ACTIVITIES.

(a) INCREASE IN AMOUNT.—The amount authorized to be appropriated by section 201(4) for research, development, test, and evaluation Defense-wide is hereby increased by $5,000,000.

(b) AVAILABILITY OF AMOUNT.—Of the amount authorized to be appropriated by section 201(4), as increased by subsection (a), the amount available for the Strategic

Environmental Research and Development Program (PE6034716D) is hereby increased by $5,000,000, with the amount of such increase available for the development and test of technologies to detect, analyze, and map the presence of, and transport of, pollutants and contaminants at sites undergoing the detection and remediation of constituents attributable to live-fire activities in a variety of hydrogeological scenarios.

(c) ADDITIONAL REQUIREMENT.—Performance measures shall be established for the technologies described in subsection (b) for purposes of facilitating the implementation and utilization of such technologies by the Department of Defense.

(d) OFFSET.—The amount authorized to be appropriated by section 201(4) for research, development, test, and evaluation, Defense-wide is hereby decreased by $5,000,000, with the amount of such decrease applied to Computing Systems and Communications Technology (PE602301E).

SEC. 223. ACOUSTIC MINE DETECTION.

(a) INCREASE IN AMOUNT.—(1) The amount authorized to be appropriated by section 201(1) for research, development, test, and evaluation for the Army is hereby increased by $2,500,000.

(2) Of the amount authorized to be appropriated by section 201(1), as increased by paragraph (1), the amount available for Countermine Systems (PE602712A) is hereby increased by $2,500,000, with the amount of such increase available for research in acoustic mine detection.

(b) OFFSET.—The amount authorized to be appropriated by section 201(4) for research, development, test, and evaluation Defense-wide is hereby decreased by $2,500,000, with the amount of such decrease to be applied to Sensor Guidance Technology (PE603762E).

SEC. 224. OPERATIONAL TECHNOLOGIES FOR MOUNTED MANEUVER FORCES.

(a) INCREASE IN AMOUNT.—(1) The amount authorized to be appropriated by section 201(1) for research, development, test, and evaluation for the Army is hereby increased by $5,000,000.

(2) Of the amount authorized to be appropriated by section 201(1), as increased by paragraph (1), the amount available for Concepts Experimentation Program (PE605326A) is hereby increased by $5,000,000, with the amount of such increase available for test and evaluation of future operational technologies for use by mounted maneuver forces.

(b) OFFSET.—The amount authorized to be appropriated by section 201(4) for research, development, test,

and evaluation Defense-wide is hereby decreased by $5,000,000, with the amount of such decrease to be applied to Computing Systems and Communications Technology (PE602301E).

SEC. 225. AIR LOGISTICS TECHNOLOGY.

(a) AVAILABILITY OF AMOUNT.—Of the amount authorized to be appropriated by section 201(4) for research, development, test, and evaluation Defense-wide, the amount available for Generic Logistics Research and Development Technology Demonstrations (PE603712S) is hereby increased by $300,000, with the amount of such increase available for air logistics technology.

(b) OFFSET.—Of the amount authorized to be appropriated by section 201(4), the amount available for Computing Systems and Communications Technology (PE602301E) is hereby decreased by $300,000.

SEC. 226. PRECISION LOCATION AND IDENTIFICATION PROGRAM (PLAID).

(a) INCREASE IN AMOUNT.—(1) The amount authorized to be appropriated by section 201(3) for research, development, test, and evaluation for the Air Force is hereby increased by $8,000,000.

(2) Of the amount authorized to be appropriated by section 201(3), as increased by paragraph (1), the amount available for Electronic Warfare Development

(PE604270F) is hereby increased by $8,000,000, with the amount of such increase available for the Precision Location and Identification Program (PLAID).

(b) OFFSET.—The amount authorized to be appropriated by section 201(1) for research, development, test, and evaluation for the Army is hereby decreased by $8,000,000, with the amount of the reduction applied to Electronic Warfare Development (PE604270A).

SEC. 227. NAVY INFORMATION TECHNOLOGY CENTER AND HUMAN RESOURCE ENTERPRISE STRATEGY.

(a) AVAILABILITY OF INCREASED AMOUNT.—(1) Of the amount authorized to be appropriated by section 201(2), for research, development, test, and evaluation for the Navy, $5,000,000 shall be available for the Navy Program Executive Office for Information Technology for purposes of the Information Technology Center and for the Human Resource Enterprise Strategy implemented under section 8147 of the Department of Defense Appropriations Act, 1999 (Public Law 105–262; 112 Stat. 2341; 10 U.S.C. 113 note).

(2) Amounts made available under paragraph (1) for the purposes specified in that paragraph are in addition to any other amounts made available under this Act for such purposes.

(b) OFFSET.—Of the amount authorized to be appropriated by section 201(2), the amount available for Marine Corps Assault Vehicles (PE603611M) is hereby reduced by $5,000,000.

SEC. 228. JOINT TECHNOLOGY INFORMATION CENTER INITIATIVE.

Of the amount authorized to be appropriated under section 201(4)—

(1) $20,000,000 shall be available for the Joint Technology Information Center Initiative; and

(2) the amount provided for cyber attack sensing and warning under the information systems security program (account 0303140G) is reduced by $20,000,000.

SEC. 229. AMMUNITION RISK ANALYSIS CAPABILITIES.

(a) AVAILABILITY OF AMOUNT.—Of the amount authorized to be appropriated by section 201(4) for research, development, test, and evaluation Defense-wide, the amount available for Explosives Demilitarization Technology (PE603104D) is hereby increased by $5,000,000, with the amount of such increase available for research into ammunition risk analysis capabilities.

(b) OFFSET.—Of the amount authorized to be appropriated by section 201(4), the amount available for Com-

puting Systems and Communications Technology (PE602301E) is hereby decreased by $5,000,000.

SEC. 230. FUNDING FOR COMPARISONS OF MEDIUM ARMORED COMBAT VEHICLES.

Of the amount authorized to be appropriated under section 201(1), $40,000,000 shall be available for the advanced tank armament system program for the development and execution of the plan for comparing costs and operational effectiveness of medium armored combat vehicles required under section 112(b).

Subtitle C—Other Matters

SEC. 241. MOBILE OFFSHORE BASE.

(a) REPORT.—Not later than March 1, 2001, the Secretary of Defense shall submit to Congress a report on the mobile offshore base concept.

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

(1) A cost-benefit analysis of the mobile offshore base, using operational concepts that would support the National Military Strategy.

(2) A recommendation regarding whether to proceed with the mobile offshore base as a program and, if so—

(A) a statement regarding which of the Armed Forces is to be designated to have the lead responsibility for the program; and

(B) a schedule for the program.

SEC. 242. AIR FORCE SCIENCE AND TECHNOLOGY PLANNING.

(a) REPORT.—Not later than one year after the date of the enactment of this Act, the Secretary of the Air Force shall submit to the congressional defense committees a report on the long-term challenges and short-term objectives of the Air Force science and technology program. The report shall include the following:

(1) An assessment of the budgetary resources that are being used for fiscal year 2001 for addressing the long-term challenges and the short-term objectives.

(2) The budgetary resources that are necessary to address those challenges and objectives adequately.

(3) A course of action for any projected or ongoing Air Force science and technology programs that do not address either the long-term challenges or the short-term objectives.

(4) The matters required under subsection (b)(5) and (c)(6).

(b) LONG-TERM CHALLENGES.—(1) The Secretary of the Air Force shall establish an integrated product team to identify high-risk, high-payoff challenges that will provide a long-term focus and motivation for the Air Force science and technology program over the next 20 to 50 years. The integrated product team shall include representatives of the Office of Scientific Research and personnel from the Air Force Research Laboratory.

(2) The team shall solicit views from the entire Air Force science and technology community on the matters under consideration by the team.

(3) The team—

(A) shall select for consideration science and technology challenges that involve—

(i) compelling requirements of the Air Force;

(ii) high-risk, high-payoff areas of exploration; and

(iii) very difficult, but probably achievable, results; and

(B) should not include as a selected challenge any linear extension of an ongoing Air Force science and technology program.

(4) The Deputy Assistant Secretary of the Air Force for Science, Technology, and Engineering shall designate

a technical coordinator and a management coordinator for each science and technology challenge identified pursuant to this subsection. Each technical coordinator shall have sufficient expertise in fields related to the challenge to be able to identify other experts and affirm the credibility of the program. The coordinator for a science and technology challenge shall conduct workshops within the relevant scientific and technological community to obtain suggestions for possible approaches to addressing the challenge, to identify ongoing work that addresses the challenge, to identify gaps in current work relating to the challenge, and to highlight promising areas of research.

(5) The report required by subsection (a) shall, at a minimum, provide information on each science and technology challenge identified pursuant to this subsection and describe the results of the workshops conducted pursuant to paragraph (4), including any work not currently funded by the Air Force that should be performed to meet the challenge.

(c) SHORT-TERM OBJECTIVES.—(1) The Secretary of the Air Force shall establish a task force to identify short-term technological objectives of the Air Force science and technology program. The task force shall be chaired by the Deputy Assistant Secretary of the Air Force for Science, Technology, and Engineering and shall

include representatives of the Chief of Staff of the Air Force and the specified combatant commands of the Air Force.

(2) The task force shall solicit views from the entire Air Force requirements community, user community, and acquisition community.

(3) The task force shall select for consideration short-term objectives that involve—

(A) compelling requirements of the Air Force;

(B) support in the user community; and

(C) likely attainment of the desired benefits within a 5-year period.

(4) The Deputy Assistant Secretary of the Air Force for Science, Technology, and Engineering shall establish an integrated product team for each short-term objective identified pursuant to this subsection. Each integrated product team shall include representatives of the requirements community, the user community, and the science and technology community with relevant expertise.

(5) The integrated product team for a short-term objective shall be responsible for—

(A) identifying, defining, and prioritizing the enabling capabilities that are necessary for achieving the objective;

(B) identifying gaps in the enabling capabilities that must be addressed if the short-term objective is to be achieved; and

(C) working with the Air Force science and technology community to identify science and technology projects and programs that should be undertaken to fill each gap in an enabling capability.

(6) The report required by subsection (a) shall, at a minimum, describe each short-term science and technology objective identified pursuant to this subsection and describe the work of the integrated product teams conducted pursuant to paragraph (5), including any gaps identified in enabling capabilities and the science and technology work that should be undertaken to fill each such gap.

SEC. 243. ENHANCEMENT OF AUTHORITIES REGARDING EDUCATION PARTNERSHIPS FOR PURPOSES OF ENCOURAGING SCIENTIFIC STUDY.

(a) ASSISTANCE IN SUPPORT OF PARTNERSHIPS.—Subsection (b) of section 2194 of title 10, United States Code, is amended—

(1) in the matter preceding paragraph (1), by inserting ", and is encouraged to provide," after "may provide";

(2) in paragraph (1), by inserting before the semicolon the following: ''for any purpose and duration in support of such agreement that the director considers appropriate''; and

(3) by striking paragraph (2) and inserting the following new paragraph (2):

''(2) notwithstanding the provisions of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 471 et seq.) or any provision of law or regulation relating to transfers of surplus property, transferring to the institution any defense laboratory equipment (regardless of the nature of type of such equipment) surplus to the needs of the defense laboratory that is determined by the director to be appropriate for support of such agreement;''.

(b) DEFENSE LABORATORY DEFINED.—Subsection (e) of that section is amended to read as follows:

''(e) In this section:

''(1) The term 'defense laboratory' means any laboratory, product center, test center, depot, training and educational organization, or operational command under the jurisdiction of the Department of Defense.

''(2) The term 'local educational agency' has the meaning given such term in section 14101 of the

Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801).''.

TITLE III—OPERATION AND MAINTENANCE

Subtitle A—Authorization of Appropriations

SEC. 301. OPERATION AND MAINTENANCE FUNDING.

Funds are hereby authorized to be appropriated for fiscal year 2001 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, $19,031,031,000.

(2) For the Navy, $23,254,154,000.

(3) For the Marine Corps, $2,746,558,000.

(4) For the Air Force, $22,389,077,000.

(5) For Defense-wide activities, $11,922,069,000.

(6) For the Army Reserve, $1,526,418,000.

(7) For the Naval Reserve, $965,946,000.

(8) For the Marine Corps Reserve, $138,959,000.

(9) For the Air Force Reserve, $1,890,859,000.

(10) For the Army National Guard, $3,222,335,000.

(11) For the Air National Guard, $3,450,875,000.

(12) For the Defense Inspector General, $144,245,000.

(13) For the United States Court of Appeals for the Armed Forces, $8,574,000.

(14) For Environmental Restoration, Army, $389,932,000.

(15) For Environmental Restoration, Navy, $294,038,000.

(16) For Environmental Restoration, Air Force, $376,300,000.

(17) For Environmental Restoration, Defense-wide, $23,412,000.

(18) For Environmental Restoration, Formerly Used Defense Sites, $231,499,000.

(19) For Overseas Humanitarian, Disaster, and Civic Aid programs, $55,400,000.

(20) For Drug Interdiction and Counter-drug Activities, Defense-wide, $845,300,000.

(21) For the Kaho'olawe Island Conveyance, Remediation, and Environmental Restoration Trust Fund, $25,000,000.

(22) For Defense Health Program, $11,401,723,000.

(23) For Cooperative Threat Reduction programs, $458,400,000.

(24) For Overseas Contingency Operations Transfer Fund, $4,100,577,000.

SEC. 302. WORKING CAPITAL FUNDS.

Funds are hereby authorized to be appropriated for fiscal year 2001 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, $916,276,000.

(2) For the National Defense Sealift Fund, $388,158,000.

SEC. 303. ARMED FORCES RETIREMENT HOME.

There is hereby authorized to be appropriated for fiscal year 2001 from the Armed Forces Retirement Home Trust Fund the sum of $69,832,000 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 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 2001 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. IMPACT AID FOR CHILDREN WITH DISABILITIES.

Of the total amount authorized to be appropriated under section 301(5) for payments under section 8003 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7703), $20,000,000 is available only for payments

for children with disabilities under subsection (d) of such section.

SEC. 312. JOINT WARFIGHTING CAPABILITIES ASSESSMENT TEAMS.

Of the total amount authorized to be appropriated under section 301(5) for the Joint Staff, $4,000,000 is available only for the improvement of the performance of analyses by the joint warfighting capabilities assessment teams of the Joint Requirements Oversight Council.

SEC. 313. WEATHERPROOFING OF FACILITIES AT KEESLER AIR FORCE BASE, MISSISSIPPI.

Of the total amount authorized to be appropriated by section 301(4), $2,800,000 is available for the weatherproofing of facilities at Keesler Air Force Base, Mississippi.

SEC. 314. DEMONSTRATION PROJECT FOR INTERNET ACCESS AND SERVICES IN RURAL COMMUNITIES.

(a) IN GENERAL.—The Secretary of the Army, acting through the Chief of the National Guard Bureau, shall carry out a demonstration project to provide Internet access and services to rural communities that are unserved or underserved by the Internet.

(b) PROJECT ELEMENTS.—In carrying out the demonstration project, the Secretary shall—

(1) establish and operate distance learning classrooms in communities described in subsection (a), including any support systems required for such classrooms; and

(2) subject to subsection (c), provide Internet access and services in such classrooms through GuardNet, the telecommunications infrastructure of the National Guard.

(c) AVAILABILITY OF ACCESS AND SERVICES.—Under the demonstration project, Internet access and services shall be available to the following:

(1) Personnel and elements of governmental emergency management and response entities located in communities served by the demonstration project.

(2) Members and units of the Army National Guard located in such communities.

(3) Businesses located in such communities.

(4) Personnel and elements of local governments in such communities.

(5) Other appropriate individuals and entities located in such communities.

(d) REPORT.—Not later than February 1, 2005, the Secretary shall submit to Congress a report on the demonstration project. The report shall describe the activities

under the demonstration project and include any recommendations for the improvement or expansion of the demonstration project that the Secretary considers appropriate.

(e) FUNDING.—(1) The amount authorized to be appropriated by section 301(10) for operation and maintenance of the Army National Guard is hereby increased by $15,000,000.

(2) Of the amount authorized to be appropriated by section 301(10), as increased by paragraph (1), $15,000,000 shall be available for the demonstration project required by this section.

(3) It is the sense of Congress that requests of the President for funds for the National Guard for fiscal years after fiscal year 2001 should provide for sufficient funds for the continuation of the demonstration project required by this section.

SEC. 315. TETHERED AEROSTAT RADAR SYSTEM (TARS) SITES.

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

(1) Failure to operate and standardize the current Tethered Aerostat Radar System (TARS) sites along the Southwest border of the United States and

the Gulf of Mexico will result in a degradation of the counterdrug capability of the United States.

(2) Most of the illicit drugs consumed in the United States enter the United States through the Southwest border, the Gulf of Mexico, and Florida.

(3) The Tethered Aerostat Radar System is a critical component of the counterdrug mission of the United States relating to the detection and apprehension of drug traffickers.

(4) Preservation of the current Tethered Aerostat Radar System network compels drug traffickers to transport illicit narcotics into the United States by more risky and hazardous routes.

(b) AVAILABILITY OF FUNDS.—Of the amount authorized to be appropriated by section 301(20) for Drug Interdiction and Counter-drug Activities, Defense-wide, up to $33,000,000 may be made available to Drug Enforcement Policy Support (DEP&S) for purposes of maintaining operations of the 11 current Tethered Aerostat Radar System (TARS) sites and completing the standardization of such sites located along the Southwest border of the United States and in the States bordering the Gulf of Mexico.

SEC. 316. MOUNTED URBAN COMBAT TRAINING SITE, FORT KNOX, KENTUCKY.

Of the total amount authorized to be appropriated under section 301(1) for training range upgrades, $4,000,000 is available for the Mounted Urban Combat Training site, Fort Knox, Kentucky.

SEC. 317. MK–45 OVERHAUL.

Of the total amount authorized to be appropriated under section 301(1) for maintenance, $12,000,000 is available for overhaul of MK–45 5-inch guns.

SEC. 318. INDUSTRIAL MOBILIZATION CAPACITY AT GOVERNMENT-OWNED, GOVERNMENT-OPERATED ARMY AMMUNITION FACILITIES AND ARSENALS.

Of the amount authorized to be appropriated under section 301(1), $51,280,000 shall be available for funding the industrial mobilization capacity at Army ammunition facilities and arsenals that are government owned, government operated.

SEC. 319. CLOSE-IN WEAPON SYSTEM OVERHAULS.

Of the total amount authorized to be appropriated by section 301(2), $391,806,000 is available for weapons maintenance.

SEC. 320. SPECTRUM DATA BASE UPGRADES.

The total amount authorized to be appropriated by section 301(5) for Spectrum data base upgrades is reduced by $10,000,000.

Subtitle C—Humanitarian and Civic Assistance

SEC. 321. INCREASED AUTHORITY TO PROVIDE HEALTH CARE SERVICES AS HUMANITARIAN AND CIVIC ASSISTANCE.

Section 401(e)(1) of title 10, United States Code, is amended by striking ''rural areas of a country'' and inserting ''areas of a country that are rural or are underserved by medical, dental, and veterinary professionals, respectively''.

SEC. 322. USE OF HUMANITARIAN AND CIVIC ASSISTANCE FUNDING FOR PAY AND ALLOWANCES OF SPECIAL OPERATIONS COMMAND RESERVES FURNISHING DEMINING TRAINING AND RELATED ASSISTANCE AS HUMANITARIAN ASSISTANCE.

Section 401(c) of title 10, United States Code, is amended by adding at the end the following:

''(5) Up to 10 percent of the funds available in any fiscal year for humanitarian and civic assistance described in subsection (e)(5) may be expended for the pay and allowances of reserve component personnel of the Special

Operations Command for periods of duty for which the personnel, for a humanitarian purpose, furnish education and training on the detection and clearance of landmines or furnish related technical assistance.''.

Subtitle D—Department of Defense Industrial Facilities

SEC. 331. CODIFICATION AND IMPROVEMENT OF ARMAMENT RETOOLING AND MANUFACTURING SUPPORT PROGRAMS.

(a) IN GENERAL.—(1) Part IV of subtitle B of title 10, United States Code, is amended by inserting after chapter 433 the following:

"CHAPTER 434—ARMAMENTS INDUSTRIAL BASE

''Sec.
''4551. Policy.
''4552. Armament Retooling and Manufacturing Support Initiative.
''4553. Property management contracts and leases.
''4554. ARMS Initiative loan guarantee program.
''4555. Definitions.

"§ 4551. Policy

''It is the policy of the United States—

''(1) to encourage, to the maximum extent practicable, commercial firms to use Government-owned, contractor-operated ammunition manufacturing facilities of the Department of the Army;

''(2) to use such facilities for supporting programs, projects, policies, and initiatives that pro-

mote competition in the private sector of the United States economy and that advance United States interests in the global marketplace;

''(3) to increase the manufacture of products inside the United States;

''(4) to support policies and programs that provide manufacturers with incentives to assist the United States in making more efficient and economical use of Government-owned industrial plants and equipment for commercial purposes;

''(5) to provide, as appropriate, small businesses (including socially and economically disadvantaged small business concerns and new small businesses) with incentives that encourage those businesses to undertake manufacturing and other industrial processing activities that contribute to the prosperity of the United States;

''(6) to encourage the creation of jobs through increased investment in the private sector of the United States economy;

''(7) to foster a more efficient, cost-effective, and adaptable armaments industry in the United States;

''(8) to achieve, with respect to armaments manufacturing capacity, an optimum level of readi-

ness of the national technology and industrial base within the United States that is consistent with the projected threats to the national security of the United States and the projected emergency requirements of the Armed Forces of the United States; and

"(9) to encourage facility use contracting where feasible.

"§ 4552. Armament Retooling and Manufacturing Support Initiative

"(a) AUTHORITY FOR INITIATIVE.—The Secretary of the Army may carry out a program to be known as the 'Armament Retooling and Manufacturing Support Initiative' (hereafter in this chapter referred to as the 'ARMS Initiative').

"(b) PURPOSES.—The purposes of the ARMS Initiative are as follows:

"(1) To encourage commercial firms, to the maximum extent practicable, to use Government-owned, contractor-operated ammunition manufacturing facilities of the Department of the Army for commercial purposes.

"(2) To increase the opportunities for small businesses (including socially and economically dis-

advantaged small business concerns and new small businesses) to use such facilities for those purposes.

"(3) To maintain in the United States a work force having the skills in manufacturing processes that are necessary to meet industrial emergency planned requirements for national security purposes.

"(4) To demonstrate innovative business practices, to support Department of Defense acquisition reform, and to serve as both a model and a laboratory for future defense conversion initiatives of the Department of Defense.

"(5) To the maximum extent practicable, to allow the operation of Government-owned, contractor-operated ammunition manufacturing facilities of the Department of the Army to be rapidly responsive to the forces of free market competition.

"(6) To reduce or eliminate the cost of ownership of ammunition manufacturing facilities by the Department of the Army, including the costs of operations and maintenance, the costs of environmental remediation, and other costs.

"(7) To reduce the cost of products of the Department of Defense produced at ammunition manufacturing facilities of the Department of the Army.

"(8) To leverage private investment at Government-owned, contractor-operated ammunition manufacturing facilities through long-term facility use contracts, property management contracts, leases, or other agreements that support and advance the policies and purposes of this chapter, for the following activities:

"(A) Recapitalization of plant and equipment.

"(B) Environmental remediation.

"(C) Promotion of commercial business ventures.

"(D) Other activities.

"(9) To foster cooperation between the Department of the Army, property managers, commercial interests, and State and local agencies in the implementation of sustainable development strategies and investment in facilities made available for purposes of the ARMS Initiative.

"(10) To reduce or eliminate the cost of asset disposal prior to a declaration by the Secretary of the Army that property is excess to the needs of the Department of the Army.

"(c) AVAILABILITY OF FACILITIES.—(1) The Secretary of the Army may make any Government-owned,

contractor-operated ammunition manufacturing facility of the Department of the Army available for the purposes of the ARMS Initiative.

"(2) The authority under paragraph (1) applies to a facility described in that paragraph without regard to whether the facility is active, inactive, in layaway or caretaker status, or is designated (in whole or in part) as excess property under property classification procedures applicable under title II of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 481 et seq.).

"(d) PRECEDENCE OF PROVISION OVER CERTAIN PROPERTY MANAGEMENT LAWS.—The following provisions of law shall not apply to uses of property or facilities in accordance with this section to the extent that such provisions of law are inconsistent with the exercise of the authority of this section:

"(1) Section 2667(a)(3) of this title.

"(2) The Federal Property and Administrative Services Act of 1949 (40 U.S.C. 471 et seq.).

"(3) Section 321 of the Act of June 30, 1932 (commonly known as the 'Economy Act') (40 U.S.C. 303b).

"(e) PROGRAM SUPPORT.—(1) Funds appropriated for purposes of the ARMS Initiative may be used for administrative support and management.

"(2) A full annual accounting of such expenses for each fiscal year shall be provided to the Committees on Armed Services and on Appropriations of the Senate and the House of Representatives not later than March 30 of the following fiscal year.

"§ 4553. Property management contracts and leases

"(a) IN GENERAL.—In the case of each Government-owned, contractor-operated ammunition manufacturing facility of the Department of the Army that is made available for the ARMS Initiative, the Secretary of the Army—

"(1) shall make full use of facility use contracts, leases, and other such commercial contractual instruments as may be appropriate;

"(2) shall evaluate, on the basis of efficiency, cost, emergency mobilization requirements, and the goals and purposes of the ARMS Initiative, the procurement of services from the property manager, including maintenance, operation, modification, infrastructure, environmental restoration and remediation, and disposal of ammunition manufacturing assets, and other services; and

"(3) may, in carrying out paragraphs (1) and (2)—

"(A) enter into contracts, and provide for subcontracts, for terms up to 25 years, as the

Secretary considers appropriate and consistent with the needs of the Department of the Army and the goals and purposes of the ARMS Initiative; and

"(B) use procedures that are authorized to be used under section 2304(c)(5) of this title when the contractor or subcontractor is a source specified in law.

"(b) CONSIDERATION FOR USE.—(1) To the extent provided in a contract entered into under this section for the use of property at a Government-owned, contractor-operated ammunition manufacturing facility that is accountable under the contract, the Secretary of the Army may accept consideration for such use that is, in whole or in part, in a form other than—

"(A) rental payments; or

"(B) revenue generated at the facility.

"(2) Forms of consideration acceptable under paragraph (1) for a use of a facility or any property at a facility include the following:

"(A) The improvement, maintenance, protection, repair, and restoration of the facility, the property, or any property within the boundaries of the installation where the facility is located.

"(B) Reductions in overhead costs.

"(C) Reductions in product cost.

"(3) The authority under paragraph (1) may be exercised without regard to section 3302(b) of title 31 and any other provision of law.

"(c) REPORTING REQUIREMENT.—Not later than July 1 each year, the Secretary of the Army shall submit to the Committees on Armed Services and on Appropriations of the Senate and the House of Representatives a report on the procedures and controls implemented to carry out this section.

"§ 4554. ARMS Initiative loan guarantee program

"(a) PROGRAM AUTHORIZED.—Subject to subsection (b), the Secretary of the Army may carry out a loan guarantee program to encourage commercial firms to use ammunition manufacturing facilities under this chapter. Under any such program, the Secretary may guarantee the repayment of any loan made to a commercial firm to fund, in whole or in part, the establishment of a commercial activity to use any such facility under this chapter.

"(b) ADVANCED BUDGET AUTHORITY.—Loan guarantees under this section may not be committed except to the extent that appropriations of budget authority to cover their costs are made in advance, as required by section 504 of the Federal Credit Reform Act of 1990 (2 U.S.C. 661c).

"(c) PROGRAM ADMINISTRATION.—(1) The Secretary may enter into an agreement with any of the officials named in paragraph (2) under which that official may, for the purposes of this section—

"(A) process applications for loan guarantees;

"(B) guarantee repayment of loans; and

"(C) provide any other services to the Secretary to administer the loan guarantee program.

"(2) The officials referred to in paragraph (1) are as follows:

"(A) The Administrator of the Small Business Administration.

"(B) The head of any appropriate agency in the Department of Agriculture, including—

"(i) the Administrator of the Farmers Home Administration; and

"(ii) the Administrator of the Rural Development Administration.

"(3) Each official authorized to do so under an agreement entered into under paragraph (1) may guarantee loans under this section to commercial firms of any size, notwithstanding any limitations on the size of applicants imposed on other loan guarantee programs that the official administers.

"(4) To the extent practicable, each official processing loan guarantee applications under this section pursuant to an agreement entered into under paragraph (1) shall use the same processing procedures as the official uses for processing loan guarantee applications under other loan guarantee programs that the official administers.

"(d) LOAN LIMITS.—The maximum amount of loan principal guaranteed during a fiscal year under this section may not exceed—

"(1) $20,000,000, with respect to any single borrower; and

"(2) $320,000,000 with respect to all borrowers.

"(e) TRANSFER OF FUNDS.—The Secretary of the Army may transfer to an official providing services under subsection (c), and that official may accept, such funds as may be necessary to administer the loan guarantee program under this section.

"§ 4555. Definitions

"In this chapter:

"(1) The term 'property manager' includes any person or entity managing a facility made available under the ARMS Initiative through a property management contract.

"(2) The term 'property management contract' includes facility use contracts, site management contracts, leases, and other agreements entered into under the authority of this chapter.".

(2) The tables of chapters at the beginning of subtitle B of such title and at the beginning of part IV of such subtitle are amended by inserting after the item relating to chapter 433 the following:

"434. Armaments Industrial Base ..... 4551".

(b) RELATIONSHIP TO NATIONAL DEFENSE TECHNOLOGY AND INDUSTRIAL BASE.—(1) Subchapter IV of chapter 148 of title 10, United States Code, is amended—

(A) by redesignating section 2525 as section 2521; and

(B) by adding at the end the following:

"§ 2522. Armament retooling and manufacturing

"The Secretary of the Army is authorized by chapter 434 of this title to carry out programs for the support of armaments retooling and manufacturing in the national defense industrial and technology base.".

(2) The table of sections at the beginning of such subchapter is amended by striking the item relating to section 2525 and inserting the following:

"2521. Manufacturing Technology Program.
"2522. Armament retooling and manufacturing.".

(c) REPEAL OF SUPERSEDED LAW.—The Armament Retooling and Manufacturing Support Act of 1992 (subtitle H of title I of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102–484; 10 U.S.C. 2501 note)) is repealed.

SEC. 332. CENTERS OF INDUSTRIAL AND TECHNICAL EXCELLENCE.

(a) DESIGNATION OF ARMY ARSENALS.—(1) Subsection (a) of section 2474 of title 10, United States Code, is amended by striking paragraph (1) and inserting the following:

''(1) The Secretary concerned, or the Secretary of Defense in the case of a Defense Agency, shall designate as a Center of Industrial and Technical Excellence in the recognized core competencies of the designee the following:

''(A) Each depot-level activity of the military departments and the Defense Agencies (other than facilities approved for closure or major realignment under 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)).

''(B) Each arsenal of the Army.

''(C) Each government-owned, government-operated ammunition plant of the Army.''.

(2) Paragraph (2) of such subsection is amended—

(A) by inserting ''of Defense'' after ''The Secretary''; and

(B) by striking ''depot-level activities'' and inserting ''Centers of Industrial and Technical Excellence''.

(3) Paragraph (3) of such subsection is amended by striking ''the efficiency and effectiveness of depot-level operations, improve the support provided by depot-level activities'' and inserting ''the efficiency and effectiveness of operations at Centers of Industrial and Technical Excellence, improve the support provided by the Centers''.

(b) PUBLIC-PRIVATE PARTNERSHIPS.—Subsection (b) of such section is amended to read as follows:

''(b) PUBLIC-PRIVATE PARTNERSHIPS.—(1) To achieve one or more objectives set forth in paragraph (2), the Secretary designating a Center of Industrial and Technical Excellence under subsection (a) shall authorize and encourage the head of the Center to enter into public-private cooperative arrangements that provide any of the following:

''(A) For employees of the Center, private industry, or other entities outside the Department of Defense—

''(i) to perform (under contract, subcontract, or otherwise) work in any of the core

competencies of the Center, including any depot-level maintenance and repair work that involves one or more core competencies of the Center; or

"(ii) to perform at the Center depot-level maintenance and repair work that does not involve a core competency of the Center.

"(B) For private industry or other entities outside the Department of Defense to use, for any period of time determined to be consistent with the needs of the Department of Defense, any facilities or equipment of the Center that are not fully utilized by a military department for its own production or maintenance requirements.

"(2) The objectives for exercising the authority provided in paragraph (1) are as follows:

"(A) To maximize the utilization of the capacity of a Center of Industrial and Technical Excellence.

"(B) To reduce or eliminate the cost of ownership of a Center by the Department of Defense in such areas of responsibility as operations and maintenance and environmental remediation.

"(C) To reduce the cost of products of the Department of Defense produced or maintained at a Center.

"(D) To leverage private sector investment in—

"(i) such efforts as plant and equipment recapitalization for a Center; and

"(ii) the promotion of the undertaking of commercial business ventures at a Center.

"(E) To foster cooperation between the armed forces and private industry.

"(3) A public-private cooperative arrangement entered into under this subsection shall be known as a 'public-private partnership'.

"(4) The Secretary designating a Center of Industrial and Technical Excellence under subsection (a) may waive the condition in paragraph (1)(A) and subsection (a)(1) of section 2553 of this title that an article or service must be not available (as defined in subsection (g)(2) of such section) from a United States commercial source in the case of a particular article or service of a public-private partnership if the Secretary determines that the waiver is necessary to achieve one or more objectives set forth in paragraph (2).

"(5) In any sale of articles manufactured or services performed by employees of a Center pursuant to a waiver under paragraph (4), the Secretary shall charge the full cost of manufacturing the articles or performing the serv-

ices, as the case may be. The full cost charged shall include both direct costs and indirect costs.''.

(c) PRIVATE SECTOR USE OF EXCESS CAPACITY.—Such section is further amended—

(1) striking subsection (d);

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

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

''(c) PRIVATE SECTOR USE OF EXCESS CAPACITY.—Any facilities or equipment of a Center of Industrial and Technical Excellence made available to private industry may be used to perform maintenance or to produce goods in order to make more efficient and economical use of Government-owned industrial plants and encourage the creation and preservation of jobs to ensure the availability of a workforce with the necessary manufacturing and maintenance skills to meet the needs of the armed forces.''.

(d) CREDITING OF AMOUNTS FOR PERFORMANCE.—Subsection (d) of such section, as redesignated by subsection (c)(2), is amended by adding at the end the following: ''Consideration in the form of rental payments or (notwithstanding section 3302(b) of title 31) in other forms may be accepted for a use of property accountable

under a contract performed pursuant to this section. Notwithstanding section 2667(d) of this title, revenues generated pursuant to this section shall be available for facility operations, maintenance, and environmental restoration at the Center where the leased property is located.''.

(e) AVAILABILITY OF EXCESS EQUIPMENT TO PRIVATE-SECTOR PARTNERS.—Such section is further amended by adding at the end the following:

''(e) AVAILABILITY OF EXCESS EQUIPMENT TO PRIVATE-SECTOR PARTNERS.—Equipment or facilities of a Center of Industrial and Technical Excellence may be made available for use by a private-sector entity under this section only if—

''(1) the use of the equipment or facilities will not have a significant adverse effect on the readiness of the armed forces, as determined by the Secretary concerned or, in the case of a Center in a Defense Agency, by the Secretary of Defense; and

''(2) the private-sector entity agrees—

''(A) to reimburse the Department of Defense for the direct and indirect costs (including any rental costs) that are attributable to the entity's use of the equipment or facilities, as determined by that Secretary; and

"(B) to hold harmless and indemnify the United States from—

"(i) any claim for damages or injury to any person or property arising out of the use of the equipment or facilities, except in a case of willful conduct or gross negligence; and

"(ii) any liability or claim for damages or injury to any person or property arising out of a decision by the Secretary concerned or the Secretary of Defense to suspend or terminate that use of equipment or facilities during a war or national emergency.

"(f) CONSTRUCTION OF PROVISION.—Nothing in this section may be construed to authorize a change, otherwise prohibited by law, from the performance of work at a Center of Industrial and Technical Excellence by Department of Defense personnel to performance by a contractor.".

(f) LOAN GUARANTEE PROGRAM FOR SUPPORT OF PUBLIC-PRIVATE PARTNERSHIPS.—Chapter 146 of title 10, United States Code, is amended by adding at the end the following:

"§ 2475. Centers of Industrial and Technical Excellence: loan guarantee program for support of public-private partnerships

''(a) PROGRAM AUTHORIZED.—Subject to subsection (b), the Secretary of Defense may carry out a loan guarantee program to encourage commercial firms to use Centers of Industrial and Technical Excellence pursuant to section 2474 of this title. Under any such program, the Secretary may guarantee the repayment of any loan made to a commercial firm to fund, in whole or in part, the establishment of public-private partnerships authorized under subsection (b) of such section.

''(b) ADVANCED BUDGET AUTHORITY.—Loan guarantees under this section may not be committed except to the extent that appropriations of budget authority to cover their costs are made in advance, as required by section 504 of the Federal Credit Reform Act of 1990 (2 U.S.C. 661c).

''(c) PROGRAM ADMINISTRATION.—(1) The Secretary may enter into an agreement with any of the officials named in paragraph (2) under which that official may, for the purposes of this section—

''(A) process applications for loan guarantees;

''(B) guarantee repayment of loans; and

''(C) provide any other services to the Secretary to administer the loan guarantee program.

"(2) The officials referred to in paragraph (1) are as follows:

"(A) The Administrator of the Small Business Administration.

"(B) The head of any appropriate agency in the Department of Agriculture, including—

"(i) the Administrator of the Farmers Home Administration; and

"(ii) the Administrator of the Rural Development Administration.

"(3) Each official authorized to do so under an agreement entered into under paragraph (1) may guarantee loans under this section to commercial firms of any size, notwithstanding any limitations on the size of applicants imposed on other loan guarantee programs that the official administers.

"(4) To the extent practicable, each official processing loan guarantee applications under this section pursuant to an agreement entered into under paragraph (1) shall use the same processing procedures as the official uses for processing loan guarantee applications under other loan guarantee programs that the official administers.

"(d) LOAN LIMITS.—The maximum amount of loan principal guaranteed during a fiscal year under this section may not exceed—

"(1) $20,000,000, with respect to any single borrower; and

"(2) $320,000,000 with respect to all borrowers.

"(e) TRANSFER OF FUNDS.—The Secretary of Defense may transfer to an official providing services under subsection (c), and that official may accept, such funds as may be necessary to administer the loan guarantee program under this section.".

(g) USE OF WORKING CAPITAL-FUNDED FACILITIES.—Section 2208(j) of title 10, United States Code, is amended—

(1) by striking "contract; and" in paragraph (1) and all that follows through "(2) the Department of Defense" in paragraph (2) and inserting the following: "contract, and the Department of Defense";

(2) by striking the period at the end and inserting "; or"; and

(3) by adding at the end the following:

"(2) the Secretary would advance the objectives set forth in section 2474(b)(2) of this title by authorizing the facility to do so.".

(h) REPEAL OF GENERAL AUTHORITY TO LEASE EXCESS DEPOT-LEVEL EQUIPMENT AND FACILITIES TO OUTSIDE TENANTS.—Section 2471 of title 10, United States Code, is repealed.

(i) CLERICAL AMENDMENTS.—The table of sections at the beginning of chapter 146 of such title is amended—

(1) by striking the item relating to section 2471; and

(2) by adding at the end the following:

"2475. Centers of Industrial and Technical Excellence: loan guarantee program for support of public-private partnerships.".

SEC. 333. EFFECTS OF OUTSOURCING ON OVERHEAD COSTS OF CENTERS OF INDUSTRIAL AND TECHNICAL EXCELLENCE AND AMMUNITION PLANTS.

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

(1) Centers of Industrial and Technical Excellence and ammunition plants of the United States comprise a vital component of the national technology and industrial base that ensures that there is sufficient domestic industrial capacity to meet the needs of the Armed Forces for certain critical de-

fense equipment and supplies in time of war or national emergency.

(2) Underutilization of the Centers of Industrial and Technical Excellence and ammunition plants in peacetime does not diminish the critical importance of those centers and ammunition plants to the national defense.

(b) REQUIREMENT FOR REPORTS.—(1) Subchapter V of chapter 148 of title 10, United States Code, is amended by adding at the end the following:

"§ 2539c. Centers of Industrial and Technical Excellence and ammunition plants of the United States: effects of outsourcing on overhead costs

''Not later than 30 days before any official of the Department of Defense enters into a contract with a private sector source for the performance of a workload already being performed by more than 50 employees at a Center of Industrial and Technical Excellence designated under section 2474(a) of this title or an ammunition plant of the United States, the Secretary of Defense shall submit to Congress a report describing the effect that the performance and administration of the contract will have on the overhead costs of the center or ammunition plant, as the case may be.''.

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

"2539c. Centers of Industrial and Technical Excellence and ammunition plants of the United States: effects of outsourcing on overhead costs.".

SEC. 334. REVISION OF AUTHORITY TO WAIVE LIMITATION ON PERFORMANCE OF DEPOT-LEVEL MAINTENANCE.

Section 2466(c) of title 10, United States Code, is amended to read as follows:

"(c) WAIVER OF LIMITATION.—The President may waive the limitation in subsection (a) for a fiscal year if—

"(1) the President determines that—

"(A) the waiver is necessary for reasons of national security; and

"(B) compliance with the limitation cannot be achieved through effective management of depot operations consistent with those reasons; and

"(2) the President submits to Congress a notification of the waiver together with a discussion of the reasons for the waiver.".

SEC. 335. UNUTILIZED AND UNDERUTILIZED PLANT-CAPACITY COSTS OF UNITED STATES ARSENALS.

(a) IN GENERAL.—(1) The Secretary of the Army shall submit to Congress each year, together with the

President's budget for the fiscal year beginning in such year under section 1105(a) of title 31, an estimate of the funds to be required in the fiscal year in order to cover the costs of operating and maintaining unutilized and underutilized plant capacity at United States arsenals.

(2) Funds appropriated to the Secretary for a fiscal year for costs described in paragraph (1) shall be utilized by the Secretary in such fiscal year only to cover such costs.

(3) Notwithstanding any other provision of law, the Secretary shall not include unutilized or underutilized plant-capacity costs when evaluating an arsenal's bid for purposes of the arsenal's contracting to provide a good or service to a United States Government organization. When an arsenal is subcontracting to a private-sector entity on a good or service to be provided to a United States Government organization, the cost charged by the arsenal shall not include unutilized or underutilized plant-capacity costs that are funded by a direct appropriation.

(b) DEFINITION.—For purposes of this section, the term ''unutilized and underutilized plant-capacity cost'' shall mean the cost associated with operating and maintaining arsenal facilities and equipment that the Secretary of the Army determines are required to be kept for mobilization needs, in those months in which the facilities and

equipment are not used or are used only 20 percent or less of available work days.

Subtitle E—Environmental Provisions

SEC. 341. ENVIRONMENTAL RESTORATION ACCOUNTS.

(a) ADDITIONAL ACCOUNT FOR FORMERLY USED DEFENSE SITES.—Subsection (a) of section 2703 of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(5) An account to be known as the 'Environmental Restoration Account, Formerly Used Defense Sites'.".

(b) ACCOUNTS AS SOLE SOURCE OF FUNDS FOR OPERATION AND MONITORING OF ENVIRONMENTAL REMEDIES.—That section is further amended by adding at the end the following:

"(f) ACCOUNTS AS SOLE SOURCE OF FUNDS FOR ENVIRONMENTAL REMEDIES.—(1) The sole source of funds for the long-term operation and monitoring of an environmental remedy at a facility under the jurisdiction of the Department of Defense shall be the applicable environmental restoration account under subsection (a).

"(2) In this subsection, the term 'environmental remedy' shall have the meaning given the term 'remedy' under section 101(24) of CERCLA (42 U.S.C. 9601(24)).".

SEC. 342. PAYMENT OF FINES AND PENALTIES FOR ENVIRONMENTAL COMPLIANCE VIOLATIONS.

(a) PAYMENT OF FINES AND PENALTIES.—(1) Chapter 160 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2710. Environmental compliance: payment of fines and penalties for violations

''(a) IN GENERAL.—The Secretary of Defense or the Secretary of a military department may not pay a fine or penalty for an environmental compliance violation that is imposed by a Federal agency against the Department of Defense or such military department, as the case may be, unless the payment of the fine or penalty is specifically authorized by law, if the amount of the fine or penalty (including any supplemental environmental projects carried out as part of such penalty) is $1,500,000 or more.

''(b) DEFINITIONS.—In this section:

''(1)(A) Except as provided in subparagraph (B), the term 'environmental compliance', in the case of on-going operations, functions, or activities at a Department of Defense facility, means the activities necessary to ensure that such operations, functions, or activities meet requirements under applicable environmental law.

''(B) The term does not include operations, functions, or activities relating to environmental res-

toration under this chapter that are conducted using funds in an environmental restoration account under section 2703(a) of this title.

"(2) The term 'violation', in the case of environmental compliance, means an act or omission resulting in the failure to ensure the compliance.

"(c) EXPIRATION OF PROHIBITION.—This section does not apply to any part of a violation described in subsection (a) that occurs on or after the date that is three years after the date of the enactment of the National Defense Authorization Act for Fiscal Year 2001.".

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

"2710. Environmental compliance: payment of fines and penalties for violations.".

(b) APPLICABILITY.—(1) Section 2710 of title 10, United States Code (as added by subsection (a)), shall take effect on the date of the enactment of this Act.

(2) Subsection (a)(1) of that section, as so added, shall not apply with respect to any supplemental environmental projects referred to in that subsection that were agreed to before the date of the enactment of this Act.

SEC. 343. ANNUAL REPORTS UNDER STRATEGIC ENVIRONMENTAL RESEARCH AND DEVELOPMENT PROGRAM.

(a) REPEAL OF REQUIREMENT FOR ANNUAL REPORT FROM SCIENTIFIC ADVISORY BOARD.—Section 2904 of title 10, United States Code, is amended—

(1) by striking subsection (h); and

(2) by redesignating subsection (i) as subsection (h).

(b) INCLUSION OF ACTIONS OF BOARD IN ANNUAL REPORTS OF COUNCIL.—Section 2902(d)(3) of such title is amended by adding at the end the following subparagraph:

"(D) A summary of the actions of the Strategic Environmental Research and Development Program Scientific Advisory Board during the year preceding the year in which the report is submitted and any recommendations, including recommendations on program direction and legislation, that the Advisory Board considers appropriate regarding the program.".

SEC. 344. PAYMENT OF FINES OR PENALTIES IMPOSED FOR ENVIRONMENTAL COMPLIANCE VIOLATIONS AT CERTAIN DEPARTMENT OF DEFENSE FACILITIES.

(a) ARMY.—The Secretary of the Army may, from amounts authorized to be appropriated for the Army by this title and available for such purpose, utilize amounts for the purposes and at the locations, as follows:

(1) $993,000 for a Supplemental Environmental Project to implement an installation-wide hazardous substance management system at Walter Reed Army Medical Center, Washington, District of Columbia, in satisfaction of a fine imposed by Environmental Protection Agency Region 3 under the Solid Waste Disposal Act (42 U.S.C. 6901 et seq.).

(2) $377,250 for a Supplemental Environmental Project to install new parts washers at Fort Campbell, Kentucky, in satisfaction of a fine imposed by Environmental Protection Agency Region 4 under the Solid Waste Disposal Act.

(3) $20,701 for a Supplemental Environmental Project to upgrade the wastewater treatment plant at Fort Gordon, Georgia, in satisfaction of a fine imposed by the State of Georgia under the Solid Waste Disposal Act.

(4) $78,500 for Supplemental Environmental Projects to reduce the generation of hazardous waste at Pueblo Chemical Depot, Colorado, in satisfaction of a fine imposed by the State of Colorado under the Solid Waste Disposal Act.

(5) $20,000 for a Supplemental Environmental Project to repair cracks in floors of igloos used to store munitions hazardous waste at Deseret Chemical Depot, Utah, in satisfaction of a fine imposed by the State of Utah under the Solid Waste Disposal Act.

(6) $7,975 for payment to the Texas Natural Resource Conservation Commission of a cash fine for permit violations assessed under the Solid Waste Disposal Act.

(b) NAVY.—The Secretary of the Navy may, from amounts authorized to be appropriated for the Navy by this title and available for such purpose, utilize amounts for the purposes and at the locations, as follows:

(1) $108,800 for payment to the West Virginia Division of Environmental Protection of a cash penalty with respect to Allegany Ballistics Laboratory, West Virginia, under the Solid Waste Disposal Act.

(2) $5,000 for payment to Environmental Protection Agency Region 6 of a cash penalty with re-

spect to Naval Air Station, Corpus Christi, Texas, under the Clean Air Act (42 U.S.C. 7401).

SEC. 345. REIMBURSEMENT FOR CERTAIN COSTS IN CONNECTION WITH THE FORMER NANSEMOND ORDNANCE DEPOT SITE, SUFFOLK, VIRGINIA.

(a) AUTHORITY.—The Secretary of Defense may pay, using funds described in subsection (b), not more than $98,210 to the Former Nansemond Ordnance Depot Site Special Account within the Hazardous Substance Superfund established by section 9507 of the Internal Revenue Code of 1986 (26 U.S.C. 9507) to reimburse the Environmental Protection Agency for costs incurred by the agency in overseeing a time critical removal action under CERCLA being performed by the Department of Defense under the Defense Environmental Restoration Program for ordnance and explosive safety hazards at the Former Nansemond Ordnance Depot Site, Suffolk, Virginia, pursuant to an Interagency Agreement entered into by the Department of the Army and the Environmental Protection Agency on January 3, 2000.

(b) SOURCE OF FUNDS.—Any payment under subsection (a) shall be made using amounts authorized to be appropriated by section 301 to the Environmental Restoration Account, Formerly Used Defense Sites, established by paragraph (5) of section 2703(a) of title 10,

United States Code, as added by section 341(a) of this Act.

(c) DEFINITIONS.—In this section:

(1) The term ''CERCLA'' means the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9601 et seq.).

(2) The term ''Defense Environmental Restoration Program'' means the program of environmental restoration carried out under chapter 160 of title 10, United States Code.

SEC. 346. ENVIRONMENTAL RESTORATION ACTIVITIES.

(a) AUTHORITY TO USE FUNDS FOR FACILITIES RELOCATION.—During the period beginning on October 1, 2000, and ending on September 30, 2003, the Secretary concerned may use funds available under section 2703 of title 10, United States Code, to pay for the costs of permanently relocating facilities because of a release or threatened release of hazardous substances, pollutants, or contaminants from—

(1) real property or facilities currently under the jurisdiction of the Secretary of Defense; or

(2) real property or facilities that were under the jurisdiction of the Secretary of Defense at the time of the actions leading to such release or threatened release.

(b) LIMITATIONS.—(1) The Secretary concerned may not pay the costs of permanently relocating facilities under subsection (a) unless the Secretary concerned determines in writing that such permanent relocation of facilities is part of a response action that—

(A) has the support of the affected community;

(B) has the approval of relevant regulatory agencies; and

(C) is the most cost effective response action available.

(2) Not more than 5 percent of the funds available under section 2703 of title 10, United States Code, in any fiscal year may be used to pay the costs of permanently relocating facilities pursuant to the authority in subsection (a).

(c) REPORTS.—(1) Not later than November 30 of each of 2001, 2002, and 2003, the Secretary of Defense shall submit to Congress a report on each response action for which a written determination has been made under subsection (b)(1) in the fiscal year ending in such year.

(2) Each report for a fiscal year under paragraph (1) shall contain the following:

(A) A copy of each written determination under subsection (b)(1) during such fiscal year.

(B) A description of the response action taken or to be taken in connection with each such written determination.

(C) A statement of the costs incurred or to be incurred in connection with the permanent relocation of facilities covered by each such written determination.

(d) SECRETARY CONCERNED DEFINED.—In this section, the term ''Secretary concerned'' means the following:

(1) The Secretary of a military department, with regard to real property or facilities for which such military department is the lead agency.

(2) The Secretary of Defense, for any other real property or facilities.

SEC. 347. SHIP DISPOSAL PROJECT.

(a) CONTINUATION OF PROJECT.—(1) Subject to the provisions of this subsection, the Secretary of the Navy shall continue to carry out a ship disposal project within the United States during fiscal year 2001.

(2) The scope of the ship disposal project shall be sufficient to permit the Secretary to assemble appropriate data on the cost of scrapping ships.

(3) The Secretary shall use competitive procedures to award all task orders under the primary contracts under the ship disposal project.

(b) REPORT.—Not later than December 31, 2000, the Secretary shall submit to the congressional defense committees a report on the ship disposal project referred to in subsection (a). The report shall contain the following:

(1) A description of the competitive procedures used for the solicitation and award of all task orders under the project.

(2) A description of the task orders awarded under the project.

(3) An assessment of the results of the project as of the date of the report, including the performance of contractors under the project.

(4) The proposed strategy of the Navy for future procurement of ship scrapping activities.

SEC. 348. REPORT ON DEFENSE ENVIRONMENTAL SECURITY CORPORATE INFORMATION MANAGEMENT PROGRAM.

(a) REPORT REQUIRED.—Not later than 60 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the congressional defense committees a report on the Defense Environmental Security Corporate Information Management program.

(b) REPORT ELEMENTS.—The report under subsection (a) shall include the following elements:

(1) The recommendations of the Secretary for the future mission of the Defense Environmental Security Corporate Information Management program.

(2) A discussion of the means by which the program will address or provide the following:

(A) Information access procedures which keep pace with current and evolving requirements for information access.

(B) Data standardization and systems integration.

(C) Product failures and cost-effective results.

(D) User confidence and utilization.

(E) Program continuity.

(F) Program accountability, including accountability for all past, current, and future activities funded under the program.

(G) Program management and oversight.

(H) Program compliance with applicable requirements of the Clinger-Cohen Act of 1996 (divisions D and E of Public Law 104–106) and applicable requirements under other provisions of law.

SEC. 349. REPORT ON PLASMA ENERGY PYROLYSIS SYSTEM.

(a) REPORT REQUIRED.—Not later than October 1, 2000, the Secretary of the Army shall submit to the congressional defense committees a report on the Plasma Energy Pyrolysis System (PEPS).

(b) REPORT ELEMENTS.—The report on the Plasma Energy Pyrolysis System under subsection (a) shall include the following:

(1) An analysis of available information and data on the fixed-transportable unit demonstration phase of the System and on the mobile unit demonstration phase of the System.

(2) Recommendations regarding future applications for each phase of the System described in paragraph (1).

(3) A statement of the projected funding for such future applications.

Subtitle F—Other Matters

SEC. 361. EFFECTS OF WORLDWIDE CONTINGENCY OPERATIONS ON READINESS OF CERTAIN MILITARY AIRCRAFT AND EQUIPMENT.

(a) REQUIREMENT FOR REPORT.—The Secretary of Defense shall submit to Congress, not later than 180 days after the date of the enactment of this Act, a report on—

(1) the effects of worldwide contingency operations of the Navy, Marine Corps, and Air Force on the readiness of aircraft of those Armed Forces; and

(2) the effects of worldwide contingency operations of the Army and Marine Corps on the readiness of ground equipment of those Armed Forces.

(b) CONTENT OF REPORT.—The report shall contain the Secretary's assessment of the effects of the contingency operations referred to in subsection (a) on the capability of the Department of Defense to maintain a high level of equipment readiness and to manage a high operating tempo for the aircraft and ground equipment.

(c) EFFECTS ON AIRCRAFT.—The assessment contained in the report shall address, with respect to aircraft, the following effects:

(1) The effects of the contingency operations carried out during fiscal years 1995 through 2000 on the aircraft of each of the Navy, Marine Corps, and Air Force in each category of aircraft, as follows:

(A) Combat tactical aircraft.

(B) Strategic aircraft.

(C) Combat support aircraft.

(D) Combat service support aircraft.

(2) The types of adverse effects on the aircraft of each of the Navy, Marine Corps, and Air Force in each category of aircraft specified in paragraph (1) resulting from contingency operations, as follows:

(A) Patrolling in no-fly zones—

(i) over Iraq in Operation Northern Watch;

(ii) over Iraq in Operation Southern Watch; and

(iii) over the Balkans in Operation Allied Force.

(B) Air operations in the NATO air war against Serbia in Operation Sky Anvil, Operation Noble Anvil, and Operation Allied Force.

(C) Air operations in Operation Shining Hope in Kosovo.

(D) All other activities within the general context of worldwide contingency operations.

(3) Any other effects that the Secretary considers appropriate in carrying out subsection (a).

(d) EFFECTS ON GROUND EQUIPMENT.—The assessment contained in the report shall address, with respect to ground equipment, the following effects:

(1) The effects of the contingency operations carried out during fiscal years 1995 through 2000

on the ground equipment of each of the Army and Marine Corps.

(2) Any other effects that the Secretary considers appropriate in carrying out subsection (a).

SEC. 362. REALISTIC BUDGETING FOR READINESS REQUIREMENTS OF THE ARMY.

(a) REQUIREMENT FOR NEW METHODOLOGY.—The Secretary of the Army shall develop a new methodology for preparing budget requests for operation and maintenance that can be used to ensure that the budget requests for operation and maintenance for future fiscal years more accurately reflect the Army's requirements than do the budget requests that have been submitted to Congress for fiscal year 2001 and preceding fiscal years.

(b) SENSE OF CONGRESS ON THE NEW METHODOLOGY.—It is the sense of Congress that—

(1) the methodology should provide for the determination of the budget levels to request for operation and maintenance to be based on—

(A) the level of training that must be conducted in order to maintain essential readiness;

(B) the cost of conducting the training at that level; and

(C) the costs of all other Army operations, including the cost of meeting infrastructure requirements; and

(2) the Secretary should use the new methodology in the preparation of the budget requests for operation and maintenance for fiscal years after fiscal year 2001.

SEC. 363. ADDITIONS TO PLAN FOR ENSURING VISIBILITY OVER ALL IN-TRANSIT END ITEMS AND SECONDARY ITEMS.

(a) REQUIRED ADDITIONS.—Subsection (d) of section 349 of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Public Law 105–261; 112 Stat. 1981; 10 U.S.C. 2458 note) is amended—

(1) by inserting before the period at the end of paragraph (1) ", including specific actions to address underlying weaknesses in the controls over items being shipped"; and

(2) by adding at the end the following:

"(5) The key management elements for monitoring, and for measuring the progress achieved in, the implementation of the plan, including—

"(A) the assignment of oversight responsibility for each action identified pursuant to paragraph (1);

"(B) a description of the resources required for oversight; and

"(C) an estimate of the annual cost of oversight.".

(b) CONFORMING AMENDMENTS.—(1) Subsection (a) of such section is amended by striking "Not later than" and all that follows through "Congress" and inserting "The Secretary of Defense shall prescribe and carry out".

(2) Such section is further amended by adding at the end the following:

"(f) SUBMISSIONS TO CONGRESS.—After the Secretary submits the plan to Congress (on a date not later than March 1, 1999), the Secretary shall submit to Congress any revisions to the plan that are required by any law enacted after October 17, 1998. The revisions so made shall be submitted not later than 180 days after the date of the enactment of the law requiring the revisions.".

(3) Subsection (e)(1) of such section is amended by striking "submits the plan" and inserting "submits the initial plan".

SEC. 364. PERFORMANCE OF EMERGENCY RESPONSE FUNCTIONS AT CHEMICAL WEAPONS STORAGE INSTALLATIONS.

(a) RESTRICTION ON CONVERSION.—The Secretary of the Army may not convert to contractor performance

the emergency response functions of any chemical weapons storage installation that, as of the date of the enactment of this Act, are performed for that installation by employees of the United States until the certification required by subsection (c) has been submitted in accordance with that subsection.

(b) COVERED INSTALLATIONS.—For the purposes of this section, a chemical weapons storage installation is any installation of the Department of Defense on which lethal chemical agents or munitions are stored.

(c) CERTIFICATION REQUIREMENT.—The Secretary of the Army shall certify in writing to the Committees on Armed Services of the Senate and the House of Representatives that, to ensure that there will be no lapse of capability to perform the chemical weapon emergency response mission at a chemical weapons storage installation during any transition to contractor performance of those functions at that installation, the plan for conversion of the performance of those functions—

(1) is consistent with the recommendation contained in General Accounting Office Report NSIAD–00–88, entitled ''DoD Competitive Sourcing'', dated March 2000; and

(2) provides for a transition to contractor performance of emergency response functions which en-

sures an adequate transfer of the relevant knowledge and expertise regarding chemical weapon emergency response to the contractor personnel.

SEC. 365. CONGRESSIONAL NOTIFICATION OF USE OF RADIO FREQUENCY SPECTRUM BY A SYSTEM ENTERING ENGINEERING AND MANUFACTURING DEVELOPMENT.

Before a decision is made to enter into the engineering and manufacturing development phase of a program for the acquisition of a system that is to use the radio frequency spectrum, the Secretary of Defense shall submit to the congressional defense committees a report setting forth the following:

(1) The frequency or frequencies that the system will use.

(2) A statement of whether the Department of Defense is, or is to be, designated as the primary user of the particular frequency or frequencies.

(3) If not, the unique technical characteristics that make it necessary to use the particular frequency or frequencies.

(4) A description of the protections that the Department of Defense has been given to ensure that it will not incur costs as a result of current or

future interference from other users of the particular frequency or frequencies.

SEC. 366. MONITORING OF VALUE OF PERFORMANCE OF DEPARTMENT OF DEFENSE FUNCTIONS BY WORKFORCES SELECTED FROM BETWEEN PUBLIC AND PRIVATE WORKFORCES.

(a) REQUIREMENT FOR A MONITORING SYSTEM.—(1) Chapter 146 of title 10, United States Code, as amended by section 332(f), is further amended by adding at the end the following:

"§ 2476. Public-private workforce selections: system for monitoring value

''(a) SYSTEM FOR MONITORING PERFORMANCE.—(1) The Secretary of Defense shall establish a system for monitoring the performance of functions of the Department of Defense that—

''(A) are performed by 50 or more employees of the department; and

''(B) have been subjected to a workforce review.

''(2) In this section, the term 'workforce review', with respect to a function, is a review to determine whether the function should be performed by a workforce composed of Federal Government employees or by a private sector workforce, and includes any review for that purpose that is carried out under, or is associated with, the following:

"(A) Office of Management and Budget Circular A–76.

"(B) A strategic sourcing.

"(C) A base closure or realignment.

"(D) Any other reorganization, privatization, or reengineering of an organization.

"(b) PERFORMANCE MEASUREMENTS.—The system for monitoring the performance of a function shall provide for the measurement of the costs and benefits resulting from the selection of one workforce over the other workforce pursuant to a workforce review, as follows:

"(1) The costs incurred.

"(2) The savings derived.

"(3) The value of the performance by the selected workforce measured against the costs of the performance of that function by the workforce performing the function as of the beginning of the workforce review, as the workforce then performing the function was organized.

"(c) ANNUAL REPORT.—The Secretary shall submit to Congress, not later than February 1 of each fiscal year, a report on the measurable value of the performance during the preceding fiscal year of the functions that have been subjected to a workforce review, as determined under the monitoring system established under subsection (a).

The report shall display the findings separately for each of the armed forces and for each Defense Agency.

"(d) CONSIDERATION IN PREPARATION OF FUTURE-YEARS DEFENSE PROGRAM.—In preparing the future-years defense program under section 221 of this title, the Secretary of Defense shall, for the fiscal years covered by the program, estimate and take into account the costs to be incurred and the savings to be derived from the performance of functions by workforces selected in workforce reviews. The Secretary shall consider the results of the monitoring under this section in making the estimates.".

(2) The table of sections at the beginning of such chapter, as amended by section 332(i)(2), is further amended by adding at the end the following:

"2476. Public-private workforce selections: system for monitoring value.".

(b) CONTENT OF CONGRESSIONAL NOTIFICATION OF CONVERSIONS.—Paragraph (1) of section 2461(c) of title 10, United States Code, is amended—

(1) by redesignating subparagraphs (C), (D), and (E) as subparagraphs (D), (F) and (G);

(2) by inserting after subparagraph (B), the following new subparagraph (C):

"(C) The Secretary's certification that the factors considered in the examinations performed under subsection (b)(3), and in the making of the decision to change performance, did not include any predeter-

mined personnel constraint or limitation in terms of man years, end strength, full-time equivalent positions, or maximum number of employees.''; and

(3) by inserting after subparagraph (D), as redesignated by paragraph (1), the following new subparagraph (E):

''(E) A statement of the potential economic effect of the change on each affected local community, as determined in the examination under subsection (b)(3)(B)(ii).''.

SEC. 367. SUSPENSION OF REORGANIZATION OF NAVAL AUDIT SERVICE.

The Secretary of the Navy shall cease any consolidations, involuntary transfers, buy-outs, or reductions in force of the workforce of auditors and administrative support personnel of the Naval Audit Service that are associated with the reorganization or relocation of the performance of the auditing functions of the Navy until 60 days after the date on which the Secretary submits to the congressional defense committees a report that sets forth in detail the Navy's plans and justification for the reorganization or relocation, as the case may be.

SEC. 368. INVESTMENT OF COMMISSARY TRUST REVOLVING FUND.

Section 2486 of title 10, United States Code, is amended—

(1) in subsection (g)(5), by striking ''(5) In this subsection'' and inserting ''(i) COMMISSARY TRUST REVOLVING FUND DEFINED.—In this section''; and

(2) by inserting after subsection (g)(4) the following:

''(h) INVESTMENT OF COMMISSARY TRUST REVOLVING FUND.—The Secretary of Defense shall invest such portion of the commissary trust revolving fund as is not, in the judgment of the Secretary, required to meet current withdrawals. The investments shall be in public debt securities with maturities suitable to the needs of the fund, as determined by the Secretary, and bearing interest at rates determined by the Secretary of the Treasury, taking into consideration current market yields on outstanding marketable obligations of the United States of comparable maturities. The income derived from the investments shall be credited to and form a part of the fund.''.

SEC. 369. ECONOMIC PROCUREMENT OF DISTILLED SPIRITS.

Subsection 2488(c) of title 10, United States Code, is amended—

(1) by striking paragraph (2); and

(2) by redesignating paragraph (3) as paragraph (2).

SEC. 370. RESALE OF ARMOR-PIERCING AMMUNITION DISPOSED OF BY THE ARMY.

(a) RESTRICTION.—(1) Chapter 443 of title 10, United States Code, is amended by adding at the end the following:

"§ 4688. Armor-piercing ammunition and components: condition on disposal

''(a) LIMITATION ON RESALE OR OTHER TRANSFER.—Except as provided in subsection (b), whenever the Secretary of the Army carries out a disposal (by sale or otherwise) of armor-piercing ammunition, or a component of armor-piercing ammunition, the Secretary shall require as a condition of the disposal that the recipient agree in writing not to sell or otherwise transfer any of the ammunition (reconditioned or otherwise), or any armor-piercing component of that ammunition, to any purchaser in the United States other than a law enforcement or other governmental agency.

''(b) EXCEPTION.—Subsection (a) does not apply to a transfer of a component of armor-piercing ammunition solely for the purpose of metal reclamation by means of a destructive process such as melting, crushing, or shredding.

"(c) SPECIAL RULE FOR NON-ARMOR-PIERCING COMPONENTS.—A component of the armor-piercing ammunition that is not itself armor-piercing and is not subjected to metal reclamation as described in subsection (b) may not be used as a component in the production of new or remanufactured armor-piercing ammunition other than for sale to a law enforcement or other governmental agency or for a government-to-government sale or commercial export to a foreign government under the Arms Export Control Act.

"(d) DEFINITION.—In this section, the term 'armor-piercing ammunition' means a center-fire cartridge the military designation of which includes the term 'armor penetrator' or 'armor-piercing', including a center-fire cartridge designated as armor-piercing incendiary (API) or armor-piercing incendiary-tracer (API–T).".

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

"4688. Armor-piercing ammunition and components: condition on disposal.".

(b) APPLICABILITY.—Section 4688 of title 10, United States Code (as added by subsection (a)), shall apply with respect to any disposal of ammunition or components referred to in that section after the date of the enactment of this Act.

SEC. 371. DAMAGE TO AVIATION FACILITIES CAUSED BY ALKALI SILICA REACTIVITY.

(a) ASSESSMENT REQUIRED.—The Secretary of Defense shall assess the damage caused to aviation facilities of the Department of Defense by alkali silica reactivity. In making the assessment, the Secretary shall review the department's aviation facilities throughout the world.

(b) DAMAGE PREVENTION AND MITIGATION PLAN.—(1) Taking into consideration the assessment under subsection (a), the Secretary may develop and, during fiscal years 2001 through 2006, carry out a plan to prevent and mitigate damage to the aviation facilities of the Department of Defense as a result of alkali silica reactivity.

(2) A plan developed under paragraph shall provide for the following:

(A) Treatment of alkali silica reactivity in pavement and structures at a selected test site.

(B) The demonstration and deployment of technologies capable of mitigating alkali silica reactivity in hardened concrete structures and pavements.

(C) The promulgation of specific guidelines for appropriate testing and use of lithium salts to prevent alkali silica reactivity in new construction.

(c) DELEGATION OF AUTHORITY.—The Secretary shall direct the Chief of Engineers of the Army and the Commander of the Naval Facilities Engineering Command

to carry out the assessment required by subsection (a) and to develop and carry out the plan required by subsection (b).

(d) FUNDING.—Of the amounts authorized to be appropriated under section 301, not more than $5,000,000 is available for carrying out this section.

SEC. 372. REAUTHORIZATION OF PILOT PROGRAM FOR ACCEPTANCE AND USE OF LANDING FEES CHARGED FOR USE OF DOMESTIC MILITARY AIRFIELDS BY CIVIL AIRCRAFT.

(a) REAUTHORIZATION.—Subsection (a) of section 377 of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Public Law 105–261; 112 Stat. 1993; 10 U.S.C. 113 note) is amended as follows:

(1) by striking ''1999 and 2000'' and inserting ''2001 through 2010''; and

(2) by striking the second sentence and inserting ''The pilot program under this section may not be carried out after September 30, 2010.''.

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

''(b) LANDING FEE DEFINED.—For the purposes of this section, the term 'landing fee' means any fee that is established under or in accordance with regulations of the military department concerned (whether prescribed in a

fee schedule or imposed under a joint-use agreement) to recover costs incurred for use by civil aircraft of an airfield of the military department in the United States or in a territory or possession of the United States.''.

(c) USE OF PROCEEDS.—Subsection (c) of such section is amended by striking ''Amounts received for a fiscal year in payment of landing fees imposed under the pilot program for use of a military airfield'' and inserting ''Amounts received in payment of landing fees for use of a military airfield in a fiscal year of the pilot program''.

(d) REPORT.—Subsection (d) of such section is amended—

(1) by striking ''March 31, 2000,'' and inserting ''March 31, 2003,''; and

(2) by striking ''December 31, 1999'' and inserting ''December 31, 2002''.

SEC. 373. REIMBURSEMENT BY CIVIL AIR CARRIERS FOR SUPPORT PROVIDED AT JOHNSTON ATOLL.

(a) IN GENERAL.—Chapter 949 of title 10, United States Code, is amended by adding at the end the following:

''§ 9783. Johnston Atoll: reimbursement for support provided to civil air carriers

''(a) AUTHORITY OF THE SECRETARY.—The Secretary of the Air Force may, under regulations prescribed

by the Secretary, require payment by a civil air carrier for support provided by the United States to the carrier at Johnston Atoll that is either—

"(1) requested by the civil air carrier; or

"(2) determined under the regulations as being necessary to accommodate the civil air carrier's use of Johnston Atoll.

"(b) AMOUNT OF CHARGES.—Any amount charged an air carrier under subsection (a) for support shall be equal to the total amount of the actual costs to the United States of providing the support. The amount charged may not include any amount for an item of support that does not satisfy a condition described in paragraph (1) or (2) of subsection (a).

"(c) RELATIONSHIP TO LANDING FEES.—No landing fee shall be charged an air carrier for a landing of an aircraft of the air carrier at Johnston Atoll if the air carrier is charged under subsection (a) for support provided to the air carrier.

"(d) DISPOSITION OF PAYMENTS.—(1) Notwithstanding any other provision of law, amounts collected from an air carrier under this section shall be credited to appropriations available for the fiscal year in which collected, as follows:

"(A) For support provided by the Air Force, to appropriations available for the Air Force for operation and maintenance.

"(B) For support provided by the Army, to appropriations available for the Army for chemical demilitarization.

"(2) Amounts credited to an appropriation under paragraph (1) shall be merged with funds in that appropriation and shall be available, without further appropriation, for the purposes and period for which the appropriation is available.

"(e) DEFINITIONS.—In this section:

"(1) The term 'civil air carrier' means an air carrier (as defined in section 40101(a)(2) of title 49) that is issued a certificate of public convenience and necessity under section 41102 of such title.

"(2) The term 'support' includes fuel, fire rescue, use of facilities, improvements necessary to accommodate use by civil air carriers, police, safety, housing, food, air traffic control, suspension of military operations on the island (including operations at the Johnston Atoll Chemical Agent Demilitarization System), repairs, and any other construction, services, or supplies.".

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

"9783. Johnston Atoll: reimbursement for support provided to civil air carriers.".

SEC. 374. REVIEW OF COSTS OF MAINTAINING HISTORICAL PROPERTIES.

(a) REQUIREMENT FOR REVIEW.—The Comptroller General of the United States shall conduct a review of the annual costs incurred by the Department of Defense to comply with the requirements of the National Historic Preservation Act (16 U.S.C. 470 et seq.).

(b) REPORT.—Not later than February 28, 2001, the Comptroller General shall submit to the congressional defense committees a report on the results of the review. The report shall contain the following:

(1) For each military department and Defense Agency and for the Department of Defense in the aggregate, the cost for fiscal year 2000 and the projected costs for the ensuing 10 fiscal years.

(2) An analysis of the cost to maintain only those properties that qualified as historic properties under the National Historic Preservation Act when such Act was originally enacted.

(3) The accounts used for paying the costs of complying with the requirements of the National Historic Preservation Act.

(4) For each military department and Defense Agency, the identity of all properties that must be maintained in order to comply with the requirements of the National Historic Preservation Act.

SEC. 375. EXTENSION OF AUTHORITY TO SELL CERTAIN AIRCRAFT FOR USE IN WILDFIRE SUPPRESSION.

Section 2 of the Wildfire Suppression Aircraft Transfer Act of 1996 (Public Law 104–307) is amended—

(1) in subsection (a)(1) by striking ''September 30, 2000'' and inserting ''September 30, 2005'';

(2) by adding at the end of subsection (d)(1) the following: ''After taking effect, the regulations shall be effective until the end of the period specified in subsection (a)(1).'';

(3) in subsection (f), by striking ''March 31, 2000'' and inserting ''March 31, 2005''.

SEC. 376. OVERSEAS AIRLIFT SERVICE ON CIVIL RESERVE AIR FLEET AIRCRAFT.

(a) IN GENERAL.—Section 41106(a) of title 49, United States Code, is amended—

(1) by striking "GENERAL.—(1) Except as provided in subsection (b)," and inserting "INTERSTATE TRANSPORTATION.—(1) Except as provided in subsection (d),";

(2) in paragraph (1), by striking "of at least 31 days";

(3) by redesignating subsection (b) as subsection (d); and

(4) by inserting after subsection (a) the following:

"(b) TRANSPORTATION BETWEEN THE UNITED STATES AND FOREIGN LOCATIONS.—Except as provided in subsection (d), the transportation of passengers or property by transport category aircraft between a place in the United States and a place outside the United States obtained by the Secretary of Defense or the Secretary of a military department through a contract for airlift service may be provided by an air carrier referred to in subsection (a).

"(c) TRANSPORTATION BETWEEN FOREIGN LOCATIONS.—The transportation of passengers or property by transport category aircraft between two places outside the United States obtained by the Secretary of Defense or the Secretary of a military department through a contract for airlift service shall be provided by an air carrier that has

aircraft in the civil reserve air fleet whenever transportation by such an air carrier is reasonably available.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 2000.

SEC. 377. DEFENSE TRAVEL SYSTEM.

(a) REQUIREMENT FOR REPORT.—Not later than November 30, 2000, the Secretary of Defense shall submit to the congressional defense committees a report on the Defense Travel System.

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

(1) A detailed discussion of the development, testing, and fielding of the system, including the performance requirements, the evaluation criteria, the funding that has been provided for the development, testing, and fielding of the system, and the funding that is projected to be required for completing the development, testing, and fielding of the system.

(2) The schedule that has been followed for the testing of the system, including the initial operational test and evaluation and the final operational testing and evaluation, together with the results of the testing.

(3) The cost savings expected to result from the deployment of the system and from the completed implementation of the system, together with a discussion of how the savings are estimated and the expected schedule for the realization of the savings.

(4) An analysis of the costs and benefits of fielding the front-end software for the system throughout all 18 geographical areas selected for the original fielding of the system.

(c) LIMITATIONS.—(1) Not more than 25 percent of the amount authorized to be appropriated under section 301(5) for the Defense Travel System may be obligated or expended before the date on which the Secretary submits the report required under subsection (a).

(2) Funds appropriated for the Defense Travel System pursuant to the authorization of appropriations referred to in paragraph (1) may not be used for a purpose other than the Defense Travel System unless the Secretary first submits to Congress a written notification of the intended use and the amount to be so used.

SEC. 378. REVIEW OF AH–64 AIRCRAFT PROGRAM.

(a) REQUIREMENT FOR REVIEW.—The Comptroller General shall conduct a review of the Army's AH–64 aircraft program to determine the following:

(1) Whether any of the following conditions exist under the program:

(A) Obsolete spare parts, rather than spare parts for the latest aircraft configuration, are being procured.

(B) There is insufficient sustaining system technical support.

(C) The technical data packages and manuals are obsolete.

(D) There are unfunded requirements for airframe and component upgrades.

(2) Whether the readiness of the aircraft is impaired by conditions described in paragraph (1) that are determined to exist.

(b) REPORT.—Not later than March 1, 2001, the Comptroller General shall submit to the congressional defense committees a report on the results of the review under subsection (a).

SEC. 379. ASSISTANCE FOR MAINTENANCE, REPAIR, AND RENOVATION OF SCHOOL FACILITIES THAT SERVE DEPENDENTS OF MEMBERS OF THE ARMED FORCES AND DEPARTMENT OF DEFENSE CIVILIAN EMPLOYEES.

(a) GRANTS AUTHORIZED.—Chapter 111 of title 10, United States Code, is amended—

(1) by redesignating section 2199 as section 2199a; and

(2) by inserting after section 2198 the following new section:

"§ 2199. Quality of life education facilities grants

''(a) REPAIR AND RENOVATION ASSISTANCE.—(1) The Secretary of Defense may make a grant to an eligible local educational agency to assist the agency to repair and renovate—

''(A) an impacted school facility that is used by significant numbers of military dependent students; or

''(B) a school facility that was a former Department of Defense domestic dependent elementary or secondary school.

''(2) Authorized repair and renovation projects may include repairs and improvements to an impacted school facility (including the grounds of the facility) designed to ensure compliance with the requirements of the Americans with Disabilities Act or local health and safety ordinances, to meet classroom size requirements, or to accommodate school population increases.

''(3) The total amount of assistance provided under this subsection to an eligible local educational agency may

not exceed $5,000,000 during any period of two fiscal years.

"(b) MAINTENANCE ASSISTANCE.—(1) The Secretary of Defense may make a grant to an eligible local educational agency whose boundaries are the same as a military installation to assist the agency to maintain an impacted school facility, including the grounds of such a facility.

"(2) The total amount of assistance provided under this subsection to an eligible local educational agency may not exceed $250,000 during any fiscal year.

"(c) DETERMINATION OF ELIGIBLE LOCAL EDUCATIONAL AGENCIES.—(1) A local educational agency is an eligible local educational agency under this section only if the Secretary of Defense determines that the local educational agency has—

"(A) one or more federally impacted school facilities and satisfies at least one of the additional eligibility requirements specified in paragraph (2); or

"(B) a school facility that was a former Department of Defense domestic dependent elementary or secondary school, but assistance provided under this subparagraph may only be used to repair and renovate that facility.

"(2) The additional eligibility requirements referred to in paragraph (1) are the following:

"(A) The local educational agency is eligible to receive assistance under subsection (f) of section 8003 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7703) and at least 10 percent of the students who were in average daily attendance in the schools of such agency during the preceding school year were students described under paragraph (1)(A) or (1)(B) of section 8003(a) of the Elementary and Secondary Education Act of 1965.

"(B) At least 35 percent of the students who were in average daily attendance in the schools of the local educational agency during the preceding school year were students described under paragraph (1)(A) or (1)(B) of section 8003(a) of the Elementary and Secondary Education Act of 1965.

"(C) The State education system and the local educational agency are one and the same.

"(d) NOTIFICATION OF ELIGIBILITY.—Not later than June 30 of each fiscal year, the Secretary of Defense shall notify each local educational agency identified under subsection (c) that the local educational agency is eligible during that fiscal year to apply for a grant under subsection (a), subsection (b), or both subsections.

"(e) RELATION TO IMPACT AID CONSTRUCTION ASSISTANCE.—A local education agency that receives a grant under subsection (a) to repair and renovate a school facility may not also receive a payment for school construction under section 8007 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7707) for the same fiscal year.

"(f) GRANT CONSIDERATIONS.—In determining which eligible local educational agencies will receive a grant under this section for a fiscal year, the Secretary of Defense shall take into consideration the following conditions and needs at impacted school facilities of eligible local educational agencies:

"(1) The repair or renovation of facilities is needed to meet State mandated class size requirements, including student-teacher ratios and instructional space size requirements.

"(2) There is a increase in the number of military dependent students in facilities of the agency due to increases in unit strength as part of military readiness.

"(3) There are unhoused students on a military installation due to other strength adjustments at military installations.

"(4) The repair or renovation of facilities is needed to address any of the following conditions:

"(A) The condition of the facility poses a threat to the safety and well-being of students.

"(B) The requirements of the Americans with Disabilities Act.

"(C) The cost associated with asbestos removal, energy conservation, or technology upgrades.

"(D) Overcrowding conditions as evidenced by the use of trailers and portable buildings and the potential for future overcrowding because of increased enrollment.

"(5) The repair or renovation of facilities is needed to meet any other Federal or State mandate.

"(6) The number of military dependent students as a percentage of the total student population in the particular school facility.

"(7) The age of facility to be repaired or renovated.

"(g) DEFINITIONS.—In this section:

"(1) LOCAL EDUCATIONAL AGENCY.—The term 'local educational agency' has the meaning given that term in section 8013(9) of the Elementary and

Secondary Education Act of 1965 (20 U.S.C. 7713(9)).

"(2) IMPACTED SCHOOL FACILITY.—The term 'impacted school facility' means a facility of a local educational agency—

"(A) that is used to provide elementary or secondary education at or near a military installation; and

"(B) at which the average annual enrollment of military dependent students is a high percentage of the total student enrollment at the facility, as determined by the Secretary of Defense.

"(3) MILITARY DEPENDENT STUDENTS.—The term 'military dependent students' means students who are dependents of members of the armed forces or Department of Defense civilian employees.

"(4) MILITARY INSTALLATION.—The term 'military installation' has the meaning given that term in section 2687(e) of this title.".

(b) AMENDMENTS TO CHAPTER HEADING AND TABLES OF CONTENTS.—(1) The heading of chapter 111 of title 10, United States Code, is amended to read as follows:

"CHAPTER 111—SUPPORT OF EDUCATION".

(2) The table of sections at the beginning of such chapter is amended by striking the item relating to section 2199 and inserting the following new items:

"2199. Quality of life education facilities grants.
"2199a. Definitions.".

(3) The tables of chapters at the beginning of subtitle A, and at the beginning of part III of subtitle A, of such title are amended by striking the item relating to chapter 111 and inserting the following:

"111. Support of Education ..... 2191".

(c) FUNDING FOR FISCAL YEAR 2001.—Amounts appropriated in the Department of Defense Appropriations Act, 2001, under the heading "QUALITY OF LIFE ENHANCEMENTS, DEFENSE" may be used by the Secretary of Defense to make grants under section 2199 of title 10, United States Code, as added by subsection (a).

SEC. 380. POSTPONEMENT OF IMPLEMENTATION OF DEFENSE JOINT ACCOUNTING SYSTEM (DJAS) PENDING ANALYSIS OF THE SYSTEM.

(a) POSTPONEMENT.—The Secretary of Defense may not grant a Milestone III decision for the Defense Joint Accounting System (DJAS) until the Secretary—

(1) conducts, with the participation of the Inspector General of the Department of Defense and

the inspectors general of the military departments, an analysis of alternatives to the system to determine whether the system warrants deployment; and

(2) if the Secretary determines that the system warrants deployment, submits to the congressional defense committees a report certifying that the system meets Milestone I and Milestone II requirements and applicable requirements of the Clinger-Cohen Act of 1996 (divisions D and E of Public Law 104–106).

(b) DEADLINE FOR REPORT.—The report referred to in subsection (a)(2) shall be submitted, if at all, not later than March 30, 2001.

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, 2001, as follows:

(1) The Army, 480,000.

(2) The Navy, 372,000.

(3) The Marine Corps, 172,600.

(4) The Air Force, 357,000.

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, 2001, as follows:

(1) The Army National Guard of the United States, 350,088.

(2) The Army Reserve, 205,000.

(3) The Naval Reserve, 88,900.

(4) The Marine Corps Reserve, 39,558.

(5) The Air National Guard of the United States, 108,022.

(6) The Air Force Reserve, 74,300.

(7) The Coast Guard Reserve, 8,500.

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

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

(2) the total number of individual members not in units organized to serve as units of the Selected Reserve of such component who are on active duty (other than for training or for unsatisfactory partici-

pation 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, 2001, 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, 22,974.

(2) The Army Reserve, 12,806.

(3) The Naval Reserve, 14,649.

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

(5) The Air National Guard of the United States, 11,170.

(6) The Air Force Reserve, 1,278.

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

The minimum number of military technicians (dual status) as of the last day of fiscal year 2001 for the reserve components of the Army and the Air Force (notwithstanding section 129 of title 10, United States Code) shall be the following:

(1) For the Army Reserve, 5,249.

(2) For the Army National Guard of the United States, 24,728.

(3) For the Air Force Reserve, 9,733.

(4) For the Air National Guard of the United States, 22,221.

SEC. 414. FISCAL YEAR 2001 LIMITATION ON NON-DUAL STATUS TECHNICIANS.

(a) LIMITATION.—The number of non-dual status technicians employed by the reserve components of the Army and the Air Force as of September 30, 2001, may not exceed the following:

(1) For the Army Reserve, 1,195.

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

(3) For the Air Force Reserve, 0.

(4) For the Air National Guard of the United States, 326.

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

(c) POSTPONEMENT OF PERMANENT LIMITATION.—Section 10217(c)(2) of title 10, United States Code, is amended by striking ''October 1, 2001'' and inserting ''October 1, 2002''.

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	3,227	1,071	898	140
Lieutenant Colonel or Commander	1,687	520	844	90
Colonel or Navy Captain	511	188	317	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	662	202	501	20
E–8	2,676	429	1,102	94''.

Subtitle C—Other Matters Relating to Personnel Strengths

SEC. 421. SUSPENSION OF STRENGTH LIMITATIONS DURING WAR OR NATIONAL EMERGENCY.

(a) SENIOR ENLISTED MEMBERS.—Section 517 of title 10, United States Code, is amended by adding at the end the following new subsection (c):

''(c) The Secretary of Defense may suspend the operation of this section in time of war or of national emergency declared by the Congress or by the President. Any suspension shall, if not sooner ended, end on the last day of the 2-year period beginning on the date on which the suspension (or the last extension thereof) takes effect or on the last day of the 1-year period beginning on the date of the termination of the war or national emergency, whichever occurs first. Title II of the National Emergencies Act (50 U.S.C. 1621–1622) shall not apply to an extension under this subsection.''.

(b) SENIOR AGR PERSONNEL.—(1) Chapter 1201 of such title is amended by adding at the end the following:

''§ 12013. Authority to suspend sections 12011 and 12012

''The Secretary of Defense may suspend the operation of section 12011 or 12012 of this title in time of war or of national emergency declared by the Congress

or by the President. Any suspension shall, if not sooner ended, end on the last day of the 2-year period beginning on the date on which the suspension (or the last extension thereof) takes effect or on the last day of the 1-year period beginning on the date of the termination of the war or national emergency, whichever occurs first. Title II of the National Emergencies Act (50 U.S.C. 1621–1622) shall not apply to an extension under this subsection.''.

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

''12013. Authority to suspend sections 12011 and 12012.''.

SEC. 422. EXCLUSION OF CERTAIN RESERVE COMPONENT MEMBERS ON ACTIVE DUTY FOR MORE THAN 180 DAYS FROM ACTIVE COMPONENT END STRENGTHS.

Section 115(d) of title 10, United States Code, is amended by adding at the end the following new paragraph:

''(9) Members of reserve components (not described in paragraph (8)) on active duty for more than 180 days to perform special work in support of the armed forces (other than in support of the Coast Guard) and the combatant commands, except that the number of the members excluded under this paragraph may not exceed the number equal to two-tenths of one percent of the end strength authorized

for active-duty personnel under subsection (a)(1)(A).''.

SEC. 423. EXCLUSION OF ARMY AND AIR FORCE MEDICAL AND DENTAL OFFICERS FROM LIMITATION ON STRENGTHS OF RESERVE COMMISSIONED OFFICERS IN GRADES BELOW BRIGADIER GENERAL.

Section 12005(a) of title 10, United States Code, is amended by adding at the end the following:

''(3) Medical officers and dental officers shall not be counted for the purposes of this subsection.''.

SEC. 424. AUTHORITY FOR TEMPORARY INCREASES IN NUMBER OF RESERVE PERSONNEL SERVING ON ACTIVE DUTY OR FULL-TIME NATIONAL GUARD DUTY IN CERTAIN GRADES.

(a) OFFICERS.—Section 12011 of title 10, United States Code, is amended by adding at the end the following new subsection:

''(c) Upon increasing under subsection (c)(2) of section 115 of this title the end strength that is authorized under subsection (a)(1)(B) of that section for a fiscal year for active-duty personnel and full-time National Guard duty personnel of an armed force who are to be paid from funds appropriated for reserve personnel, the Secretary of Defense may increase for that fiscal year the limitation

that is set forth in subsection (a) of this section for the number of officers of that armed force serving in any grade if the Secretary determines that such action is in the national interest. The percent of the increase may not exceed the percent by which the Secretary increases that end strength.''.

(b) ENLISTED PERSONNEL.—Section 12012 of title 10, United States Code, is amended by adding at the end the following new subsection:

''(c) Upon increasing under subsection (c)(2) of section 115 of this title the end strength that is authorized under subsection (a)(1)(B) of that section for a fiscal year for active-duty personnel and full-time National Guard duty personnel of an armed force who are to be paid from funds appropriated for reserve personnel, the Secretary of Defense may increase for that fiscal year the limitation that is set forth in subsection (a) of this section for the number of enlisted members of that armed force serving in any grade if the Secretary determines that such action is in the national interest. The percent of the increase may not exceed the percent by which the Secretary increases that end strength.''.

SEC. 425. TEMPORARY EXEMPTION OF DIRECTOR OF THE NATIONAL SECURITY AGENCY FROM LIMITATIONS ON NUMBER OF AIR FORCE OFFICERS ABOVE MAJOR GENERAL.

Section 525(b) of title 10, United States Code, is amended by adding at the end the following new paragraph:

''(8) An Air Force officer while serving as Director of the National Security Agency is in addition to the number that would otherwise be permitted for the Air Force for officers serving on active duty in grades above major general under paragraph (1) and the number that would otherwise be permitted for the Air Force for officers serving on active duty in grades above brigadier general under subsection (a). This paragraph shall not be effective after September 30, 2005.''.

Subtitle D—Authorization of Appropriations

SEC. 431. AUTHORIZATION OF APPROPRIATIONS FOR MILITARY PERSONNEL.

There is hereby authorized to be appropriated to the Department of Defense for military personnel for fiscal year 2001 a total of $75,632,266,000. The authorization in the preceding sentence supersedes any other authorization of appropriations (definite or indefinite) for such purpose for fiscal year 2001.

TITLE V—MILITARY PERSONNEL POLICY

Subtitle A—Officer Personnel Policy

SEC. 501. ELIGIBILITY OF ARMY RESERVE COLONELS AND BRIGADIER GENERALS FOR POSITION VACANCY PROMOTIONS.

Section 14315(b)(1) of title 10, United States Code, is amended by inserting after ''(A) is assigned to the duties of a general officer of the next higher reserve grade in the Army Reserve'' the following: ''or is recommended for such an assignment under regulations prescribed by the Secretary of the Army''.

SEC. 502. PROMOTION ZONES FOR COAST GUARD RESERVE OFFICERS.

(a) FLEXIBLE AUTHORITY TO MEET COAST GUARD NEEDS.—Section 729(d) of title 14, United States Code, is amended to read as follows:

''(d)(1) Before convening a selection board to recommend Reserve officers for promotion, the Secretary shall establish a promotion zone for officers serving in each grade and competitive category to be considered by the board. The Secretary shall determine the number of officers in the promotion zone for officers serving in any grade and competitive category from among officers who

are eligible for promotion in that grade and competitive category.

"(2) Before convening a selection board to recommend Reserve officers for promotion to a grade above lieutenant (junior grade), the Secretary shall determine the maximum number of officers in that grade and competitive category that the board may recommend for promotion. The Secretary shall make the determination under the preceding sentence of the maximum number that may be recommended with a view to having in an active status a sufficient number of Reserve officers in each grade and competitive category to meet the needs of the Coast Guard for Reserve officers in an active status. In order to make that determination, the Secretary shall determine (A) the number of positions needed to accomplish mission objectives which require officers of such competitive category in the grade to which the board will recommend officers for promotion, (B) the estimated number of officers needed to fill vacancies in such positions during the period in which it is anticipated that officers selected for promotion will be promoted, (C) the number of officers authorized by the Secretary to serve in an active status in the grade and competitive category under consideration, and (D) any statutory limitation on the number of officers in any

grade or category (or combination thereof) authorized to be in an active status.

"(3)(A) The Secretary may, when the needs of the Coast Guard require, authorize the consideration of officers in a grade above lieutenant (junior grade) for promotion to the next higher grade from below the promotion zone.

"(B) When selection from below the promotion zone is authorized, the Secretary shall establish the number of officers that may be recommended for promotion from below the promotion zone in each competitive category to be considered. That number may not exceed the number equal to 10 percent of the maximum number of officers that the board is authorized to recommend for promotion in such competitive category, except that the Secretary may authorize a greater number, not to exceed 15 percent of the total number of officers that the board is authorized to recommend for promotion, if the Secretary determines that the needs of the Coast Guard so require. If the maximum number determined under this paragraph is less than one, the board may recommend one officer for promotion from below the promotion zone.

"(C) The number of officers recommended for promotion from below the promotion zone does not increase

the maximum number of officers that the board is authorized to recommend for promotion under paragraph (2).''.

(b) RUNNING MATE SYSTEM.—(1) Section 731 of such title is amended—

(A) by designating the text of such section as subsection (b);

(B) by inserting after the section heading the following:

''(a) AUTHORITY TO USE RUNNING MATE SYSTEM.—The Secretary may by regulation implement section 729(d)(1) of this title by requiring that the promotion zone for consideration of Reserve officers in an active status for promotion to the next higher grade be determined in accordance with a running mate system as provided in subsection (b).'';

(C) in subsection (b), as designated by subparagraph (A), by striking ''Subject to the eligibility requirements of this subchapter, a Reserve officer shall'' and inserting the following: ''CONSIDERATION FOR PROMOTION.—If promotion zones are determined as authorized under subsection (a), a Reserve officer shall, subject to the eligibility requirements of this subchapter,''; and

(D) by adding at the end the following:

"(c) CONSIDERATION OF OFFICERS BELOW THE ZONE.—If the Secretary authorizes the selection of officers for promotion from below the promotion zone in accordance with section 729(d)(3) of this title, the number of officers to be considered from below the zone may be established through the application of the running mate system under this subchapter or otherwise as the Secretary determines to be appropriate to meet the needs of the Coast Guard.".

(2)(A) The heading for such section is amended to read as follows:

"§ 731. Establishment of promotion zones: running mate system".

(B) The item relating to such section in the table of sections at the beginning of chapter 21 of title 14, United States Code, is amended to read as follows:

"731. Establishment of promotion zones: running mate system.".

(c) EFFECTIVE DATE.—This section and the amendments made by this section shall take effect on October 1, 2000, and shall apply with respect to selection boards convened under section 730 of title 14, United States Code, on or after that date.

SEC. 503. TIME FOR RELEASE OF OFFICER PROMOTION SELECTION BOARD REPORTS.

(a) ACTIVE-DUTY LIST OFFICER BOARDS.—Section 618(e) of title 10, United States Code, is amended to read as follows:

''(e)(1) The names of the officers recommended for promotion in the report of a selection board may be disseminated to the armed force concerned as follows:

''(A) In the case of officers recommended for promotion to a grade below brigadier general or rear admiral (lower half), upon the transmittal of the report to the President.

''(B) In the case of officers recommended for promotion to a grade above colonel or, in the case of the Navy, captain, upon the approval of the report by the President.

''(C) In the case of officers whose names have not been sooner disseminated, upon confirmation by the Senate.

''(2) A list of names of officers disseminated under paragraph (1) may not include—

''(A) any name removed by the President from the report of the selection board containing that name, if dissemination is under the authority of subparagraph (B) of such paragraph; or

"(B) the name of any officer whose promotion the Senate failed to confirm, if dissemination is under the authority of subparagraph (C) of such paragraph.".

(b) RESERVE ACTIVE-STATUS LIST OFFICER BOARDS.—The text of section 14112 of title 10, United States Code, is amended to read as follows:

"(a) TIME FOR DISSEMINATION.—The names of the officers recommended for promotion in the report of a selection board may be disseminated to the armed force concerned as follows:

"(1) In the case of officers recommended for promotion to a grade below brigadier general or rear admiral (lower half), upon the transmittal of the report to the President.

"(2) In the case of officers recommended for promotion to a grade above colonel or, in the case of the Navy, captain, upon the approval of the report by the President.

"(3) In the case of officers whose names have not been sooner disseminated, upon confirmation by the Senate.

"(b) NAMES NOT DISSEMINATED.—A list of names of officers disseminated under subsection (a) may not include—

"(1) any name removed by the President from the report of the selection board containing that name, if dissemination is under the authority of paragraph (2) of such subsection; or

"(2) the name of any officer whose promotion the Senate failed to confirm, if dissemination is under the authority of paragraph (3) of such subsection.".

SEC. 504. CLARIFICATION OF AUTHORITY FOR POSTHUMOUS COMMISSIONS AND WARRANTS.

Section 1521(a)(3) of title 10, United States Code, is amended to read as follows:

"(3) was officially recommended for appointment or promotion to a commissioned grade but died in line of duty before the appointment or promotion was approved by the Secretary concerned or before accepting the appointment or promotion.".

SEC. 505. INAPPLICABILITY OF ACTIVE-DUTY LIST PROMOTION, SEPARATION, AND INVOLUNTARY RETIREMENT AUTHORITIES TO RESERVE GENERAL AND FLAG OFFICERS SERVING IN CERTAIN POSITIONS DESIGNATED FOR RESERVE OFFICERS BY THE CHAIRMAN OF THE JOINT CHIEFS OF STAFF.

Section 641(1)(B) of title 10, United States Code, is amended by inserting ''526(b)(2)(A),'' after ''on active duty under section''.

SEC. 506. REVIEW OF ACTIONS OF SELECTION BOARDS.

(a) IN GENERAL.—(1) Chapter 79 of title 10, United States Code, is amended by adding at the end the following:

''§ 1558. Exclusive remedies in cases involving selection boards

''(a) CORRECTION OF MILITARY RECORDS.—The Secretary concerned may correct a person's military records in accordance with a recommendation made by a special board. Any such correction shall be effective, retroactively, as of the effective date of the action taken on a report of a previous selection board that resulted in the action corrected in the person's military records.

''(b) RELIEF ASSOCIATED WITH CORRECTIONS OF CERTAIN ACTIONS.—(1) The Secretary concerned shall

ensure that a person receives relief under paragraph (2) or (3), as the person may elect, if the person—

"(A) was separated or retired from an armed force, or transferred to the retired reserve or to inactive status in a reserve component, as a result of a recommendation of a selection board; and

"(B) becomes entitled to retention on or restoration to active duty or active status in a reserve component as a result of a correction of the person's military records under subsection (a).

"(2)(A) With the consent of a person referred to in paragraph (1), the person shall be retroactively and prospectively restored to the same status, rights, and entitlements (less appropriate offsets against back pay and allowances) in the person's armed force as the person would have had if the person had not been selected to be separated, retired, or transferred to the retired reserve or to inactive status in a reserve component, as the case may be, as a result of an action corrected under subsection (a). An action under this subparagraph is subject to subparagraph (B).

"(B) Nothing in subparagraph (A) shall be construed to permit a person to be on active duty or in an active status in a reserve component after the date on which the person would have been separated, retired, or transferred

to the retired reserve or to inactive status in a reserve component if the person had not been selected to be separated, retired, or transferred to the retired reserve or to inactive status in a reserve component, as the case may be, in an action of a selection board that is corrected under subsection (a).

"(3) If the person does not consent to a restoration of status, rights, and entitlements under paragraph (2), the person shall receive back pay and allowances (less appropriate offsets) and service credit for the period beginning on the date of the person's separation, retirement, or transfer to the retired reserve or to inactive status in a reserve component, as the case may be, and ending on the earlier of—

"(A) the date on which the person would have been so restored under paragraph (2), as determined by the Secretary concerned; or

"(B) the date on which the person would otherwise have been separated, retired, or transferred to the retired reserve or to inactive status in a reserve component, as the case may be.

"(c) FINALITY OF UNFAVORABLE ACTION.—If a special board makes a recommendation not to correct the military records of a person regarding action taken in the case of that person on the basis of a previous report of

a selection board, the action previously taken on that report shall be considered as final as of the date of the action taken on that report.

"(d) REGULATIONS.—(1) The Secretary concerned may prescribe regulations to carry out this section (other than subsection (e)) with respect to the armed force or armed forces under the jurisdiction of the Secretary.

"(2) The Secretary may prescribe in the regulations the circumstances under which consideration by a special board may be provided for under this section, including the following:

"(A) The circumstances under which consideration of a person's case by a special board is contingent upon application by or for that person.

"(B) Any time limits applicable to the filing of an application for consideration.

"(3) Regulations prescribed by the Secretary of a military department under this subsection shall be subject to the approval of the Secretary of Defense.

"(e) JUDICIAL REVIEW.—(1) A person challenging for any reason the action or recommendation of a selection board, or the action taken by the Secretary concerned on the report of a selection board, is not entitled to relief in any judicial proceeding unless the person has first been

considered by a special board under this section or the Secretary concerned has denied such consideration.

"(2) In reviewing an action or recommendation of a special board or an action of the Secretary concerned on the report of a special board, a court may hold unlawful and set aside the recommendation or action, as the case may be, only if the court finds that recommendation or action was contrary to law or involved a material error of fact or a material administrative error.

"(3) In reviewing a decision by the Secretary concerned to deny consideration by a special board in any case, a court may hold unlawful and set aside the decision only if the court finds the decision to be arbitrary or capricious, not based on substantial evidence, or otherwise contrary to law.

"(f) EXCLUSIVITY OF REMEDIES.—Notwithstanding any other provision of law, but subject to subsection (g), the remedies provided under this section are the only remedies available to a person for correcting an action or recommendation of a selection board regarding that person or an action taken on the report of a selection board regarding that person.

"(g) EXISTING JURISDICTION.—(1) Nothing in this section limits the jurisdiction of any court of the United States under any provision of law to determine the validity

of any statute, regulation, or policy relating to selection boards, except that, in the event that any such statute, regulation, or policy is held invalid, the remedies prescribed in this section shall be the sole and exclusive remedies available to any person challenging the recommendation of a special board on the basis of the invalidity.

''(2) Nothing in this section limits authority to correct a military record under section 1552 of this title.

''(h) INAPPLICABILITY TO COAST GUARD.—This section does not apply to the Coast Guard when it is not operating as a service in the Navy.

''(i) DEFINITIONS.—In this section:

''(1) The term 'special board'—

''(A) means a board that the Secretary concerned convenes under any authority to consider whether to recommend a person for appointment, enlistment, reenlistment, assignment, promotion, retention, separation, retirement, or transfer to inactive status in a reserve component instead of referring the records of that person for consideration by a previously convened selection board which considered or should have considered that person;

''(B) includes a board for the correction of military or naval records convened under sec-

tion 1552 of this title, if designated as a special board by the Secretary concerned; and

"(C) does not include a promotion special selection board convened under section 628 or 14502 of this title.

"(2) The term 'selection board'—

"(A) means a selection board convened under section 573(c), 580, 580a, 581, 611(b), 637, 638, 638a, 14101(b), 14701, 14704, or 14705 of this title, and any other board convened by the Secretary concerned under any authority to recommend persons for appointment, enlistment, reenlistment, assignment, promotion, or retention in the armed forces or for separation, retirement, or transfer to inactive status in a reserve component for the purpose of reducing the number of persons serving in the armed forces; and

"(B) does not include—

"(i) a promotion board convened under section 573(a), 611(a), or 14101(a) of this title;

"(ii) a special board;

"(iii) a special selection board convened under section 628 of this title; or

"(iv) a board for the correction of military records convened under section 1552 of this title.".

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

"1558. Exclusive remedies in cases involving selection boards .".

(b) SPECIAL SELECTION BOARDS.—Section 628 of such title is amended—

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

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

"(g) LIMITATIONS OF OTHER JURISDICTION.—No official or court of the United States may—

"(1) consider any claim based to any extent on the failure of an officer or former officer of the armed forces to be selected for promotion by a promotion board until—

"(A) the claim has been referred by the Secretary concerned to a special selection board convened under this section and acted upon by that board and the report of the board has been approved by the President; or

"(B) the claim has been rejected by the Secretary concerned without consideration by a special selection board; or

"(2) grant any relief on such a claim unless the officer or former officer has been selected for promotion by a special selection board convened under this section to consider the officer's claim and the report of the board has been approved by the President.

"(h) JUDICIAL REVIEW.—(1) A court of the United States may review a determination by the Secretary concerned under subsection (a)(1) or (b)(1) not to convene a special selection board. If a court finds the determination to be arbitrary or capricious, not based on substantial evidence, or otherwise contrary to law, it shall remand the case to the Secretary concerned, who shall provide for consideration of the officer or former officer by a special selection board under this section.

"(2) A court of the United States may review the action of a special selection board convened under this section on a claim of an officer or former officer and any action taken by the President on the report of the board. If a court finds that the action was contrary to law or involved a material error of fact or a material administrative error, it shall remand the case to the Secretary concerned, who shall provide for reconsideration of the officer or former officer by another special selection board.

"(i) EXISTING JURISDICTION.—(1) Nothing in this section limits the jurisdiction of any court of the United States under any provision of law to determine the validity of any statute, regulation, or policy relating to selection boards, except that, in the event that any such statute, regulation, or policy is held invalid, the remedies prescribed in this section shall be the sole and exclusive remedies available to any person challenging the recommendation of a selection board on the basis of the invalidity.

"(2) Nothing in this section limits authority to correct a military record under section 1552 of this title.".

(c) EFFECTIVE DATE AND APPLICABILITY.—(1) The amendments made by this section shall take effect on the date of the enactment of this Act and, except as provided in paragraph (2), shall apply with respect to any proceeding pending on or after that date without regard to whether a challenge to an action of a selection board of any of the Armed Forces being considered in such proceeding was initiated before, on, or after that date.

(2) The amendments made by this section shall not apply with respect to any action commenced in a court of the United States before the date of the enactment of this Act.

SEC. 507. EXTENSION TO ALL AIR FORCE BIOMEDICAL SCIENCES OFFICERS OF AUTHORITY TO RETAIN UNTIL SPECIFIED AGE.

Section 14703(a)(3) of title 10, United States Code, is amended to read as follows:

"(3) the Secretary of the Air Force may, with the officer's consent, retain in an active status any reserve officer who is designated as a medical officer, dental officer, Air Force nurse, Medical Service Corps officer, biomedical sciences officer, or chaplain.".

SEC. 508. TERMINATION OF APPLICATION REQUIREMENT FOR CONSIDERATION OF OFFICERS FOR CONTINUATION ON THE RESERVE ACTIVE-STATUS LIST.

Section 14701(a)(1) of title 10, United States Code, is amended by striking "Upon application, a reserve officer" and inserting "A reserve officer".

SEC. 509. TECHNICAL CORRECTIONS RELATING TO RETIRED GRADE OF RESERVE COMMISSIONED OFFICERS.

(a) ARMY.—Section 3961(a) of title 10, United States Code, is amended by striking "or for nonregular service under chapter 1223 of this title".

(b) AIR FORCE.—Section 8961(a) of title 10, United States Code, is amended by striking ''or for nonregular service under chapter 1223 of this title''.

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall apply to Reserve commissioned officers who are promoted to a higher grade as a result of selection for promotion by a board convened under chapter 36 or 1403 of title 10, United States Code, or having been found qualified for Federal recognition in a higher grade under chapter 3 of title 32, United States Code, after October 1, 1996.

SEC. 510. GRADE OF CHIEFS OF RESERVE COMPONENTS AND DIRECTORS OF NATIONAL GUARD COMPONENTS.

(a) CHIEF OF ARMY RESERVE.—Section 3038(c) of title 10, United States Code, is amended—

(1) by striking ''major general'' in the third sentence and inserting ''lieutenant general''; and

(2) by striking the fourth sentence.

(b) CHIEF OF NAVAL RESERVE.—Section 5143(c)(2) of such title is amended—

(1) by striking ''rear admiral'' in the first sentence and inserting ''vice admiral''; and

(2) by striking the second sentence.

(c) CHIEF OF AIR FORCE RESERVE.—Section 8038(c) of such title is amended—

(1) by striking ''major general'' in the third sentence and inserting ''lieutenant general''; and

(2) by striking the fourth sentence.

(d) DIRECTORS IN THE NATIONAL GUARD BUREAU.—Subparagraphs (A) and (B) of section 10506(a)(1) of such title are each amended by striking ''the grade of major general or, if appointed to that position in accordance with section 12505(a)(2) of this title,''.

(e) COMMANDER, MARINE FORCES RESERVE.—(1) Section 5144(c)(2) of such title is amended to read as follows:

''(2)(A) The Commander, Marine Forces Reserve, while so serving, has the grade of major general, without vacating the officer's permanent grade. An officer may, however, be assigned to the position of Commander, Marine Forces Reserve, in the grade of lieutenant general if appointed to that grade for service in that position by the President, by and with the advice and consent of the Senate. An officer may be recommended to the President for such an appointment if selected for appointment to that position in accordance with subparagraph (B).

''(B) An officer shall be considered to have been selected for appointment to the position of Commander, Ma-

rine Forces Reserve, in accordance with this subparagraph if—

"(i) the officer is recommended for that appointment by the Secretary of the Navy;

"(ii) the officer is determined by the Chairman of the Joint Chiefs of Staff, in accordance with criteria and as a result of a process established by the Chairman, to have significant joint duty experience; and

"(iii) the officer is recommended by the Secretary of Defense to the President for the appointment.".

(2) Until October 1, 2002, the Secretary of Defense may, on a case-by-case basis, waive clause (ii) of section 5144(c)(2)(B) of title 10, United States Code (as added by paragraph (1)), with respect to the appointment of an officer to the position of Commander, Marine Forces Reserve, if in the judgment of the Secretary—

(A) the officer is qualified for service in the position; and

(B) the waiver is necessary for the good of the service.

(f) REPEAL OF SUPERSEDED AUTHORITY.—(1) Section 12505 of title 10, United States Code, is repealed.

(2) The table of sections at the beginning of chapter 1213 of such title is amended by striking the item relating to section 12505.

(g) VICE CHIEF OF NATIONAL GUARD BUREAU.—(1) The Secretary of Defense shall conduct a study of the advisability of increasing the grade authorized for the Vice Chief of the National Guard Bureau to Lieutenant General.

(2) As part of the study, the Chief of the National Guard Bureau shall submit to the Secretary of Defense an analysis of the functions and responsibilities of the Vice Chief of the National Guard Bureau and the Chief's recommendation as to whether the grade authorized for the Vice Chief should be increased.

(3) Not later than February 1, 2001, the Secretary shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on the study. The report shall include the following—

(A) the recommendation of the Chief of the National Guard Bureau and any other information provided by the Chief to the Secretary of Defense pursuant to paragraph (2);

(B) the conclusions resulting from the study; and

(C) the Secretary's recommendations regarding whether the grade authorized for the Vice Chief of the National Guard Bureau should be increased to Lieutenant General.

(h) EFFECTIVE DATES.—Subsection (g) shall take effect on the date of the enactment of this Act. Except for that subsection, this section and the amendments made by this section shall take effect on the earlier of—

(1) the date that is 90 days after the date of the enactment of this Act; or

(2) January 1, 2001.

SEC. 511. CONTINGENT EXEMPTION FROM LIMITATION ON NUMBER OF AIR FORCE OFFICERS SERVING ON ACTIVE DUTY IN GRADES ABOVE MAJOR GENERAL.

Section 525(b) of title 10, United States Code, is amended by adding at the end the following:

''(8) While an officer of the Army, Navy, or Marine Corps is serving as Commander in Chief of the United States Transportation Command, an officer of the Air Force, while serving as Commander of the Air Mobility Command, if serving in the grade of general, is in addition to the number that would otherwise be permitted for the Air Force for officers serving on active duty in grades above major general under paragraph (1).

"(9) While an officer of the Army, Navy, or Marine Corps is serving as Commander in Chief of the United States Space Command, an officer of the Air Force, while serving as Commander of the Air Force Space Command, if serving in the grade of general, is in addition to the number that would otherwise be permitted for the Air Force for officers serving on active duty in grades above major general under paragraph (1).".

Subtitle B—Joint Officer Management

SEC. 521. JOINT SPECIALTY DESIGNATIONS AND ADDITIONAL IDENTIFIERS.

Section 661 of title 10, United States Code, is amended to read as follows:

"§ 661. Management policies for joint specialty officers

"(a) ESTABLISHMENT.—The Secretary of Defense shall establish policies, procedures, and practices for the effective management of officers of the Army, Navy, Air Force, and Marine Corps on the active-duty list who are particularly trained in, and oriented toward, joint matters (as defined in section 668 of this title). Such officers shall be identified or designated (in addition to their principal military occupational specialty) in such manner as the Secretary of Defense directs. For purposes of this chapter,

officers to be managed by such policies, procedures, and practices are those who have been designated under subsection (b) as joint specialty officers.

"(b) JOINT SPECIALTY OFFICER DESIGNATION.—(1) The purpose for designation of officers as joint specialty officers is to provide a quickly identifiable group of officers who have the joint service experience and education in joint matters that are especially required for any particular organizational staff or joint task force operation.

"(2) To qualify for the joint specialty designation, an officer shall—

"(A) have successfully completed—

"(i) a program of education in residence at a joint professional military education school accredited as such by the Chairman of the Joint Chiefs of Staff; and

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

"(B) have successfully completed two full tours of duty in joint duty assignments.

"(3) The requirements set forth in paragraph (2)(A) may be satisfied in any sequence.

"(4) The Secretary of Defense shall prescribe the standards for characterizing the completion of a requirement under paragraph (2) as successful.

"(5) An officer may not be designated as a joint specialty officer unless qualified under paragraph (2).

"(c) ADDITIONAL IDENTIFIER.—An officer designated as a joint specialty officer may be awarded an additional joint specialty identifier as directed by the Secretary under subsection (a).

"(d) WAIVER AUTHORITY FOR AWARD OF ADDITIONAL IDENTIFIER.—(1) The Secretary of Defense may waive the applicability of a requirement for a qualification set forth in subsection (b) for a designation of a particular officer as a joint specialty officer upon the Secretary's determination that, by reason of unusual circumstances applicable in the officer's case, the officer has one or more qualifications that are comparable to the qualification waived.

"(2) The Secretary may grant a waiver for a general or flag officer under paragraph (1) only upon the Secretary's determination that it is necessary to do so in order to meet a critical need of the armed forces.

"(3) The Secretary may delegate authority under this subsection only to the Deputy Secretary of Defense or the Chairman of the Joint Chiefs of Staff.

"(4) The Secretary of the military department concerned may request a waiver under this subsection. A request shall include a full justification for the requested

waiver on the basis of the criterion described in paragraph (1) and, in the case of a general or flag officer, the additional criterion described in paragraph (2).

''(e) GENERAL AND FLAG OFFICER POSITIONS.—(1) The Secretary of Defense shall designate the joint duty assignments for general or flag officers that must be filled by joint specialty officers.

''(2) Only a joint specialty officer may be assigned to a joint duty assignment designated under paragraph (1).

''(3) The Secretary may waive the limitation in paragraph (2) if the Secretary determines that it is necessary to do so in the interest of national security.

''(f) JOINT PROFESSIONAL MILITARY EDUCATION SCHOOLS.—The Chairman of the Joint Chiefs of Staff shall accredit as joint professional military education schools for the purposes of this chapter the schools that the Chairman determines as being qualified for the accreditation. A school may not be considered a joint professional military education school for any such purpose unless the school is so accredited.''.

SEC. 522. PROMOTION OBJECTIVES.

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

"§ 662. Promotion policy objectives for joint officers

"(a) QUALIFICATIONS.—The Secretary of Defense shall ensure that the qualifications of officers assigned to joint duty assignments and officers whose previous assignment was a joint duty assignment are such that those officers are expected, as a group, to be promoted to the next higher grade at a rate not less than the rate for officers of the same armed force in the same grade and competitive category who are serving on the headquarters staff of that armed force.

"(b) VALIDATION OF QUALIFICATIONS.—(1) The Secretary of a military department shall validate the qualifications of officers under the jurisdiction of the Secretary for eligibility for joint duty assignments.

"(2) The Secretary shall ensure that, under the process prescribed under paragraph (3), an adequate number of the colonels or, in the case of the Navy, captains validated as qualified for joint duty assignments satisfy the requirements under section 619a of this title for promotion to brigadier general or rear admiral (lower half), respectively.

"(3) The Secretary shall prescribe the process for validating qualifications of officers under the jurisdiction of the Secretary in accordance with this subsection.

"(c) CONSIDERATION OF JOINT SPECIALTY OFFICERS.—(1) The Secretary of Defense shall prescribe poli-

cies for ensuring that joint specialty officers eligible for consideration for promotion are appropriately considered for promotion.

"(2) The policies shall require the following:

"(A) That at least one member of a board convened for the selection of officers for promotion to a grade above major or, in the case of the Navy, lieutenant commander is serving in a joint duty assignment and has been approved by the Chairman of the Joint Chiefs of Staff for appointment to membership on that board.

"(B) That the Chairman of the Joint Chiefs of Staff has the opportunity to review the report of each promotion selection board referred to in subparagraph (A), and to submit comments on the report to the Secretary of Defense and the Secretary of the military department concerned, before the Secretary of that military department takes action on the report.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 38 of title 10, United States Code, is amended by striking the item relating to section 662 and inserting the following:

"662. Promotion policy objectives for joint officers.".

SEC. 523. EDUCATION.

(a) OFFICERS ELIGIBLE FOR WAIVER OF CAPSTONE COURSE REQUIREMENT.—Subsection (a)(1)(C) of section 663 of title 10, United States Code, is amended by striking ''scientific and technical qualifications'' and inserting ''career field specialty qualifications''.

(b) REPEAL OF REQUIREMENT FOR POST-EDUCATION JOINT DUTY ASSIGNMENT.—Such section is further amended by striking subsection (d).

SEC. 524. LENGTH OF JOINT DUTY ASSIGNMENT.

(a) IN GENERAL.—Section 664 of title 10, United States Code, is amended—

(1) by striking subsections (a) through (h);

(2) by redesignating subsection (i) as subsection (f); and

(3) by inserting after the section heading the following:

''(a) IN GENERAL.—The length of a joint duty assignment at an installation or other place of duty shall be equivalent to the standard length of the assignments (other than joint duty assignments) of officers at that installation or other place of duty.

''(b) WAIVER AUTHORITY.—The Secretary of Defense may waive the requirement in subsection (a) for the length of a joint duty assignment in the case of any officer upon a determination by the Secretary that the waiver is

critical in the case of that specific officer for meeting military personnel management requirements.

"(c) CURTAILMENT OF ASSIGNMENT.—The Secretary of Defense may, upon the request of the Secretary of the military department concerned, authorize a curtailment of a joint duty assignment of more than two years for an officer who has served in that assignment for at least two years.

"(d) FULL TOUR OF DUTY.—Subject to subsection (e), an officer shall be considered to have completed a full tour of duty in a joint duty assignment upon the completion of service performed in a grade not lower than major or, in the case of the Navy, lieutenant commander, as follows:

"(1) Service in a joint duty assignment that meets the standard set forth in subsection (a).

"(2) Service in a joint duty assignment under the circumstances described in subsection (c).

"(3) Cumulative service in one or more joint task force headquarters that is substantially equivalent to a standard length of assignment determined under subsection (a).

"(4) Service in a joint duty assignment with respect to which the Secretary of Defense has granted a waiver under subsection (b), but only in a case in

which the Secretary directs that the service completed by the officer in that duty assignment be considered to be a full tour of duty in a joint duty assignment.

"(5) Service in a second joint duty assignment that is less than the period required under subsection (a), but is not less than two years, without regard to whether a waiver was granted for such assignment under subsection (b).".

(b) JOINT DUTY CREDIT FOR CERTAIN JOINT TASK FORCE ASSIGNMENTS.—Subsection (f) of such section, as redesignated by subsection (a)(2), is amended—

(1) in paragraph (4)(B), by inserting before the period at the end the following: ", except that cumulative service of less than one year in more than one such assignment in the headquarters of a joint task force may not be credited";

(2) in paragraph (4)(E)—

(A) by striking "combat or combat-related"; and

(B) by inserting before the period at the end the following: ", as approved by the Secretary of Defense";

(3) in paragraph (5), by striking "any of the following provisions of this title:" and all that fol-

lows and inserting ''section 662 of this title or paragraph (2), (4), or (7) of section 667(a) of this title.''; and

(4) by striking paragraph (6).

SEC. 525. ANNUAL REPORT TO CONGRESS.

Section 667 of title 10, United States Code, is amended by striking paragraph (1) and all that follows and inserting the following:

''(1) The number of joint specialty officers, reported by grade and by branch or specialty.

''(2) An assessment of the extent to which the Secretary of each military department is assigning personnel to joint duty assignments in accordance with this chapter and the policies, procedures, and practices established by the Secretary of Defense under section 661(a) of this title.

''(3) The number of waivers granted under section 619a(b)(1) of this title for officers in the grade of colonel or, in the case of the Navy, captain for each of the years preceding the year in which the report is submitted.

''(4) The officers whose service in joint duty assignments during the year covered by the report terminated before the officers completed the full tour of duty in those assignments, expressed as a percent of

the total number of officers in joint duty assignments during that year.

''(5) The percentage of fill of student quotas for each course of the National Defense University for the year covered by the report.

''(6) A list of the joint task force headquarters in which service was approved for crediting as a joint duty assignment for the year covered by the report.

''(7) The following comparisons:

''(A) A comparison of—

''(i) the promotion rates for officers who are officers serving in joint duty assignments or officers whose previous assignment was a joint duty assignment and were considered for promotion within the promotion zone, with

''(ii) the promotion rates for other officers in the same grade and the same competitive category who are serving on the headquarters staff of the armed force concerned and were considered for promotion within the promotion zone.

''(B) A comparison of—

"(i) the promotion rates for officers who are officers serving in joint duty assignments or officers whose previous assignment was a joint duty assignment and were considered for promotion from above the promotion zone, with

"(ii) the promotion rates for other officers in the same grade and the same competitive category who are serving on the headquarters staff of the armed force concerned and were considered for promotion from above the promotion zone.

"(C) A comparison of—

"(i) the promotion rates for officers who are officers serving in joint duty assignments or officers whose previous assignment was a joint duty assignment and were considered for promotion from below the promotion zone, with

"(ii) the promotion rates for other officers in the same grade and the same competitive category who are serving on the headquarters staff of the armed force concerned and were considered for promotion from below the promotion zone.

"(8) If any of the comparisons in paragraph (7) indicate that the promotion rates for officers referred to in subparagraph (A)(i), (B)(i), or (C)(i) of such paragraph fail to meet the objective set forth in section 662(a) of this title, information on the failure and on what action the Secretary has taken or plans to take to prevent further failures.

"(9) Any other information relating to joint officer management that the Secretary of Defense considers significant.".

SEC. 526. MULTIPLE ASSIGNMENTS CONSIDERED AS SINGLE JOINT DUTY ASSIGNMENT.

(a) DEFINITION OF JOINT DUTY ASSIGNMENT.—Subsection (b) of section 668 of title 10, United States Code, is amended—

(1) by redesignating paragraph (2) as paragraph (3); and

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

"(2) An assignment not qualifying as a joint duty assignment within the definition prescribed under paragraph (1) shall be treated as a joint duty assignment for the purposes of this subchapter if the assignment is considered under subsection (c)(2) as part of a single tour of duty in a joint duty assignment.".

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

"(c) MULTIPLE ASSIGNMENTS CONSIDERED AS SINGLE TOUR OF DUTY.—For purposes of this chapter, service in more than one assignment shall be considered to be a single tour of duty in a joint duty assignment, as follows:

"(1) Continuous service in two or more consecutive joint duty assignments, as defined under subsection (b)(1).

"(2) Continuous service, in any order, in—

"(A) at least one joint duty assignment, as defined under subsection (b)(1); and

"(B) one or more assignments not satisfying the definition prescribed under subsection (b)(1) but involving service that provides significant experience in joint matters, as determined under policies prescribed by the Secretary of Defense under section 661(a) of this title.".

SEC. 527. JOINT DUTY REQUIREMENT FOR PROMOTION TO ONE-STAR GRADES.

Section 619a of title 10, United States Code, is amended—

(1) in subsection (a), by striking ''section 664(f)'' and inserting ''section 664(d); and

(2) in subsection (b)—

(A) in paragraph (2), by striking ''scientific and technical qualifications'' and inserting ''career field specialty qualifications''; and

(B) in paragraph (4), by striking ''if—'' and all that follows and inserting a period.

Subtitle C—Education and Training

SEC. 541. ELIGIBILITY OF CHILDREN OF RESERVES FOR PRESIDENTIAL APPOINTMENT TO SERVICE ACADEMIES.

(a) UNITED STATES MILITARY ACADEMY.—Section 4342(b)(1) of title 10, United States Code, is amended—

(1) in subparagraph (B), by striking '', other than those granted retired pay under section 12731 of this title (or under section 1331 of this title as in effect before the effective date of the Reserve Officer Personnel Management Act)''; and

(2) by inserting after subparagraph (B) the following:

''(C) are serving as members of reserve components and are credited with at least eight

years of service computed under section 12733 of this title; or

"(D) would be, or who died while they would have been, entitled to retired pay under chapter 1223 of this title except for not having attained 60 years of age;".

(b) UNITED STATES NAVAL ACADEMY.—Section 6954(b)(1) of such title is amended—

(1) in subparagraph (B), by striking ", other than those granted retired pay under section 12731 of this title (or under section 1331 of this title as in effect before the effective date of the Reserve Officer Personnel Management Act)"; and

(2) by inserting after subparagraph (B) the following:

"(C) are serving as members of reserve components and are credited with at least eight years of service computed under section 12733 of this title; or

"(D) would be, or who died while they would have been, entitled to retired pay under chapter 1223 of this title except for not having attained 60 years of age;".

(c) UNITED STATES AIR FORCE ACADEMY.—Section 9342(b)(1) of such title is amended—

(1) in subparagraph (B), by striking ", other than those granted retired pay under section 12731 of this title (or under section 1331 of this title as in effect before the effective date of the Reserve Officer Personnel Management Act)"; and

(2) by inserting after subparagraph (B) the following:

"(C) are serving as members of reserve components and are credited with at least eight years of service computed under section 12733 of this title; or

"(D) would be, or who died while they would have been, entitled to retired pay under chapter 1223 of this title except for not having attained 60 years of age;".

SEC. 542. SELECTION OF FOREIGN STUDENTS TO RECEIVE INSTRUCTION AT SERVICE ACADEMIES.

(a) UNITED STATES MILITARY ACADEMY.—Section 4344(a) of title 10, United States Code, is amended by adding at the end the following:

"(3) In selecting persons to receive instruction under this section from among applicants from the countries approved under paragraph (2), the Secretary shall give a priority to persons who have a national service obligation to their countries upon graduation from the Academy.".

(b) UNITED STATES NAVAL ACADEMY.—Section 6957(a) of such title is amended by adding at the end the following:

''(3) In selecting persons to receive instruction under this section from among applicants from the countries approved under paragraph (2), the Secretary shall give a priority to persons who have a national service obligation to their countries upon graduation from the Academy.''.

(c) UNITED STATES AIR FORCE ACADEMY.—Section 9344(a) of such title is amended by adding at the end the following:

''(3) In selecting persons to receive instruction under this section from among applicants from the countries approved under paragraph (2), the Secretary shall give a priority to persons who have a national service obligation to their countries upon graduation from the Academy.''.

(d) EFFECTIVE DATE AND APPLICABILITY.—This section and the amendments made by this section shall take effect on October 1, 2000, and shall apply with respect to academic years that begin after that date.

SEC. 543. REPEAL OF CONTINGENT FUNDING INCREASE FOR JUNIOR RESERVE OFFICERS TRAINING CORPS.

(a) REPEAL.—(1) Section 2033 of title 10, United States Code, is repealed.

(2) The table of sections at the beginning of chapter 102 of such title is amended by striking the item relating to section 2033.

(b) EFFECTIVE DATE.—This section and the amendments made by this section shall take effect on October 1, 2000.

SEC. 544. REVISION OF AUTHORITY FOR MARINE CORPS PLATOON LEADERS CLASS TUITION ASSISTANCE PROGRAM.

(a) ELIGIBILITY OF OFFICERS.—Section 16401 of title 10, United States Code, is amended—

(1) in subsection (a), by striking ''enlisted'' in the matter preceding paragraph (1); and

(2) in subsection (b)(1)—

(A) by striking ''an enlisted member'' in the matter preceding subparagraph (A) and inserting ''a member''; and

(B) by striking ''an officer candidate in'' in subparagraph (A) and inserting ''a member of''.

(b) REPEAL OF AGE LIMITATIONS.—Subsection (b) of such section is amended—

(1) in paragraph (1)—

(A) by striking subparagraph (B);

(B) by redesignating subparagraphs (C) and (D) as subparagraphs (B) and (C), respectively; and

(C) in subparagraph (C), as so redesignated, by striking ''paragraph (3)'' and inserting ''paragraph (2)'';

(2) by striking subparagraph (2);

(3) by redesignating paragraph (3) as paragraph (2); and

(4) in paragraph (2), as so redesignated, by striking ''paragraph (1)(D)'' and inserting ''paragraph (1)(C)''.

(c) CANDIDATES FOR LAW DEGREES.—Subsection (a)(2) of such section is amended by striking ''three'' and inserting ''four''.

(d) INAPPLICABILITY OF SANCTION TO OFFICERS.—Subsection (f)(1) of such section is amended by striking ''A member'' and inserting ''An enlisted member''.

(e) AMENDMENTS OF HEADINGS.—(1) The heading for such section is amended to read as follows:

''§ 16401. Marine Corps Platoon Leaders Class tuition assistance program''.

(2) The heading for subsection (a) of such section is amended by striking ''FOR FINANCIAL ASSISTANCE PROGRAM''.

(f) CLERICAL AMENDMENT.—The item relating to such section in the table of chapters at the beginning of chapter 1611 of title 10, United States Code, is amended to read as follows:

"16401. Marine Corps Platoon Leaders Class tuition assistance program.".

Subtitle D—Matters Relating to Recruiting

SEC. 551. ARMY RECRUITING PILOT PROGRAMS.

(a) REQUIREMENT FOR PROGRAMS.—The Secretary of the Army shall carry out pilot programs to test various recruiting approaches under this section for the following purposes:

(1) To assess the effectiveness of the recruiting approaches for creating enhanced opportunities for recruiters to make direct, personal contact with potential recruits.

(2) To improve the overall effectiveness and efficiency of Army recruiting activities.

(b) OUTREACH THROUGH MOTOR SPORTS.—(1) One of the pilot programs shall be a pilot program of public outreach that associates the Army with motor sports competitions to achieve the objectives set forth in paragraph (2).

(2) The events and activities undertaken under the pilot program shall be designed to provide opportunities

for Army recruiters to make direct, personal contact with high school students to achieve the following objectives:

(A) To increase enlistments by students graduating from high school.

(B) To reduce attrition in the Delayed Entry Program of the Army by sustaining the personal commitment of students who have elected delayed entry into the Army under the program.

(3) Under the pilot program, the Secretary shall provide for the following:

(A) For Army recruiters or other Army personnel—

(i) to organize Army sponsored career day events in association with national motor sports competitions; and

(ii) to arrange for or encourage attendance at the competitions by high school students, teachers, guidance counselors, and administrators of high schools located near the competitions.

(B) For Army recruiters and other soldiers to attend national motor sports competitions—

(i) to display exhibits depicting the contemporary Army and career opportunities in the Army; and

(ii) to discuss those opportunities with potential recruits.

(C) For the Army to sponsor a motor sports racing team as part of an integrated program of recruitment and publicity for the Army.

(D) For the Army to sponsor motor sports competitions for high school students at which recruiters meet with potential recruits.

(E) For Army recruiters or other Army personnel to compile in an Internet accessible database the names, addresses, telephone numbers, and electronic mail addresses of persons who are identified as potential recruits through activities under the pilot program.

(F) Any other activities associated with motor sports competition that the Secretary determines appropriate for Army recruitment purposes.

(c) OUTREACH AT VOCATIONAL SCHOOLS AND COMMUNITY COLLEGES.—(1) One of the pilot programs shall be a pilot program under which Army recruiters are assigned at postsecondary vocational institutions and community colleges for the purpose of recruiting students graduating from those institutions and colleges, recent graduates of those institutions and colleges, and students

withdrawing from enrollments in those institutions and colleges.

(2) The Secretary shall select the institutions and colleges to be invited to participate in the pilot program.

(3) The conduct of the pilot program at an institution or college shall be subject to an agreement which the Secretary shall enter into with the governing body or authorized official of the institution or college, as the case may be.

(4) Under the pilot program, the Secretary shall provide for the following:

(A) For Army recruiters to be placed in postsecondary vocational institutions and community colleges to serve as a resource for guidance counselors and to recruit for the Army.

(B) For Army recruiters to recruit from among students and graduates described in paragraph (1).

(C) For the use of telemarketing, direct mail, interactive voice response systems, and Internet website capabilities to assist the recruiters in the postsecondary vocational institutions and community colleges.

(D) For any other activities that the Secretary determines appropriate for recruitment activities in

postsecondary vocational institutions and community colleges.

(5) In this subsection, the term ''postsecondary vocational institution'' has the meaning given the term in section 102(c) of the Higher Education Act of 1965 (20 U.S.C. 1002(c)).

(d) CONTRACT RECRUITING INITIATIVES.—(1) One of the pilot programs shall be a program that expands in accordance with this subsection the scope of the Army's contract recruiting initiatives that are ongoing as of the date of the enactment of this Act. Under the pilot program, the Secretary shall select at least five recruiting battalions to apply the initiatives in efforts to recruit personnel for the Army.

(2) Under the pilot program, the Secretary shall provide for the following:

(A) For replacement of the Regular Army recruiters by contract recruiters in the five recruiting battalions selected under paragraph (1).

(B) For operation of the five battalions under the same rules and chain of command as the other Army recruiting battalions.

(C) For use of the offices, facilities, and equipment of the five battalions by the contract recruiters.

(D) For reversion to performance of the recruiting activities by Regular Army soldiers in the five battalions upon termination of the pilot program.

(E) For any other uses of contractor personnel for Army recruiting activities that the Secretary determines appropriate.

(e) DURATION OF PILOT PROGRAMS.—The pilot programs required by this section shall be carried out during the period beginning on October 1, 2000, and, subject to subsection (f), ending on December 31, 2005.

(f) AUTHORITY TO EXPAND OR EXTEND PILOT PROGRAMS.—The Secretary may expand the scope of any of the pilot programs (under subsection (b)(3)(F), (c)(4)(D), (d)(2)(E), or otherwise) or extend the period for any of the pilot programs. Before doing so in the case of a pilot program, the Secretary shall submit to the Committees on Armed Services of the Senate and the House of Representatives a written notification of the expansion of the pilot program (together with the scope of the expansion) or the continuation of the pilot program (together with the period of the extension), as the case may be.

(g) RELATIONSHIP TO OTHER LAW.—The Secretary may exercise the authority to carry out a pilot program under this section without regard to any other provision

of law that, except for this subsection, would otherwise restrict the actions taken by the Secretary under that authority.

(h) REPORTS.—Not later than February 1, 2006, the Secretary of the Army shall submit to the Committees on Armed Services of the Senate and the House of Representatives a separate report on each of the pilot programs carried out under this section. The report on a pilot program shall include the following:

(1) The Secretary's assessment of the value of the actions taken in the administration of the pilot program for increasing the effectiveness and efficiency of Army recruiting.

(2) Any recommendations for legislation or other action that the Secretary considers appropriate to increase the effectiveness and efficiency of Army recruiting.

SEC. 552. ENHANCEMENT OF THE JOINT AND SERVICE RECRUITMENT MARKET RESEARCH AND ADVERTISING PROGRAMS.

The Secretary of Defense shall take appropriate actions to enhance the effectiveness of the Joint and Service Recruiting and Advertising Programs through an aggressive program of advertising and market research targeted to prospective recruits for the Armed Forces and to per-

sons who influence prospective recruits. Chapter 35 of title 44, United States Code, shall not apply to actions taken under this section.

SEC. 553. ACCESS TO SECONDARY SCHOOLS FOR MILITARY RECRUITING PURPOSES.

(a) REQUIREMENT FOR ACCESS.—Section 503(c) of title 10, United States Code, is amended to read as follows:

''(c) ACCESS TO SECONDARY SCHOOLS.—(1) Each local educational agency shall provide to the Department of Defense, upon a request made for military recruiting purposes, the same access to secondary school students, and to directory information concerning such students, as is provided generally to post-secondary educational institutions or to prospective employers of those students, except as provided in paragraph (5).

''(2) If a local educational agency denies a request for recruiting access that must be granted under paragraph (1), the Secretary of the military department for which the request is made shall designate a general or flag officer of the armed force concerned or a senior executive of that military department to visit the local educational agency for the purpose of arranging for recruiting access. The designated officer or senior executive shall make the

visit within 120 days after the date of the denial of the request.

"(3) Upon a determination by the Secretary of Defense that, after the actions under paragraph (2) have been taken with respect to a local educational agency, the agency continues to deny recruiting access, the Secretary shall transmit to the Chief Executive of the State in which the local educational agency is located a notification of the denial of access and a request for assistance in obtaining the requested access. The notification shall be transmitted within 60 days after the date of the determination. The Secretary shall provide copies of communications between the Secretary and a Chief Executive under this subparagraph to the Secretary of Education.

"(4) If a local educational agency continues to deny recruiting access one year after the date of the transmittal of a notification regarding that agency under paragraph (3), the Secretary shall—

"(A) determine whether the agency denies recruiting access to at least two of the armed forces (other than the Coast Guard when it is not operating as a service in the Navy); and

"(B) upon making an affirmative determination under subparagraph (A), transmit a notification of the denial of recruiting access to—

"(i) the Committees on Armed Services of the Senate and the House of Representatives;

"(ii) the Senators of the State in which the local educational agency operates; and

"(iii) the member of the House of Representatives who represents the district in which the local educational agency operates.

"(5) The requirements of this subsection do not apply to a local educational agency with respect to access to secondary school students or access to directory information concerning such students during any period that there is in effect a policy of the agency, established by majority vote of the governing body of the agency, to deny access to the students or to the directory information, respectively, for military recruiting purposes.

"(6) In this subsection:

"(A) The term 'local educational agency' includes a private secondary educational institution.

"(B) The term 'recruiting access' means access requested as described in paragraph (1).

"(C) The term 'senior executive' has the meaning given that term in section 3132(a)(3) of title 5.

"(D) The term 'State' includes the District of Columbia, American Samoa, the Federated States of Micronesia, Guam, the Republic of the Marshall Is-

lands, the Commonwealth of the Northern Mariana Islands, the Commonwealth of Puerto Rico, the Republic of Palau, and the United States Virgin Islands.''.

(b) TECHNICAL AMENDMENTS.—Section 503 of title 10, United States Code, is amended—

(1) in subsection (a), by inserting ''RECRUITING CAMPAIGNS.—'' after ''(a)'';

(2) in subsection (b), by inserting ''COMPILATION OF DIRECTORY INFORMATION.—'' after ''(b)''; and

(3) in subsection (c), by inserting ''ACCESS TO SECONDARY SCHOOLS.—'' after ''(c)''.

(c) EFFECTIVE DATES.—(1) The amendment made by subsection (a) shall take effect on July 1, 2002.

(2) The amendments made by subsection (b) shall take effect on the date of the enactment of this Act.

Subtitle E—Military Voting Rights Act of 2000

SEC. 561. SHORT TITLE.

This subtitle may be cited as the ''Military Voting Rights Act of 2000''.

SEC. 562. GUARANTEE OF RESIDENCY.

Article VII of the Soldiers' and Sailors' Civil Relief Act of 1940 (50 U.S.C. 700 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.''.

SEC. 563. STATE RESPONSIBILITY TO GUARANTEE MILITARY VOTING RIGHTS.

(a) REGISTRATION AND BALLOTING.—Section 102 of the Uniformed and Overseas Absentee Voting Act (42 U.S.C. 1973ff–1) is amended—

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

(2) 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 run-off 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.".

(b) CONFORMING AMENDMENT.—The heading for title I of such Act is amended by striking out "**FOR FEDERAL OFFICE**".

Subtitle F—Other Matters

SEC. 571. AUTHORITY FOR AWARD OF MEDAL OF HONOR TO CERTAIN SPECIFIED PERSONS.

(a) INAPPLICABILITY OF TIME LIMITATIONS.—Notwithstanding the time limitations in section 3744(b) of title 10, United States Code, or any other time limitation, the President may award the Medal of Honor under section 3741 of such title to the persons specified in subsection (b) for the acts specified in that subsection, the award of the Medal of Honor to such persons having been

determined by the Secretary of the Army to be warranted in accordance with section 1130 of such title.

(b) PERSONS ELIGIBLE TO RECEIVE THE MEDAL OF HONOR.—The persons referred to in subsection (a) are the following:

(1) Ed W. Freeman, for conspicuous acts of gallantry and intrepidity at the risk of his life and beyond the call of duty on November 14, 1965, as flight leader and second-in-command of a helicopter lift unit at landing zone X–Ray in the Battle of the Ia Drang Valley, Republic of Vietnam, during the Vietnam War, while serving in the grade of Captain in Alpha Company, 229th Assault Helicopter Battalion, 101st Cavalry Division (Airmobile).

(2) James K. Okubo, for conspicuous acts of gallantry and intrepidity at the risk of his life and beyond the call of duty on October 28 and 29, and November 4, 1944, at Foret Domaniale de Champ, near Biffontaine, France, during World War II, while serving as an Army medic in the grade of Technician Fifth Grade in the medical detachment, 442d Regimental Combat Team.

(3) Andrew J. Smith, for conspicuous acts of gallantry and intrepidity at the risk of his life and beyond the call of duty on November 30, 1864, in

the Battle of Honey Hill, South Carolina, during the Civil War, while serving as a corporal in the 55th Massachusetts Voluntary Infantry Regiment.

(c) POSTHUMOUS AWARD.—The Medal of Honor may be awarded under this section posthumously, as provided in section 3752 of title 10, United States Code.

(d) PRIOR AWARD.—The Medal of Honor may be awarded under this section for service for which a Silver Star, or other award, has been awarded.

SEC. 572. 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 concerned to be warranted in accordance with section 1130 of title 10, United States Code.

(b) SILVER STAR.—Subsection (a) applies to the award of the Silver Star to Louis Rickler, of Rochester, New York, for gallantry in action from August 18 to November 18, 1918, while serving as a member of the Army.

(c) DISTINGUISHED FLYING CROSS.—Subsection (a) applies to the 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 concerning whom the Secretary of the Navy (or an officer of the Navy acting on behalf of the Secretary) submitted to the Committee on Armed Services of the House of Representatives and the Committee on Armed Services of the Senate, during the period beginning on October 5, 1999, and ending on the day 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. 573. INELIGIBILITY FOR INVOLUNTARY SEPARATION PAY UPON DECLINATION OF SELECTION FOR CONTINUATION ON ACTIVE DUTY.

(a) INELIGIBILITY.—Section 1174(a)(1) of title 10, United States Code, is amended—

(1) by inserting ", 637(a)(4)," after "section 630(1)(A)"; and

(2) by inserting "(except under section 580(e)(2))" after "section 580".

(b) EFFECTIVE DATE AND APPLICABILITY.—The amendments made by subsection (a) shall take effect on October 1, 2000, and shall apply with respect to discharges and retirements from active duty that take effect under section 580(e)(2) or 637(a)(4) of title 10, United States Code, on or after that date.

SEC. 574. RECOGNITION BY STATES OF MILITARY TESTAMENTARY INSTRUMENTS.

(a) IN GENERAL.—Chapter 53 of title 10, United States Code, is amended by inserting after section 1044c the following new section:

"§ 1044d. Military testamentary instruments: requirement for recognition by States

''(a) TESTAMENTARY INSTRUMENTS TO BE GIVEN LEGAL EFFECT.—A military testamentary instrument—

''(1) is exempt from any requirement of form, formality, or recording before probate that is provided for testamentary instruments under the laws of a State; and

''(2) has the same legal effect as a testamentary instrument prepared and executed in accordance with the laws of the State in which it is presented for probate.

''(b) MILITARY TESTAMENTARY INSTRUMENTS.—For purposes of this section, a military testamentary in-

strument is an instrument that is prepared with testamentary intent in accordance with regulations prescribed under this section and that—

"(1) is executed in accordance with subsection (c) by (or on behalf of) a person, as a testator, who is eligible for military legal assistance;

"(2) makes a disposition of property of the testator; and

"(3) takes effect upon the death of the testator.

"(c) REQUIREMENTS FOR EXECUTION OF MILITARY TESTAMENTARY INSTRUMENTS.—An instrument is valid as a military testamentary instrument only if—

"(1) the instrument is executed by the testator (or, if the testator is unable to execute the instrument personally, the instrument is executed in the presence of, by the direction of, and on behalf of the testator);

"(2) the instrument is executed in the presence of a military legal assistance counsel acting as presiding attorney;

"(3) the instrument is executed in the presence of at least two disinterested witnesses (in addition to the presiding attorney), each of whom attests to witnessing the testator's execution of the instrument by signing it; and

"(4) the instrument is executed in accordance with such additional requirements as may be provided in regulations prescribed under this section.

"(d) SELF-PROVING MILITARY TESTAMENTARY INSTRUMENTS.—(1) If the document setting forth a military testamentary instrument meets the requirements of paragraph (2), then the signature of a person on the document as the testator, an attesting witness, a notary, or the presiding attorney, together with a written representation of the person's status as such and the person's military grade (if any) or other title, is prima facie evidence of the following:

"(A) That the signature is genuine.

"(B) That the signatory had the represented status and title at the time of the execution of the will.

"(C) That the signature was executed in compliance with the procedures required under the regulations prescribed under subsection (f).

"(2) A document setting forth a military testamentary instrument meets the requirements of this paragraph if it includes (or has attached to it), in a form and content required under the regulations prescribed under subsection (f), each of the following:

"(A) A certificate, executed by the testator, that includes the testator's acknowledgment of the testamentary instrument.

"(B) An affidavit, executed by each witness signing the testamentary instrument, that attests to the circumstances under which the testamentary instrument was executed.

"(C) A notarization, including a certificate of any administration of an oath required under the regulations, that is signed by the notary or other official administering the oath.

"(e) STATEMENT TO BE INCLUDED.—(1) Under regulations prescribed under this section, each military testamentary instrument shall contain a statement that sets forth the provisions of subsection (a).

"(2) Paragraph (1) shall not be construed to make inapplicable the provisions of subsection (a) to a testamentary instrument that does not include a statement described in that paragraph.

"(f) REGULATIONS.—Regulations for the purposes of this section shall be prescribed jointly by the Secretary of Defense and by the Secretary of Transportation with respect to the Coast Guard when it is not operating as a service in the Department of the Navy.

"(g) DEFINITIONS.—In this section:

"(1) The term 'person eligible for military legal assistance' means a person who is eligible for legal assistance under section 1044 of this title.

"(2) The term 'military legal assistance counsel' means—

"(A) a judge advocate (as defined in section 801(13) of this title); or

"(B) a civilian attorney serving as a legal assistance officer under the provisions of section 1044 of this title.

"(3) The term 'State' includes the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, and each possession of the United States.".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1044c the following new item:

"1044d. Military testamentary instruments: requirement for recognition by States.".

SEC. 575. SENSE OF CONGRESS ON THE COURT-MARTIAL CONVICTION OF CAPTAIN CHARLES BUTLER McVAY, COMMANDER OF THE U.S.S. INDIANAPOLIS, AND ON THE COURAGEOUS SERVICE OF ITS CREW.

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

(1) Shortly after midnight on the morning of July 30, 1945, the United States Navy heavy cruiser U.S.S. Indianapolis (CA–35) was torpedoed and sunk by the Japanese submarine I–58 in what became the worst sea disaster in the history of the United States Navy.

(2) Although approximately 900 of the ship's crew of 1,196 survived the actual sinking, only 316 of those courageous sailors survived when rescued after four and a half days adrift in the open sea.

(3) Nearly 600 of the approximately 900 men who survived the sinking perished from battle wounds, drowning, predatory shark attacks, exposure to the elements, and lack of food and potable water.

(4) Rescue came for the remaining 316 sailors when they were spotted by chance by Navy Lieutenant Wilbur C. Gwinn while flying a routine naval air patrol mission.

(5) After the end of World War II, the commanding officer of the U.S.S. Indianapolis, Captain Charles Butler McVay, who was rescued with the other survivors, was court-martialed for ''suffering a vessel to be hazarded through negligence'' by failing to zigzag (a naval tactic employed to help evade submarine attacks), and was convicted even though—

(A) the choice to zigzag was left to Captain McVay's discretion in his orders; and

(B) Motchisura Hashimoto, the commander of the Japanese submarine that sank the U.S.S. Indianapolis, and Glynn R. Donaho, a United States Navy submarine commander highly decorated for his service during World War II, both testified at Captain McVay's court-martial trial that the Japanese submarine could have sunk the U.S.S. Indianapolis whether or not it had been zigzagging, an assertion that the Japanese submarine commander has since reaffirmed in a letter to the Chairman of the Committee on Armed Services of the Senate.

(6) Although not argued by Captain McVay's defense counsel in the court-martial trial, poor visibility on the night of the sinking (as attested in sur-

viving crew members' handwritten accounts recently discovered at the National Archives) justified Captain McVay's choice not to zigzag as that choice was consistent with the applicable Navy directives in force in 1945, which stated that, ''During thick weather and at night, except on very clear nights or during bright moonlight, vessels normally cease zigzagging.''.

(7) Naval officials failed to provide Captain McVay with available support that was critical to the safety of the U.S.S. Indianapolis and its crew on what became its final mission by—

(A) disapproving a request made by Captain McVay for a destroyer escort for the U.S.S. Indianapolis across the Philippine Sea as being ''not necessary'';

(B) not informing Captain McVay that naval intelligence sources, through signal intelligence (the Japanese code having been broken earlier in World War II), had become aware that the Japanese submarine I–58 was operating in the area of the U.S.S. Indianapolis' course (as disclosed in evidence presented in a hearing of the Committee on Armed Services of the Senate); and

(C) not informing Captain McVay of the sinking of the destroyer escort U.S.S. Underhill by a Japanese submarine within range of the course of the U.S.S. Indianapolis four days before the U.S.S. Indianapolis departed Guam on its fatal voyage.

(8) Captain McVay's court-martial initially was opposed by his immediate command superiors, Fleet Admiral Chester Nimitz (CINCPAC) and Vice Admiral Raymond Spruance of the 5th fleet, for which the U.S.S. Indianapolis served as flagship, but, despite their recommendations, Secretary of the Navy James Forrestal ordered the court-martial, largely on the basis of the recommendation of Admiral King, Chief of Naval Operations.

(9) There is no explanation on the public record for Secretary Forestal's overruling of the recommendations made by Admirals Nimitz and Spruance.

(10) Captain McVay was the only commander of a United States Navy vessel lost in combat to enemy action during World War II who was subjected to a court-martial trial for such a loss, even though several hundred United States Navy ships

were lost in combat to enemy action during World War II.

(11) The survivors of the U.S.S. Indianapolis overwhelmingly conclude that McVay was not at fault and have dedicated their lives to vindicating their Captain, Charles McVay, but time is running out for the 130 remaining members of the crew in their united and steadfast quest to clear their Captain's name.

(12) Although Captain McVay was promoted to Rear Admiral upon retirement from the Navy, he never recovered from the stigma of his post-war court-martial and in 1968, tragically, took his own life.

(13) Captain McVay was a graduate of the United States Naval Academy, was an exemplary career naval officer with an outstanding record (including participation in the amphibious invasions of North Africa, the assault on Iwo Jima, and the assault on Okinawa where he survived a fierce kamikaze attack), was a recipient of the Silver Star earned for courage under fire during the Solomon Islands campaign, and, with his crew, had so thoroughly demonstrated proficiency in naval warfare that the Navy entrusted Captain McVay and the

crew with transporting, on their fatal cruise, the components necessary for assembling the atomic bombs that were exploded over Hiroshima and Nagasaki to end the war with Japan.

(b) SENSE OF CONGRESS.—(1) It is the sense of Congress, on the basis of the facts presented in a public hearing conducted by the Committee on Armed Services of the Senate on September 14, 1999, including evidence not available at the time of Captain Charles Butler McVay's court-martial, and on the basis of extensive interviews and questioning of witnesses and knowledgeable officials and a review of the record of the court-martial for and in that hearing, that—

(A) recognizing that the Secretary of the Navy remitted the sentence of the court-martial and that Admiral Nimitz, as Chief of Naval Operations, restored Captain McVay to active duty, the American people should now recognize Captain McVay's lack of culpability for the tragic loss of the U.S.S. Indianapolis and the lives of the men who died as a result of her sinking; and

(B) knowing that vital information was not available to the court-martial board and that, as a result, Captain McVay was convicted, Captain

McVay's military record should now reflect that he is exonerated for the loss of the ship and its crew.

(2) It is, further, the sense of Congress that Congress strongly encourages the Secretary of the Navy to award a Navy Unit Commendation to the U.S.S. Indianapolis and its final crew.

SEC. 576. SENIOR OFFICERS IN COMMAND IN HAWAII ON DECEMBER 7, 1941.

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

(1) Rear Admiral Husband E. Kimmel, formerly the Commander in Chief of the United States Fleet and the Commander in Chief, United States Pacific Fleet, had an excellent and unassailable record throughout his career in the United States Navy prior to the December 7, 1941, attack on Pearl Harbor.

(2) Major General Walter C. Short, formerly the Commander of the United States Army Hawaiian Department, had an excellent and unassailable record throughout his career in the United States Army prior to the December 7, 1941, attack on Pearl Harbor.

(3) Numerous investigations following the attack on Pearl Harbor have documented that Admiral

Kimmel and Lieutenant General Short were not provided necessary and critical intelligence that was available, that foretold of war with Japan, that warned of imminent attack, and that would have alerted them to prepare for the attack, including such essential communiques as the Japanese Pearl Harbor Bomb Plot message of September 24, 1941, and the message sent from the Imperial Japanese Foreign Ministry to the Japanese Ambassador in the United States from December 6 to 7, 1941, known as the Fourteen-Part Message.

(4) On December 16, 1941, Admiral Kimmel and Lieutenant General Short were relieved of their commands and returned to their permanent ranks of rear admiral and major general.

(5) Admiral William Harrison Standley, who served as a member of the investigating commission known as the Roberts Commission that accused Admiral Kimmel and Lieutenant General Short of ''dereliction of duty'' only six weeks after the attack on Pearl Harbor, later disavowed the report maintaining that ''these two officers were martyred'' and ''if they had been brought to trial, both would have been cleared of the charge''.

(6) On October 19, 1944, a Naval Court of Inquiry exonerated Admiral Kimmel on the grounds that his military decisions and the disposition of his forces at the time of the December 7, 1941, attack on Pearl Harbor were proper ''by virtue of the information that Admiral Kimmel had at hand which indicated neither the probability nor the imminence of an air attack on Pearl Harbor''; criticized the higher command for not sharing with Admiral Kimmel ''during the very critical period of November 26 to December 7, 1941, important information . . . regarding the Japanese situation''; and, concluded that the Japanese attack and its outcome was attributable to no serious fault on the part of anyone in the naval service.

(7) On June 15, 1944, an investigation conducted by Admiral T. C. Hart at the direction of the Secretary of the Navy produced evidence, subsequently confirmed, that essential intelligence concerning Japanese intentions and war plans was available in Washington but was not shared with Admiral Kimmel.

(8) On October 20, 1944, the Army Pearl Harbor Board of Investigation determined that Lieutenant General Short had not been kept ''fully advised

of the growing tenseness of the Japanese situation which indicated an increasing necessity for better preparation for war''; detailed information and intelligence about Japanese intentions and war plans were available in ''abundance'' but were not shared with the General Short's Hawaii command; and General Short was not provided ''on the evening of December 6th and the early morning of December 7th, the critical information indicating an almost immediate break with Japan, though there was ample time to have accomplished this''.

(9) The reports by both the Naval Court of Inquiry and the Army Pearl Harbor Board of Investigation were kept secret, and Rear Admiral Kimmel and Major General Short were denied their requests to defend themselves through trial by court-martial.

(10) The joint committee of Congress that was established to investigate the conduct of Admiral Kimmel and Lieutenant General Short completed, on May 31, 1946, a 1,075-page report which included the conclusions of the committee that the two officers had not been guilty of dereliction of duty.

(11) The then Chief of Naval Personnel, Admiral J. L. Holloway, Jr., on April 27, 1954, recommended that Admiral Kimmel be advanced in

rank in accordance with the provisions of the Officer Personnel Act of 1947.

(12) On November 13, 1991, a majority of the members of the Board for the Correction of Military Records of the Department of the Army found that Lieutenant General Short ''was unjustly held responsible for the Pearl Harbor disaster'' and that ''it would be equitable and just'' to advance him to the rank of lieutenant general on the retired list.

(13) In October 1994, the then Chief of Naval Operations, Admiral Carlisle Trost, withdrew his 1988 recommendation against the advancement of Admiral Kimmel and recommended that the case of Admiral Kimmel be reopened.

(14) Although the Dorn Report, a report on the results of a Department of Defense study that was issued on December 15, 1995, did not provide support for an advancement of Rear Admiral Kimmel or Major General Short in grade, it did set forth as a conclusion of the study that ''responsibility for the Pearl Harbor disaster should not fall solely on the shoulders of Admiral Kimmel and Lieutenant General Short, it should be broadly shared''.

(15) The Dorn Report found that ''Army and Navy officials in Washington were privy to inter-

cepted Japanese diplomatic communications . . . which provided crucial confirmation of the imminence of war''; that ''the evidence of the handling of these messages in Washington reveals some ineptitude, some unwarranted assumptions and misestimations, limited coordination, ambiguous language, and lack of clarification and followup at higher levels''; and, that ''together, these characteristics resulted in failure . . . to appreciate fully and to convey to the commanders in Hawaii the sense of focus and urgency that these intercepts should have engendered''.

(16) On July 21, 1997, Vice Admiral David C. Richardson (United States Navy, retired) responded to the Dorn Report with his own study which confirmed findings of the Naval Court of Inquiry and the Army Pearl Harbor Board of Investigation and established, among other facts, that the war effort in 1941 was undermined by a restrictive intelligence distribution policy, and the degree to which the commanders of the United States forces in Hawaii were not alerted about the impending attack on Hawaii was directly attributable to the withholding of intelligence from Admiral Kimmel and Lieutenant General Short.

(17) The Officer Personnel Act of 1947, in establishing a promotion system for the Navy and the Army, provided a legal basis for the President to honor any officer of the Armed Forces of the United States who served his country as a senior commander during World War II with a placement of that officer, with the advice and consent of the Senate, on the retired list with the highest grade held while on the active duty list.

(18) Rear Admiral Kimmel and Major General Short are the only two eligible officers from World War II who were excluded from the list of retired officers presented for advancement on the retired lists to their highest wartime ranks under the terms of the Officer Personnel Act of 1947.

(19) This singular exclusion from advancement on the retired list serves only to perpetuate the myth that the senior commanders in Hawaii were derelict in their duty and responsible for the success of the attack on Pearl Harbor, a distinct and unacceptable expression of dishonor toward two of the finest officers who have served in the Armed Forces of the United States.

(20) Major General Walter Short died on September 23, 1949, and Rear Admiral Husband Kim-

mel died on May 14, 1968, without the honor of having been returned to their wartime ranks as were their fellow veterans of World War II.

(21) The Veterans of Foreign Wars, the Pearl Harbor Survivors Association, the Admiral Nimitz Foundation, the Naval Academy Alumni Association, the Retired Officers Association, and the Pearl Harbor Commemorative Committee, and other associations and numerous retired military officers have called for the rehabilitation of the reputations and honor of Admiral Kimmel and Lieutenant General Short through their posthumous advancement on the retired lists to their highest wartime grades.

(b) ADVANCEMENT OF REAR ADMIRAL KIMMEL AND MAJOR GENERAL SHORT ON RETIRED LISTS.—(1) The President is requested—

(A) to advance the late Rear Admiral Husband E. Kimmel to the grade of admiral on the retired list of the Navy; and

(B) to advance the late Major General Walter C. Short to the grade of lieutenant general on the retired list of the Army.

(2) Any advancement in grade on a retired list requested under paragraph (1) 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 officer advanced.

(c) SENSE OF CONGRESS REGARDING THE PROFESSIONAL PERFORMANCE OF ADMIRAL KIMMEL AND LIEUTENANT GENERAL SHORT.—It is the sense of Congress that—

(1) the late Rear Admiral Husband E. Kimmel performed his duties as Commander in Chief, United States Pacific Fleet, competently and professionally, and, therefore, the losses incurred by the United States in the attacks on the naval base at Pearl Harbor, Hawaii, and other targets on the island of Oahu, Hawaii, on December 7, 1941, were not a result of dereliction in the performance of those duties by the then Admiral Kimmel; and

(2) the late Major General Walter C. Short performed his duties as Commanding General, Hawaiian Department, competently and professionally, and, therefore, the losses incurred by the United States in the attacks on Hickam Army Air Field and Schofield Barracks, Hawaii, and other targets on the island of Oahu, Hawaii, on December 7, 1941, were not a result of dereliction in the performance of those duties by the then Lieutenant General Short.

SEC. 577. VERBATIM RECORDS IN SPECIAL COURTS-MARTIAL.

(a) WHEN REQUIRED.—Subsection (c)(1)(B) of section 854 of title 10, United States Code (article 54 of the Uniform Code of Military Justice), is amended by inserting after ''bad-conduct discharge'' the following: '', confinement for more than six months, or forfeiture of pay for more than six months''.

(b) RETROACTIVE EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect as of April 1, 2000, and shall apply with respect to charges referred on or after that date to trial by special courts-martial.

SEC. 578. MANAGEMENT AND PER DIEM REQUIREMENTS FOR MEMBERS SUBJECT TO LENGTHY OR NUMEROUS DEPLOYMENTS.

(a) MANAGEMENT OF DEPLOYMENTS OF MEMBERS.—Section 586(a) of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 637) is amended in the text of section 991 of title 10, United States Code, set forth in such section 586(a)—

(1) in subsection (a), by striking ''an officer in the grade of general or admiral'' in the second sentence and inserting ''the designated component commander for the member's armed force''; and

(2) in subsection (b)—

(A) in paragraph (1), by inserting ''or homeport, as the case may'' before the period at the end;

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

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

''(2) In the case of a member of a reserve component performing active service, the member shall be considered deployed or in a deployment for the purposes of paragraph (1) on any day on which, pursuant to orders that do not establish a permanent change of station, the member is performing the active service at a location that—

''(A) is not the member's permanent training site; and

''(B) is—

''(i) at least 100 miles from the member's permanent residence; or

''(ii) a lesser distance from the member's permanent residence that, under the circumstances applicable to the member's travel, is a distance that requires at least three hours of travel to traverse.''; and

(D) in paragraph (3), as redesignated by subparagraph (B) of this paragraph—

(i) by striking ''or'' at the end of subparagraph (A);

(ii) by striking the period at the end of subparagraph (B) and inserting ''; or''; and

(iii) by adding at the end the following:

''(C) unavailable solely because of—

''(i) a hospitalization of the member at the member's permanent duty station or homeport or in the immediate vicinity of the member's permanent residence; or

''(ii) a disciplinary action taken against the member.''.

(b) ASSOCIATED PER DIEM ALLOWANCE.—Section 586(b) of that Act (113 Stat. 638) is amended in the text of section 435 of title 37, United States Code, set forth in such section 586(b)—

(1) in subsection (a), by striking ''251 days or more out of the preceding 365 days'' and inserting ''501 or more days out of the preceding 730 days''; and

(2) in subsection (b), by striking ''prescribed under paragraph (3)'' and inserting ''prescribed under paragraph (4)''.

(c) REVIEW OF MANAGEMENT OF DEPLOYMENTS OF INDIVIDUAL MEMBERS.— Not later than March 31, 2002, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on the administration of section 991 of title 10, United States Code (as added by section 586(a) of the National Defense Authorization Act for Fiscal Year 2000), during the first year that such section 991 is in effect. The report shall include—

(1) a discussion of the experience in tracking and recording the deployments of members of the Armed Forces; and

(2) any recommendations for revision of such section 991 that the Secretary considers appropriate.

SEC. 579. EXTENSION OF TRICARE MANAGED CARE SUPPORT CONTRACTS.

(a) AUTHORITY.—Notwithstanding any other provision of law, the TRICARE managed care support contracts in effect, or in final stages of acquisition as of September 30, 1999, may be extended for four years, subject to subsection (b).

(b) CONDITIONS.—Any extension of a contract under paragraph (1)—

(1) may be made only if the Secretary of Defense determines that it is in the best interest of the Government to do so; and

(2) shall be based on the price in the final best and final offer for the last year of the existing contract as adjusted for inflation and other factors mutually agreed to by the contractor and the Government.

SEC. 580. PREPARATION, PARTICIPATION, AND CONDUCT OF ATHLETIC COMPETITIONS AND SMALL ARMS COMPETITIONS BY THE NATIONAL GUARD AND MEMBERS OF THE NATIONAL GUARD.

(a) PREPARATION AND PARTICIPATION OF MEMBERS GENERALLY.—Subsection (a) of section 504 of title 32, United States Code, is amended—

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

(2) in paragraph (3)—

(A) by inserting ''prepare for and'' before ''participate''; and

(B) by striking the period at the end and inserting ''; or''; and

(3) by adding at the end the following:

"(4) prepare for and participate in qualifying athletic competitions.".

(b) CONDUCT OF COMPETITIONS.—That section is further amended by adding at the end the following new subsection:

"(c)(1) Units of the National Guard may conduct small arms competitions and athletic competitions in conjunction with training required under this chapter if such activities would meet the requirements set forth in paragraphs (1), (3), and (4) of section 508(a) of this title if such activities were services to be provided under that section.

"(2) Facilities and equipment of the National Guard, including military property and vehicles described in section 508(c) of this title, may be used in connection with activities under paragraph (1).".

(c) AVAILABILITY OF FUNDS.—That section is further amended by adding at the end the following new subsection:

"(d) Subject to provisions of appropriations Acts, amounts appropriated for the National Guard may be used in order to cover the costs of activities under subsection (c) and of expenses of members of the National Guard under paragraphs (3) and (4) of subsection (a), including expenses of attendance and participation fees,

travel, per diem, clothing, equipment, and related expenses.''.

(d) QUALIFYING ATHLETIC COMPETITIONS DEFINED.—That section is further amended by adding at the end the following new subsection:

''(e) In this section, the term 'qualifying athletic competition' means a competition in athletic events that require skills relevant to military duties or involve aspects of physical fitness that are evaluated by the armed forces in determining whether a member of the National Guard is fit for military duty.''.

(e) CONFORMING AND CLERICAL AMENDMENTS.—(1) The section heading of such section is amended to read as follows:

''§ 504. National Guard schools; small arms competitions; athletic competitions''.

(2) The table of sections at the beginning of chapter 5 of that title is amended by striking the item relating to section 504 and inserting the following new item:

''504. National Guard schools; small arms competitions; athletic competitions.''.

TITLE VI—COMPENSATION AND OTHER PERSONNEL BENEFITS

Subtitle A—Pay and Allowances

SEC. 601. INCREASE IN BASIC PAY FOR FISCAL YEAR 2001.

(a) WAIVER OF SECTION 1009 ADJUSTMENT.—The adjustment to become effective during fiscal year 2001 re-

quired by section 1009 of title 37, United States Code, in the rates of monthly basic pay authorized members of the uniformed services shall not be made.

(b) INCREASE IN BASIC PAY.—Effective on January 1, 2001, the rates of monthly basic pay for members of the uniformed services are increased by 3.7 percent.

SEC. 602. CORRECTIONS FOR BASIC PAY TABLES.

Section 601(c) of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65) is amended—

(1) in footnote 2 under the first table (113 Stat. 646), relating to commissioned officers, by striking "$12,441.00" and inserting "$12,488.70"; and

(2) in footnote 2 under the fourth table (113 Stat. 648), relating to enlisted members, by striking "$4,701.00" and inserting "$4,719.00".

SEC. 603. PAY IN LIEU OF ALLOWANCE FOR FUNERAL HONORS DUTY.

(a) COMPENSATION AT RATE FOR INACTIVE-DUTY TRAINING.—(1) Section 115(b)(2) of title 32, United States Code, is amended to read as follows:

"(2) as directed by the Secretary concerned, either—

"(A) the allowance under section 435 of title 37; or

"(B) compensation under section 206 of title 37.".

(2) Section 12503(b)(2) of title 10, United States Code, is amended to read as follows:

"(2) as directed by the Secretary concerned, either—

"(A) the allowance under section 435 of title 37; or

"(B) compensation under section 206 of title 37.".

(b) CONFORMING REPEAL.—Section 435 of title 37, United States Code, is amended by striking subsection (c).

(c) EFFECTIVE DATE.—This section and the amendments made by this section shall take effect on October 1, 2000, and shall apply with respect to months beginning on or after that date.

SEC. 604. CLARIFICATION OF SERVICE EXCLUDED IN COMPUTATION OF CREDITABLE SERVICE AS A MARINE CORPS OFFICER.

(a) SERVICE AS RESERVE ENLISTED MEMBER IN PLATOON LEADERS CLASS.—Section 205(f) of title 37, United States Code, is amended by striking "that the officer performed concurrently as a member" and inserting

"that the officer performed concurrently as an enlisted member".

(b) CORRECTION OF REFERENCE.—Such section 205(f) is further amended by striking "section 12209" and inserting "section 12203".

SEC. 605. CALCULATION OF BASIC ALLOWANCE FOR HOUSING.

(a) RATES.—Subsection (b) of section 403 of title 37, United States Code, is amended—

(1) by striking paragraph (2);

(2) by redesignating paragraph (1) as paragraph (2);

(3) by inserting after "(b) BASIC ALLOWANCE FOR HOUSING INSIDE THE UNITED STATES.—" the following: "(1) The Secretary of Defense shall prescribe the rates of the basic allowance for housing that are applicable for the various military housing areas in the United States. The rates for an area shall be based on the costs of adequate housing determined for the area under paragraph (2)."; and

(4) in paragraph (6), by striking ", changes in the national average monthly cost of housing,".

(b) REPEAL OF LIMITATION ON TOTAL PAYMENTS.—Subsection (b) of such section is further amended—

(1) by striking paragraphs (3) and (5); and

(2) by redesignating paragraphs (4), (6), and (7) as paragraphs (3), (4), and (5), respectively.

SEC. 606. ELIGIBILITY OF MEMBERS IN GRADE E–4 TO RECEIVE BASIC ALLOWANCE FOR HOUSING WHILE ON SEA DUTY.

(a) PAYMENT AUTHORIZED.—Subsection (f)(2)(B) of section 403 of title 37, United States Code, is amended—

(1) by striking ''E–5'' in the first sentence and inserting ''E–4 or E–5''; and

(2) by striking ''grade E–5'' in the second sentence and inserting ''grades E–4 and E–5''.

(b) CONFORMING AMENDMENT.—Subsection (m)(1)(B) of such section is amended by striking ''E–4'' and inserting ''E–3''.

SEC. 607. PERSONAL MONEY ALLOWANCE FOR THE SENIOR ENLISTED MEMBERS OF THE ARMED FORCES.

(a) AUTHORITY.—Section 414 of title 37, United States Code, is amended by adding at the end the following:

''(c) In addition to other pay or allowances authorized by this title, a noncommissioned officer is entitled to a personal money allowance of $2,000 a year while serving as the Sergeant Major of the Army, the Master Chief

Petty Officer of the Navy, the Chief Master Sergeant of the Air Force, the Sergeant Major of the Marine Corps, or the Master Chief Petty Officer of the Coast Guard.''.

(b) EFFECTIVE DATE.—This section and the amendment made by this section shall take effect on October 1, 2000.

SEC. 608. INCREASED UNIFORM ALLOWANCES FOR OFFICERS.

(a) INITIAL ALLOWANCE.—Section 415(a) of title 37, United States Code, is amended by striking ''$200'' and inserting ''$400''.

(b) ADDITIONAL ALLOWANCE.—Section 416(a) of such title is amended by striking ''$100'' and inserting ''$200''.

(c) EFFECTIVE DATE.—This section and the amendments made by this section shall take effect on October 1, 2000.

SEC. 609. CABINET-LEVEL AUTHORITY TO PRESCRIBE REQUIREMENTS AND ALLOWANCE FOR CLOTHING OF ENLISTED MEMBERS.

Section 418 of title 37, United States Code, is amended—

(1) in subsection (a), by striking ''The President'' and inserting ''The Secretary of Defense and the Secretary of Transportation, with respect to the

Coast Guard when it is not operating as a service in the Navy,''; and

(2) in subsection (b), by striking ''the President'' and inserting ''the Secretary of Defense''.

SEC. 610. SPECIAL SUBSISTENCE ALLOWANCE FOR MEMBERS ELIGIBLE TO RECEIVE FOOD STAMP ASSISTANCE.

(a) ALLOWANCE.—(1) Chapter 7 of title 37, United States Code, is amended by inserting after section 402 the following new section:

''§ 402a. Special subsistence allowance

''(a) ENTITLEMENT.—(1) Upon the application of an eligible member of a uniformed service described in subsection (b), the Secretary concerned shall pay the member a special subsistence allowance for each month for which the member is eligible to receive food stamp assistance.

''(2) In determining the eligibility of a member to receive food stamp assistance for purposes of this section, the amount of any special subsistence allowance paid the member under this section shall not be taken into account.

''(b) COVERED MEMBERS.—An enlisted member referred to in subsection (a) is an enlisted member in pay grade E–5 or below.

''(c) TERMINATION OF ENTITLEMENT.—The entitlement of a member to receive payment of a special subsist-

ence allowance terminates upon the occurrence of any of the following events:

"(1) Termination of eligibility for food stamp assistance.

"(2) Payment of the special subsistence allowance for 12 consecutive months.

"(3) Promotion of the member to a higher grade.

"(4) Transfer of the member in a permanent change of station.

"(d) REESTABLISHED ENTITLEMENT.—(1) After a termination of a member's entitlement to the special subsistence allowance under subsection (c), the Secretary concerned shall resume payment of the special subsistence allowance to the member if the Secretary determines, upon further application of the member, that the member is eligible to receive food stamps.

"(2) Payments resumed under this subsection shall terminate under subsection (c) upon the occurrence of an event described in that subsection after the resumption of the payments.

"(3) The number of times that payments are resumed under this subsection is unlimited.

"(e) DOCUMENTATION OF ELIGIBILITY.—A member of the uniformed services applying for the special subsist-

ence allowance under this section shall furnish the Secretary concerned with such evidence of the member's eligibility for food stamp assistance as the Secretary may require in connection with the application.

"(f) AMOUNT OF ALLOWANCE.—The monthly amount of the special subsistence allowance under this section is $180.

"(g) RELATIONSHIP TO BASIC ALLOWANCE FOR SUBSISTENCE.—The special subsistence allowance under this section is in addition to the basic allowance for subsistence under section 402 of this title.

"(h) FOOD STAMP ASSISTANCE DEFINED.—In this section, the term 'food stamp assistance' means assistance under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.).

"(i) TERMINATION OF AUTHORITY.—No special subsistence allowance may be made under this section for any month beginning after September 30, 2005.".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 402 the following:

"402a. Special subsistence allowance.".

(b) EFFECTIVE DATE.—Section 402a of title 37, United States Code, shall take effect on the first day of the first month that begins on or after the date of the enactment of this Act.

(c) ANNUAL REPORT.—(1) Not later than March 1 of each year after 2000, the Comptroller General of the United States shall submit to Congress a report setting forth the number of members of the uniformed services who are eligible for assistance under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.).

(2) In preparing the report, the Comptroller General shall consult with the Secretary of Defense, the Secretary of Transportation (with respect to the Coast Guard), the Secretary of Health and Human Services (with respect to the commissioned corps of the Public Health Service), and the Secretary of Commerce (with respect to the commissioned officers of the National Oceanic and Atmospheric Administration), who shall provide the Comptroller General with any information that the Comptroller General determines necessary to prepare the report.

(3) No report is required under this subsection after March 1, 2005.

SEC. 610A. RESTRUCTURING OF BASIC PAY TABLES FOR CERTAIN ENLISTED MEMBERS.

(a) IN GENERAL.—The table under the heading ''ENLISTED MEMBERS'' in section 601(c) of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 105–65; 113 Stat. 648) is amended by striking the amounts relating to pay grades E–7, E–6, and

E–5 and inserting the amounts for the corresponding years of service specified in the following table:

ENLISTED MEMBERS

Years of service computed under section 205 of title 37, United States Code

Pay Grade	2 or less	Over 2	Over 3	Over 4	Over 6
E–7 ...	1,765.80	1,927.80	2,001.00	2,073.00	2,148.60
E–6 ...	1,518.90	1,678.20	1,752.60	1,824.30	1,899.40
E–5 ...	1,332.60	1,494.00	1,566.00	1,640.40	1,715.70
	Over 8	Over 10	Over 12	Over 14	Over 16
E–7 ...	2,277.80	2,350.70	2,423.20	2,495.90	2,570.90
E–6 ...	2,022.60	2,096.40	2,168.60	2,241.90	2,294.80
E–5 ...	1,821.00	1,893.00	1,967.10	1,967.60	1,967.60
	Over 18	Over 20	Over 22	Over 24	Over 26
E–7 ...	2,644.20	2,717.50	2,844.40	2,926.40	3,134.40
E–6 ...	2,332.00	2,332.00	2,335.00	2,335.00	2,335.00
E–5 ...	1,967.60	1,967.60	1,967.60	1,967.60	1,967.60

(b) APPLICATION OF AMENDMENTS.—The amendments made by subsection (a) shall take effect as of October 1, 2000, and shall apply with respect to months beginning on or after that date.

SEC. 610B. BASIC ALLOWANCE FOR HOUSING.

(a) APPLICABILITY OF LOW-COST AND NO-COST REASSIGNMENTS TO MEMBERS WITH DEPENDENTS.—Subsection (b)(7) of section 403 of title 37, United States Code, is amended by striking ''without dependents''.

(b) ALLOWANCE WHEN DEPENDENTS ARE UNABLE TO ACCOMPANY MEMBERS.—Subsection (d) of such section is amended by striking paragraph (3) and inserting the following:

"(3) In the case of a member with dependents who is assigned to duty in an area that is different from the area in which the member's dependents reside—

"(A) the member shall receive a basic allowance for housing as provided in subsection (b) or (c), as appropriate;

"(B) if the member is assigned to duty in an area or under circumstances that, as determined by the Secretary concerned, require the member's dependents to reside in a different area, the member shall receive a basic allowance for housing as if the member were assigned to duty in the area in which the dependents reside or at the member's last duty station, whichever the Secretary concerned determines to be equitable; or

"(C) if the member is assigned to duty in that area under the conditions of low-cost or no-cost permanent change of station or permanent change of assignment and the Secretary concerned determines that it would be inequitable to base the member's entitlement to, and amount of, a basic allowance for housing on the cost of housing in the area to which the member is reassigned, the member shall receive a basic allowance for housing as if the member were assigned to duty at the member's last duty station.".

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall take effect on October 1, 2000, and shall apply with respect to pay periods beginning on and after that date.

Subtitle B—Bonuses and Special and Incentive Pays

SEC. 611. 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 ''December 31, 2000'' and inserting ''December 31, 2001''.

(b) SELECTED RESERVE REENLISTMENT BONUS.—Section 308b(f) of such title is amended by striking ''December 31, 2000'' and inserting ''December 31, 2001''.

(c) SELECTED RESERVE ENLISTMENT BONUS.—Section 308c(e) of such title is amended by striking ''December 31, 2000'' and inserting ''December 31, 2001''.

(d) SPECIAL PAY FOR ENLISTED MEMBERS ASSIGNED TO CERTAIN HIGH PRIORITY UNITS.—Section 308d(c) of such title is amended by striking ''December 31, 2000'' and inserting ''December 31, 2001''.

(e) SELECTED RESERVE AFFILIATION BONUS.—Section 308e(e) of such title is amended by striking ''December 31, 2000'' and inserting ''December 31, 2001''.

(f) READY RESERVE ENLISTMENT AND REENLISTMENT BONUS.—Section 308h(g) of such title is amended by striking ''December 31, 2000'' and inserting ''December 31, 2001''.

(g) PRIOR SERVICE ENLISTMENT BONUS.—Section 308i(f) of such title is amended by striking ''December 31, 2000'' and inserting ''December 31, 2001''.

(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 ''January 1, 2001'' and inserting ''January 1, 2002''.

SEC. 612. 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 ''December 31, 2000'' and inserting ''December 31, 2001''.

(b) ACCESSION BONUS FOR REGISTERED NURSES.—Section 302d(a)(1) of title 37, United States Code, is

amended by striking ''December 31, 2000'' and inserting ''December 31, 2001''.

(c) INCENTIVE SPECIAL PAY FOR NURSE ANESTHETISTS.—Section 302e(a)(1) of title 37, United States Code, is amended by striking ''December 31, 2000'' and inserting ''December 31, 2001''.

SEC. 613. 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 ''December 31, 2000,'' and inserting ''December 31, 2001,''.

(b) REENLISTMENT BONUS FOR ACTIVE MEMBERS.—Section 308(g) of such title is amended by striking ''December 31, 2000'' and inserting ''December 31, 2001''.

(c) ENLISTMENT BONUS FOR PERSONS WITH CRITICAL SKILLS.—Section 308a(d) of such title is amended by striking ''December 31, 2000'' and inserting ''December 31, 2001''.

(d) ARMY ENLISTMENT BONUS.—Section 308f(c) of such title is amended by striking ''December 31, 2000'' and inserting ''December 31, 2001''.

(e) SPECIAL PAY FOR NUCLEAR-QUALIFIED OFFICERS EXTENDING PERIOD OF ACTIVE SERVICE.—Section 312(e) of such title is amended by striking ''December 31, 2000'' and inserting ''December 31, 2001''.

(f) NUCLEAR CAREER ACCESSION BONUS.—Section 312b(c) of such title is amended by striking ''December 31, 2000'' and inserting ''December 31, 2001''.

(g) NUCLEAR CAREER ANNUAL INCENTIVE BONUS.—Section 312c(d) of such title is amended by striking ''December 31, 2000'' and inserting ''December 31, 2001''.

SEC. 614. CONSISTENCY OF AUTHORITIES FOR SPECIAL PAY FOR RESERVE MEDICAL AND DENTAL OFFICERS.

(a) RESERVE MEDICAL OFFICERS SPECIAL PAY.—Section 302(h)(1) of title 37, United States Code, is amended by adding at the end: '', including active duty in the form of annual training, active duty for training, and active duty for special work''.

(b) RESERVE DENTAL OFFICERS SPECIAL PAY AMENDMENT.—Subsection (d) of section 302f of title 37, United States Code, is amended to read as follows:

''(d) SPECIAL RULE FOR RESERVE MEDICAL AND DENTAL OFFICERS.—While a Reserve medical or dental officer receives a special pay under section 302 or 302b

of this title by reason of subsection (a), the officer shall not be entitled to special pay under section 302(h) or 302b(h) of this title.''.

SEC. 615. SPECIAL PAY FOR PHYSICIAN ASSISTANTS OF THE COAST GUARD.

Section 302c(d)(1) of title 37, United States Code, is amended by inserting after ''nurse,'' the following: ''an officer of the Coast Guard or Coast Guard Reserve designated as a physician assistant,''.

SEC. 616. AUTHORIZATION OF SPECIAL PAY AND ACCESSION BONUS FOR PHARMACY OFFICERS.

(a) AUTHORIZATION OF SPECIAL PAY.—Chapter 5 of title 37, United States Code, is amended by inserting after section 302h the following new section:

''§ 302i. Special pay: pharmacy officers

''(a) ARMY, NAVY, AND AIR FORCE PHARMACY OFFICERS.—Under regulations prescribed pursuant to section 303a of this title, the Secretary of the military department concerned may, subject to subsection (c), pay special pay at the rates specified in subsection (d) to an officer who—

''(1) is a pharmacy officer in the Medical Service Corps of the Army or Navy or the Biomedical Sciences Corps of the Air Force; and

''(2) is on active duty under a call or order to active duty for a period of not less than one year.

"(b) PUBLIC HEALTH SERVICE CORPS.—Subject to subsection (c), the Secretary of Health and Human Services may pay special pay at the rates specified in subsection (d) to an officer who—

"(1) is an officer in the Regular or Reserve Corps of the Public Health Service and is designated as a pharmacy officer; and

"(2) is on active duty under a call or order to active duty for a period of not less than one year.

"(c) LIMITATION.—Special pay may not be paid under this section to an officer serving in a pay grade above pay grade O–6.

"(d) RATE OF SPECIAL PAY.—The rate of special pay paid to an officer subsection (a) or (b) is as follows:

"(1) $3,000 per year, if the officer is undergoing pharmacy internship training or has less than 3 years of creditable service.

"(2) $7,000 per year, if the officer has at least 3 but less than 6 years of creditable service and is not undergoing pharmacy internship training.

"(3) $7,000 per year, if the officer has at least 6 but less than 8 years of creditable service.

"(4) $12,000 per year, if the officer has at least 8 but less than 12 years of creditable service.

"(5) $10,000 per year, if the officer has at least 12 but less than 14 years of creditable service.

"(6) $9,000 per year, if the officer has at least 14 but less than 18 years of creditable service.

"(7) $8,000 per year, if the officer has 18 or more years of creditable service.".

(b) AUTHORIZATION OF ACCESSION BONUSES.—Chapter 5 of that title is further amended by inserting after section 302i, as added by subsection (a) of this section, the following new section:

"§ 302j. Special pay: accession bonus for pharmacy officers

"(a) ACCESSION BONUS AUTHORIZED.—A person who is a graduate of an accredited pharmacy school and who, during the period beginning on the date of the enactment of the National Defense Authorization Act for Fiscal Year 2001 and ending on September 30, 2004, executes a written agreement described in subsection (c) to accept a commission as an officer of a uniformed service and remain on active duty for a period of not less than 4 years may, upon acceptance of the agreement by the Secretary concerned, be paid an accession bonus in an amount determined by the Secretary concerned.

"(b) LIMITATION ON AMOUNT OF BONUS.—The amount of an accession bonus under subsection (a) may not exceed $30,000.

"(c) LIMITATION ON ELIGIBILITY FOR BONUS.—A person may not be paid a bonus under subsection (a) if—

"(1) the person, in exchange for an agreement to accept an appointment as a warrant or commissioned officer, received financial assistance from the Department of Defense or the Department of Health and Human Services to pursue a course of study in pharmacy; or

"(2) the Secretary concerned determines that the person is not qualified to become and remain licensed as a pharmacist.

"(d) AGREEMENT.—The agreement referred to in subsection (a) shall provide that, consistent with the needs of the uniformed service concerned, the person executing the agreement shall be assigned to duty, for the period of obligated service covered by the agreement, as a pharmacy officer in the Medical Service Corps of the Army or Navy, a biomedical sciences officer in the Air Force designated as a pharmacy officer, or a pharmacy officer of the Public Health Service.

"(e) REPAYMENT.—(1) An officer who receives a payment under subsection (a) and who fails to become and

remain licensed as a pharmacist during the period for which the payment is made shall refund to the United States an amount equal to the full amount of such payment.

''(2) An officer who voluntarily terminates service on active duty before the end of the period agreed to be served under subsection (a) shall refund to the United States an amount that bears the same ratio to the amount paid to the officer as the unserved part of such period bears to the total period agreed to be served.

''(3) An obligation to reimburse the United States under paragraph (1) or (2) is for all purposes a debt owed to the United States.

''(4) A discharge in bankruptcy under title 11 that is entered less than 5 years after the termination of an agreement under this section does not discharge the person signing such agreement from a debt arising under such agreement or this subsection. This paragraph applies to any case commenced under title 11 after the date of the enactment of the National Defense Authorization Act for Fiscal Year 2001.''.

(c) ADMINISTRATION.—Section 303a of title 37, United States Code, is amended by striking ''302h'' each place it appears and inserting ''302j''.

(d) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 5 of such title is amended by inserting after the item relating to section 302h the following new items:

"302i. Special pay: pharmacy officers.
"302j. Special pay: accession bonus for pharmacy officers.".

SEC. 617. CORRECTION OF REFERENCES TO AIR FORCE VETERINARIANS.

Section 303(a) of title 37, United States Code, is amended—

(1) in paragraph (1)(B), by striking "who is designated as a veterinary officer" and inserting "who is an officer in the Biomedical Sciences Corps and holds a degree in veterinary medicine"; and

(2) in paragraph (2), by striking subparagraph (B) and inserting the following:

"(B) of a reserve component of the Air Force, of the Army or the Air Force without specification of component, or of the National Guard, who—

"(i) is designated as a veterinary officer; or

"(ii) is an officer in the Biomedical Sciences Corps of the Air Force and holds a degree in veterinary medicine; or".

SEC. 618. ENTITLEMENT OF ACTIVE DUTY OFFICERS OF THE PUBLIC HEALTH SERVICE CORPS TO SPECIAL PAYS AND BONUSES OF HEALTH PROFESSIONAL OFFICERS OF THE ARMED FORCES.

(a) IN GENERAL.—Section 303a of title 37, United States Code, is amended—

(1) by redesignating subsections (b) and (c) as subsections (c) and (d); and

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

''(b)(1) Except as provided in paragraph (2) or as otherwise provided under a provision of this chapter, commissioned officers in the Regular or Reserve Corps of the Public Health Service shall be entitled to special pay under the provisions of this chapter in the same amounts, and under the same terms and conditions, as commissioned officers of the armed forces are entitled to special pay under the provisions of this chapter.

''(2) A commissioned medical officer in the Regular or Reserve Corps of the Public Health Service (other than an officer serving in the Indian Health Service) may not receive additional special pay under section 302(a)(4) of this title for any period during which the officer is providing obligated service under the following provisions of law:

"(A) Section 338B of the Public Health Service Act (42 U.S.C. 254l–1).

"(B) Section 225(e) of the Public Health Service Act, as that section was in effect before 1, 1977.

"(C) Section 752 of the Public Health Service Act, as that section was in effect between October 1, 1977, and August 13, 1981.".

(b) REPEAL OF SUPERSEDED PROVISIONS.—Section 208(a) of the Public Health Service Act (42 U.S.C. 210(a)) is amended—

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

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

"(2) For provisions relating to the receipt of special pay by commissioned officers of the Regular and Reserve Corps while on active duty, see section 303a(b) of title 37, United States Code.".

SEC. 619. CAREER SEA PAY.

(a) REFORM OF AUTHORITIES.—Section 305a of title 37, United States Code, is amended—

(1) in subsection (a), by striking "Under regulations prescribed by the President, a member" and inserting "A member";

(2) by redesignating subsection (d) as subsection (e); and

(3) by striking subsections (b) and (c) and inserting the following:

''(b) The Secretary concerned shall prescribe the monthly rates for special pay applicable to members of each armed force under the Secretary's jurisdiction. No monthly rate may exceed $750.

''(c) A member of a uniformed service entitled to career sea pay under this section who has served 36 consecutive months of sea duty is also entitled to a career sea pay premium for the thirty-seventh consecutive month and each subsequent consecutive month of sea duty served by such member. The monthly amount of the premium shall be prescribed by the Secretary concerned, but may not exceed $350.

''(d) The Secretary concerned shall prescribe regulations for the administration of this section for the armed force or armed forces under the jurisdiction of the Secretary. The entitlements under this section shall be subject to the regulations.''.

(b) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 2000, and shall apply with respect to months beginning on or after that date.

SEC. 620. INCREASED MAXIMUM RATE OF SPECIAL DUTY ASSIGNMENT PAY.

Section 307(a) of title 37, United States Code, is amended—

(1) by striking ''$275'' and inserting ''$600''; and

(2) by striking the second sentence.

SEC. 621. EXPANSION OF APPLICABILITY OF AUTHORITY FOR CRITICAL SKILLS ENLISTMENT BONUS TO INCLUDE ALL ARMED FORCES.

(a) EXPANSION OF AUTHORITY.—Section 308f of title 37, United States Code, is amended—

(1) by striking ''Secretary of the Army'' each place it appears and inserting ''Secretary concerned''; and

(2) by striking ''the Army'' in subsections (a)(3) and (c) and inserting ''an armed force''.

(b) CONFORMING AMENDMENT.—The heading for such section is amended to read as follows:

''§ 308f. Special pay: bonus for enlistment''.

(c) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 5 of title 37, United States Code, is amended by striking the item relating to section 308f and inserting the following:

''308f. Special pay: bonus for enlistment.''.

(d) EFFECTIVE DATE.—This section and the amendments made by this section shall take effect on October 1, 2000, and shall apply with respect to months beginning on or after that date.

SEC. 622. ENTITLEMENT OF MEMBERS OF THE NATIONAL GUARD AND OTHER RESERVES NOT ON ACTIVE DUTY TO RECEIVE SPECIAL DUTY ASSIGNMENT PAY.

(a) AUTHORITY.—Section 307(a) of title 37, United States Code, is amended by inserting after ''is entitled to basic pay'' in the first sentence the following: '', or is entitled to compensation under section 206 of this title in the case of a member of a reserve component not on active duty,''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on the first day of the first month that begins on or after the date of the enactment of this Act.

Subtitle C—Travel and Transportation Allowances

SEC. 631. ADVANCE PAYMENTS FOR TEMPORARY LODGING OF MEMBERS AND DEPENDENTS.

(a) SUBSISTENCE EXPENSES.—Section 404a of title 37, United States Code, is amended—

(1) by redesignating subsections (b) and (c) as subsections (d) and (e), respectively; and

(2) by striking subsection (a) and inserting the following:

''(a)(1) Under regulations prescribed by the Secretaries concerned, a member of a uniformed service who is ordered to make a change of permanent station described in paragraph (2) shall be paid or reimbursed for subsistence expenses of the member and the member's dependents for the period (subject to subsection (c)) for which the member and dependents occupy temporary quarters incident to that change of permanent station.

''(2) Paragraph (1) applies to the following:

''(A) A permanent change of station from any duty station to a duty station in the United States (other than Hawaii or Alaska).

''(B) A permanent change of station from a duty station in the United States (other than Hawaii or Alaska) to a duty station outside the United States or in Hawaii or Alaska.

''(b) The Secretary concerned may make any payment for subsistence expenses to a member under this section in advance of the incurrence of the expenses. The amount of an advance payment made to a member shall be computed on the basis of the Secretary's determination

of the average number of days that members and their dependents occupy temporary quarters under the circumstances applicable to the member and the member's dependents.

"(c)(1) In the case of a change of permanent station described in subsection (a)(2)(A), the period for which subsistence expenses are to be paid or reimbursed under this section may not exceed 10 days.

"(2) In the case of a change of permanent station described in subsection (a)(2)(B)—

"(A) the period for which such expenses are to be paid or reimbursed under this section may not exceed five days; and

"(B) such payment or reimbursement may be provided only for expenses incurred before leaving the United States (other than Hawaii or Alaska).".

(b) PER DIEM.—Section 405 of such title is amended—

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

(2) by striking subsection (a) and inserting the following:

"(a) Without regard to the monetary limitation of this title, the Secretary concerned may pay a per diem to a member who is on duty outside of the United States

or in Hawaii or Alaska, whether or not the member is in a travel status. The Secretary may pay the per diem in advance of the accrual of the per diem.

''(b) In determining the per diem to be paid under this section, the Secretary concerned shall consider all elements of the cost of living to members of the uniformed services under the Secretary's jurisdiction and their dependents, including the cost of quarters, subsistence, and other necessary incidental expenses. However, dependents may not be considered in determining the per diem allowance for a member in a travel status.''.

SEC. 632. INCENTIVE FOR SHIPPING AND STORING HOUSEHOLD GOODS IN LESS THAN AVERAGE WEIGHTS.

Section 406(b)(1) of title 37, United States Code, is amended by adding at the end the following new subparagraph:

''(G) The Secretary concerned may pay a member a share (determined by the Secretary) of the amount of the savings resulting to the United States for less than average shipping and storage of the member's baggage and household effects under subparagraph (A). Shipping and storage of a member's baggage and household effects for a member shall be considered as less than average if the total weights of the baggage and household effects shipped

and stored are less than the average weights of the baggage and household effects that are shipped and stored, respectively, by members of the same grade and status with respect to dependents as the member in connection with changes of station that are comparable to the member's change of station. The amount of the savings shall be the amount equal to the excess of the cost of shipping and cost of storing such average weights of baggage and household effects, respectively, over the corresponding costs associated with the weights of the member's baggage and household effects. For the administration of this subparagraph, the Secretary of Defense shall annually determine the average weights of baggage and household effects shipped and stored.''.

SEC. 633. EXPANSION OF FUNDED STUDENT TRAVEL.

Section 430 of title 37, United States Code, is amended—

(1) in subsection (a)(3), by striking ''for the purpose of obtaining a secondary or undergraduate college education'' and inserting ''for the purpose of obtaining a formal education'';

(2) in subsection (b), by striking ''for the purpose of obtaining a secondary or undergraduate college education'' and inserting ''for the purpose of obtaining a formal education''; and

(3) in subsection (f)—

(A) by striking "In this section, the term" and insert the following:

"In this section:

"(1) The term"; and

(B) by adding at the end the following:

"(2) The term 'formal education' means the following:

"(A) A secondary education.

"(B) An undergraduate college education.

"(C) A graduate education pursued on a full-time basis at an institution of higher education (as defined in section 101 of the Higher Education Act of 1965 (20 U.S.C. 1001)).

"(D) Vocational education pursued on a full-time basis at a post-secondary vocational institution (as defined in section 102(c) of the Higher Education Act of 1965 (20 U.S.C. 1002(c))).".

SEC. 634. BENEFITS FOR MEMBERS NOT TRANSPORTING PERSONAL MOTOR VEHICLES OVERSEAS.

(a) INCENTIVES.—Section 2634 of title 10, United States Code, is amended—

(1) by redesignating subsection (h) as subsection (i); and

(2) by inserting after subsection (g) the following new subsection (h):

''(h)(1) If a member of an armed force authorized the transportation of a motor vehicle under subsection (a) elects not to have the vehicle transported and not (if eligible) to have the vehicle stored under subsection (b), the Secretary concerned may pay the member a share (determined by the Secretary) of the amount of the savings resulting to the United States. The Secretary may make the payment in advance of the member's change of permanent station.

''(2) The Secretary of Defense shall determine annually the rates of savings to the United States that are associated with elections of a member described in paragraph (1).''.

(b) STORAGE AS ALTERNATIVE TO TRANSPORTATION FOR UNACCOMPANIED ASSIGNMENTS.—Subsection (b) of such section—

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

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

''(3) If a member authorized the transportation of a motor vehicle under subsection (a) is not authorized under reassignment orders to be accompanied by dependents on

a command-sponsored basis, the member may elect, in lieu of that transportation, to have the motor vehicle stored at a location approved by the Secretary concerned. If storage is elected, the Secretary shall pay the expenses associated with the storage of the vehicle, as authorized under paragraph (4), up to the amount equal to the cost that would have been incurred by the United States for transportation of the vehicle under subsection (a). The member shall be responsible for the payment of the costs of the storage in excess of that amount.''.

Subtitle D—Retirement Benefits

SEC. 641. EXCEPTION TO HIGH-36 MONTH RETIRED PAY COMPUTATION FOR MEMBERS RETIRED FOLLOWING A DISCIPLINARY REDUCTION IN GRADE.

Section 1407 of title 10, United States Code, is amended—

(1) in subsection (b), by striking ''The retired pay base'' and inserting ''Except as provided in subsection (f), the retired pay base''; and

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

''(f) EXCEPTION FOR ENLISTED MEMBERS REDUCED IN GRADE AND OFFICERS WHO DO NOT SERVE SATISFACTORILY IN HIGHEST GRADE HELD.—

"(1) COMPUTATION BASED ON PRE-HIGH-THREE RULES.—In the case of a member or former member described in paragraph (2), the retired pay base or retainer pay base is determined under section 1406 of this title in the same manner as if the member or former member first became a member of a uniformed service before September 8, 1980.

"(2) AFFECTED MEMBERS.—A member or former member referred to in paragraph (1) is a member or former member who by reason of conduct occurring after the date of the enactment of this subsection—

"(A) in the case of a member retired in an enlisted grade or transferred to the Fleet Reserve or Fleet Marine Corps Reserve, was at any time reduced in grade as the result of a court-martial sentence, nonjudicial punishment, or an administrative action, unless the member was subsequently promoted to a higher enlisted grade or appointed to a commissioned or warrant grade; and

"(B) in the case of an officer, is retired in a grade lower than the highest grade in which served by reason of denial of a determination or certification under section 1370 of this title

that the officer served on active duty satisfactorily in that grade.

"(3) SPECIAL RULE FOR ENLISTED MEMBERS.—In the case of a member who retires within three years after having been reduced in grade as described in paragraph (2)(A), who retires in an enlisted grade that is lower than the grade from which reduced, and who would be subject to paragraph (2)(A) but for a subsequent promotion to a higher enlisted grade or a subsequent appointment to a warrant or commissioned grade, the rates of basic pay used in the computation of the member's high-36 average for the period of the member's service in a grade higher than the grade in which retired shall be the rates of pay that would apply if the member had been serving for that period in the grade in which retired.".

SEC. 642. AUTOMATIC PARTICIPATION IN RESERVE COMPONENT SURVIVOR BENEFIT PLAN UNLESS DECLINED WITH SPOUSE'S CONSENT.

(a) INITIAL OPPORTUNITY TO DECLINE.—Paragraph (2)(B) of section 1448(a) of title 10, United States Code, is amended to read as follows:

"(B) RESERVE-COMPONENT ANNUITY PARTICIPANTS.—A person who is—

"(i) eligible to participate in the Plan under paragraph (1)(B); and

"(ii) married or has a dependent child when he is notified under section 12731(d) of this title that he has completed the years of service required for eligibility for reserve-component retired pay, unless the person elects (with his spouse's concurrence, if required under paragraph (3)) not to participate in the Plan before the end of the 90-day period beginning on the date he receives such notification.

A person who elects not to participate in the Plan as described in the foregoing sentence remains eligible, upon reaching 60 years of age and otherwise becoming entitled to retired pay, to participate in the Plan in accordance with eligibility under paragraph (1)(A).".

(b) SPOUSAL CONSENT REQUIREMENT.—Paragraph (3)(B) of such section is amended—

(1) by striking "who elects to provide" and inserting "who is eligible to provide";

(2) by redesignating clauses (i) and (ii) as clauses (iii) and (iv), respectively; and

(3) by inserting before clause (iii), as so redesignated, the following:

"(i) not to participate in the Plan;

"(ii) to defer the effective date of annuity payments to the 60th anniversary of the member's birth pursuant to subsection (e)(2);".

(c) IRREVOCABILITY OF ELECTION NOT TO PARTICIPATE MADE UPON RECEIPT OF 20-YEAR LETTER.—Paragraph (4)(B) of such section is amended by striking "to participate in the Plan is irrevocable" and inserting "not to participate in the Plan is, subject to the sentence following clause (ii) of paragraph (2)(B), irrevocable".

(d) DESIGNATION OF COMMENCEMENT OF RESERVE-COMPONENT ANNUITY.—(1) Section 1448(e) of title 10, United States Code, is amended by striking "a person electing to participate" and all that follows through "making such election" and inserting "a person is required to make a designation under this subsection, the person".

(2) Section 1450(j)(1) of such title is amended to read as follows:

"(1) PERSON MAKING SECTION 1448(e) DESIGNATION.—A reserve-component annuity shall be effective in accordance with the designation made

under section 1448(e) of this title by the person providing the annuity.''.

(e) EFFECTIVE DATE.—This section and the amendments made by this section shall take effect on October 1, 2000.

SEC. 643. PARTICIPATION IN THRIFT SAVINGS PLAN.

(a) EFFECTIVE DATE OF PARTICIPATION AUTHORITY.—Section 663 of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 673; 5 U.S.C. 8440 note) is amended to read as follows:

''SEC. 663. EFFECTIVE DATE.

''(a) IN GENERAL.—The amendments made by this subtitle shall take effect 180 days after the date of the enactment of the National Defense Authorization Act for Fiscal Year 2001.

''(b) POSTPONEMENT AUTHORITY.—(1) The Secretary of Defense may postpone the authority of members of the Ready Reserve to participate in the Thrift Savings Plan under section 211 of title 37, United States Code (as amended by this subtitle) up to 360 days after the date referred to in subsection (a) if the Secretary, after consultation with the Executive Director (appointed by the Federal Retirement Thrift Investment Board), determines that permitting such members to participate in the Thrift Savings Plan earlier would place an excessive burden on

the administrative capacity of the Board to accommodate participants in the Thrift Savings Plan.

''(2) The Secretary shall notify the congressional defense committees, the Committee on Government Reform of the House of Representatives, and the Committee on Governmental Affairs of the Senate of any determination made under paragraph (1).''.

(b) REGULATIONS.—Section 661(b) of such Act (113 Stat. 672; 5 U.S.C. 8440e) is amended by striking ''the date on which'' and all that follows through ''later,'' and inserting ''the effective date of the amendments made by this subtitle (determined under section 663(a)),''.

SEC. 644. RETIREMENT FROM ACTIVE RESERVE SERVICE AFTER REGULAR RETIREMENT.

(a) CONVERSION TO RESERVE RETIREMENT.—(1) Chapter 1223 of title 10, United States Code, is amended by adding at the end the following:

''§ 12741. Retirement from active reserve service performed after regular retirement

''(a) RESERVE RETIREMENT.—Upon the election of a member or former member of a reserve component under subsection (b), the Secretary concerned shall—

''(1) treat the person as being entitled to retired pay under this chapter;

"(2) terminate the person's entitlement to retired pay that is payable out of the Department of Defense Military Retirement Fund under any other provision of law other than this chapter; and

"(3) in the case of a reserve commissioned officer, transfer the officer to the Retired Reserve.

"(b) ELIGIBILITY AND ELECTION.—A person who, after being retired under chapter 65, 367, 571, or 867 of this title, serves in an active status in a reserve component of the armed forces may elect to receive retired pay under this chapter if—

"(1) the person would, except for paragraph (4) of section 12731(a) of this title, otherwise be entitled to retired pay under this chapter; and

"(2) during that reserve service, the person served satisfactorily as—

"(A) a reserve commissioned officer; or

"(B) a reserve noncommissioned officer.

"(c) TIME AND FORM OF ELECTION.—An election under subsection (b) shall be made within such time and in such form as the Secretary concerned requires.

"(d) EFFECTIVE DATE OF ELECTION.—An election made by a person under subsection (b) shall be effective—

"(1) except as provided in paragraph (2)(B), as of the date on which the person attains 60 years of

age, if the election is made in accordance with this section within 180 days after that date; or

"(2) on the first day of the first month that begins after the date on which the election is made in accordance with this section, if—

"(A) the election is made more than 180 days after the date on which the person attains 60 years of age; or

"(B) the person retires from active reserve service within that 180-day period.".

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

"12741. Retirement from active service performed after regular retirement.".

(b) EFFECTIVE DATE AND APPLICABILITY.—(1) This section and the amendments made by this section shall take effect 180 days after the date of the enactment of this Act.

(2) No benefits shall accrue under section 12741 of title 10, United States Code (as added by subsection (a)), for any period before the first day of the first month that begins on or after the effective date of this section.

SEC. 645. SAME TREATMENT FOR FEDERAL JUDGES AS FOR OTHER FEDERAL OFFICIALS REGARDING PAYMENT OF MILITARY RETIRED PAY.

(a) REPEAL OF REQUIREMENT FOR SUSPENSION DURING REGULAR ACTIVE SERVICE.—Section 371 of title 28, United States Code, is amended—

(1) by striking subsection (e); and

(2) by redesignating subsection (f) as subsection (e).

(b) CONFORMING AMENDMENTS.—Subsection (b) of such section is amended by striking ''subsection (f)'' each place it appears and inserting ''subsection (e)''.

(c) RETROACTIVE EFFECTIVE DATE.—The amendments made by this section shall take effect as of October 1, 1999.

SEC. 646. POLICY ON INCREASING MINIMUM SURVIVOR BENEFIT PLAN BASIC ANNUITIES FOR SURVIVING SPOUSES AGE 62 OR OLDER.

It is the sense of Congress that there should be enacted during the 106th Congress legislation that increases the minimum basic annuities provided under the Survivor Benefit Plan for surviving spouses of members of the uniformed services who are 62 years of age or older.

SEC. 647. SURVIVOR BENEFIT PLAN ANNUITIES FOR SURVIVORS OF ALL MEMBERS WHO DIE ON ACTIVE DUTY.

(a) ENTITLEMENT.—(1) Subsection (d)(1) of section 1448 of title 10, United States Code, is amended to read as follows:

"(1) SURVIVING SPOUSE ANNUITY.—The Secretary concerned shall pay an annuity under this subchapter to the surviving spouse of—

"(A) a member who dies on active duty after—

"(i) becoming eligible to receive retired pay;

"(ii) qualifying for retired pay except that he has not applied for or been granted that pay; or

"(iii) completing 20 years of active service but before he is eligible to retire as a commissioned officer because he has not completed 10 years of active commissioned service; or

"(B) a member not described in subparagraph (A) who dies on active duty, except in the case of a member whose death, as determined by the Secretary concerned—

"(i) is a direct result of the member's intentional misconduct or willful neglect; or

"(ii) occurs during a period of unauthorized absence.".

(2) The heading for subsection (d) of such section is amended by striking "RETIREMENT-ELIGIBLE".

(b) AMOUNT OF ANNUITY.—Section 1451(c)(1) of such title is amended to read as follows:

"(1) IN GENERAL.—In the case of an annuity provided under section 1448(d) or 1448(f) of this title, the amount of the annuity shall be determined as follows:

"(A) BENEFICIARY UNDER 62 YEARS OF AGE.—If the person receiving the annuity is under 62 years of age or is a dependent child when the member or former member dies, the monthly annuity shall be the amount equal to 55 percent of the retired pay imputed to the member or former member. The retired pay imputed to a member or former member is as follows:

"(i) Except in a case described in clause (ii), the retired pay to which the member or former member would have been entitled if the member or former

member had been entitled to that pay based upon his years of active service when he died.

"(ii) In the case of a deceased member referred to in subparagraph (A)(iii) or (B) of section 1448(d)(1) of this title, the retired pay to which the member or former member would have been entitled if the member had been entitled to that pay based upon a retirement under section 1201 of this title (if on active duty for more than 30 days when the member died) or section 1204 of this title (if on active duty for 30 days or less when the member died) for a disability rated as total.

"(B) BENEFICIARY 62 YEARS OF AGE OR OLDER.—

"(i) GENERAL RULE.—If the person receiving the annuity (other than a dependent child) is 62 years of age or older when the member or former member dies, the monthly annuity shall be the amount equal to 35 percent of the retired pay imputed to the member or former member as

described in clause (i) or (ii) of the second sentence of subparagraph (A).

"(ii) RULE IF BENEFICIARY ELIGIBLE FOR SOCIAL SECURITY OFFSET COMPUTATION.—If the beneficiary is eligible to have the annuity computed under subsection (e) and if, at the time the beneficiary becomes entitled to the annuity, computation of the annuity under that subsection is more favorable to the beneficiary than computation under clause (i), the annuity shall be computed under that subsection rather than under clause (i).".

(c) EFFECTIVE DATE.—This section and the amendments made by this section shall take effect on October 1, 2000, and shall apply with respect to deaths occurring on or after that date.

SEC. 648. FAMILY COVERAGE UNDER SERVICEMEMBERS' GROUP LIFE INSURANCE.

(a) INSURABLE DEPENDENTS.—Section 1965 of title 38, United States Code, is amended by adding at the end the following:

"(10) The term 'insurable dependent', with respect to a member, means the following:

"(A) The member's spouse.

"(B) A child of the member for so long as the child is unmarried and the member is providing over 50 percent of the support of the child.".

(b) INSURANCE COVERAGE.—(1) Subsection (a) of section 1967 of title 38, United States Code, is amended to read as follows:

"(a)(1) Subject to an election under paragraph (2), any policy of insurance purchased by the Secretary under section 1966 of this title shall automatically insure the following persons against death:

"(A) In the case of any member of a uniformed service on active duty (other than active duty for training)—

"(i) the member; and

"(ii) each insurable dependent of the member.

"(B) Any member of a uniformed service on active duty for training or inactive duty training scheduled in advance by competent authority.

"(C) Any member of the Ready Reserve of a uniformed service who meets the qualifications set forth in section 1965(5)(B) of this title.

"(2)(A) A member may elect in writing not to be insured under this subchapter.

"(B) A member referred to in subparagraph (A) may also make either or both of the following elections in writing:

"(i) An election not to insure a dependent spouse under this subchapter.

"(ii) An election to insure none of the member's children under this subchapter.

"(3)(A) Subject to an election under subparagraph (B), the amount for which a person is insured under this subchapter is as follows:

"(i) In the case of a member, $200,000.

"(ii) In the case of a member's spouse, the amount equal to 50 percent of the amount for which the member is insured under this subchapter.

"(iii) In the case of a member's child, $10,000.

"(B) A member may elect in writing to be insured or to insure an insurable dependent in an amount less than the amount provided under subparagraph (A). The amount of insurance so elected shall, in the case of a member or spouse, be evenly divisible by $10,000 and, in the case of a child, be evenly divisible by $5,000.

"(4) No dependent of a member is insured under this chapter unless the member is insured under this subchapter.

"(5) The insurance shall be effective with respect to a member and the member's dependents on the first day of active duty or active duty for training, or the beginning of a period of inactive duty training scheduled in advance by competent authority, or the first day a member of the Ready Reserve meets the qualifications set forth in section 1965(5)(B) of this title, or the date certified by the Secretary to the Secretary concerned as the date Servicemembers' Group Life Insurance under this subchapter for the class or group concerned takes effect, whichever is the later date.".

(2) Subsection (c) of such section is amended by striking out the first sentence and inserting the following: "If a person eligible for insurance under this subchapter is not so insured, or is insured for less than the maximum amount provided for the person under subparagraph (A) of subsection (a)(3), by reason of an election made by a member under subparagraph (B) of that subsection, the person may thereafter be insured under this subchapter in the maximum amount or any lesser amount elected as provided in such subparagraph (B) upon written application by the member, proof of good health of each person to be so insured, and compliance with such other terms and conditions as may be prescribed by the Secretary.".

(c) TERMINATION OF COVERAGE.—(1) Subsection (a) of section 1968 of such title is amended—

(A) in the matter preceding paragraph (1), by inserting ''and any insurance thereunder on any insurable dependent of such a member,'' after '' any insurance thereunder on any member of the uniformed services,'';

(B) by striking ''and'' at the end of paragraph (3);

(C) by striking the period at the end of paragraph (4) and inserting ''; and''; and

(D) by adding at the end the following:

''(5) with respect to an insurable dependent of the member—

''(A) upon election made in writing by the member to terminate the coverage; or

''(B) on the earlier of—

''(i) the date of the member's death;

''(ii) the date of termination of the insurance on the member's life under this subchapter;

''(iii) the date of the dependent's death; or

"(iv) the termination of the dependent's status as an insurable dependent of the member.

(2) Subsection (b)(1)(A) of such section is amended by inserting "(to insure against death of the member only)" after "converted to Veterans' Group Life Insurance".

(d) PREMIUMS.—Section 1969 of such title is amended by adding at the end the following:

"(g)(1) During any period in which any insurable dependent of a member is insured under this subchapter, there shall be deducted each month from the member's basic or other pay until separation or release from active duty an amount determined by the Secretary (which shall be the same for all such members) as the premium allocable to the pay period for providing that insurance coverage.

"(2)(A) The Secretary shall determine the premium amounts to be charged for life insurance coverage for dependents of members under this subchapter.

"(B) The premium amounts shall be determined on the basis of sound actuarial principles and shall include an amount necessary to cover the administrative costs to the insurer or insurers providing such insurance.

"(C) Each premium rate for the first policy year shall be continued for subsequent policy years, except that the rate may be adjusted for any such subsequent policy year on the basis of the experience under the policy, as determined by the Secretary in advance of that policy year.

"(h) Any overpayment of a premium for insurance coverage for an insurable dependent of a member that is terminated under section 1968(a)(5) of this title shall be refunded to the member.".

(e) PAYMENTS OF INSURANCE PROCEEDS.—Section 1970 of such title is amended by adding at the end the following:

"(h) Any amount of insurance in force on an insurable dependent of a member under this subchapter on the date of the dependent's death shall be paid, upon the establishment of a valid claim therefor, to the member or, in the event of the member's death before payment to the member can be made, then to the person or persons entitled to receive payment of the proceeds of insurance on the member's life under this subchapter.".

(f) EFFECTIVE DATE AND INITIAL IMPLEMENTATION.—(1) This section and the amendments made by this section shall take effect on the first day of the first month that begins more than 120 days after the date of the en-

actment of this Act, except that paragraph (2) shall take effect on the date of the enactment of this Act.

(2) The Secretary of Veterans Affairs, in consultation with the Secretaries of the military departments, the Secretary of Transportation, the Secretary of Commerce and the Secretary of Health and Human Services, shall take such action as is necessary to ensure that each member of the uniformed services on active duty (other than active duty for training) during the period between the date of the enactment of this Act and the effective date determined under paragraph (1) is furnished an explanation of the insurance benefits available for dependents under the amendments made by this section and is afforded an opportunity before such effective date to make elections that are authorized under those amendments to be made with respect to dependents.

SEC. 649. FEES PAID BY RESIDENTS OF THE ARMED FORCES RETIREMENT HOME.

(a) NAVAL HOME.—Section 1514 of the Armed Forces Retirement Home Act of 1991 (24 U.S.C. 414) is amended by striking subsection (d) and inserting the following:

''(d) NAVAL HOME.—The monthly fee required to be paid by a resident of the Naval Home under subsection (a) shall be as follows:

"(1) For a resident in an independent living status, $500.

"(2) For a resident in an assisted living status, $750.

"(3) For a resident of a skilled nursing facility, $1,250.".

(b) UNITED STATES SOLDIERS' AND AIRMEN'S HOME.—Subsection (c) of such section is amended—

(1) by striking "(c) FIXING FEES.—" and inserting "(c) UNITED STATES SOLDIERS' AND AIRMEN'S HOME.—";

(2) in paragraph (1)—

(A) by striking "the fee required by subsection (a) of this section" and inserting "the fee required to be paid by residents of the United States Soldiers' and Airmen's Home under subsection (a)"; and

(B) by striking "needs of the Retirement Home" and inserting "needs of that establishment"; and

(3) in paragraph (2), by striking the second sentence.

(c) SAVINGS PROVISION.—Such section is further amended by adding at the end the following:

"(e) RESIDENTS BEFORE FISCAL YEAR 2001.—A resident of the Retirement Home on September 30, 2000, may not be charged a monthly fee under this section in an amount that exceeds the amount of the monthly fee charged that resident for the month of September 2000.".

(d) EFFECTIVE DATE.—The amendments made by this section shall take effect on October 1, 2000.

SEC. 650. COMPUTATION OF SURVIVOR BENEFITS.

(a) INCREASED BASIC ANNUITY.—(1) Subsection (a)(1)(B)(i) of section 1451 of title 10, United States Code, is amended by striking "35 percent of the base amount." and inserting "the product of the base amount and the percent applicable for the month. The percent applicable for a month is 35 percent for months beginning on or before the date of the enactment of the National Defense Authorization Act for Fiscal Year 2001, 40 percent for months beginning after such date and before October 2004, and 45 percent for months beginning after September 2004.".

(2) Subsection (a)(2)(B)(i)(I) of such section is amended by striking "35 percent" and inserting "the percent specified under subsection (a)(1)(B)(i) as being applicable for the month".

(3) Subsection (c)(1)(B)(i) of such section is amended—

(A) by striking ''35 percent'' and inserting ''the applicable percent''; and

(B) by adding at the end the following: ''The percent applicable for a month under the preceding sentence is the percent specified under subsection (a)(1)(B)(i) as being applicable for the month.''.

(4) The heading for subsection (d)(2)(A) of such section is amended to read as follows: ''COMPUTATION OF ANNUITY.—''.

(b) ADJUSTED SUPPLEMENTAL ANNUITY.—Section 1457(b) of title 10, United States Code, is amended—

(1) by striking ''5, 10, 15, or 20 percent'' and inserting ''the applicable percent''; and

(2) by inserting after the first sentence the following: ''The percent used for the computation shall be an even multiple of 5 percent and, whatever the percent specified in the election, may not exceed 20 percent for months beginning on or before the date of the enactment of the National Defense Authorization Act for Fiscal Year 2001, 15 percent for months beginning after that date and before October 2004, and 10 percent for months beginning after September 2004.''.

(c) RECOMPUTATION OF ANNUITIES.—(1) Effective on the first day of each month referred to in paragraph (2)—

(A) each annuity under section 1450 of title 10, United States Code, that commenced before that month, is computed under a provision of section 1451 of that title amended by subsection (a), and is payable for that month shall be recomputed so as to be equal to the amount that would be in effect if the percent applicable for that month under that provision, as so amended, had been used for the initial computation of the annuity; and

(B) each supplemental survivor annuity under section 1457 of such title that commenced before that month and is payable for that month shall be recomputed so as to be equal to the amount that would be in effect if the percent applicable for that month under that section, as amended by this section, had been used for the initial computation of the supplemental survivor annuity.

(2) The requirements for recomputation of annuities under paragraph (1) apply with respect to the following months:

(A) The first month that begins after the date of the enactment of this Act.

(B) October 2004.

(d) RECOMPUTATION OF RETIRED PAY REDUCTIONS FOR SUPPLEMENTAL SURVIVOR ANNUITIES.—The Secretary of Defense shall take such actions as are necessitated by the amendments made by subsection (b) and the requirements of subsection (c)(1)(B) to ensure that the reductions in retired pay under section 1460 of title 10, United States Code, are adjusted to achieve the objectives set forth in subsection (b) of that section.

SEC. 651. EQUITABLE APPLICATION OF EARLY RETIREMENT ELIGIBILITY REQUIREMENTS TO MILITARY RESERVE TECHNICIANS.

(a) TECHNICIANS COVERED BY FERS.—Paragraph (1) of section 8414(c) of title 5, United States Code, is amended by striking ''after becoming 50 years of age and completing 25 years of service'' and inserting ''after completing 25 years of service or after becoming 50 years of age and completing 20 years of service''.

(b) TECHNICIANS COVERED BY CSRS.—Section 8336 of title 5, United States Code, is amended by adding at the end the following new subsection:

''(p) Section 8414(c) of this title applies—

''(1) under paragraph (1) of such section to a military reserve technician described in that para-

graph for purposes of determining entitlement to an annuity under this subchapter; and

"(2) under paragraph (2) of such section to a military technician (dual status) described in that paragraph for purposes of determining entitlement to an annuity under this subchapter.".

(c) TECHNICAL AMENDMENT.—Section 1109(a)(2) of Public Law 105–261 (112 Stat. 2143) is amended by striking "adding at the end" and inserting "inserting after subsection (n)".

(d) APPLICABILITY.—Subsection (c) of section 8414 of such title (as amended by subsection (a)), and subsection (p) of section 8336 of title 5, United States Code (as added by subsection (b)), shall apply according to the provisions thereof with respect to separations from service referred to in such subsections that occur on or after October 5, 1999.

SEC. 652. CONCURRENT PAYMENT TO SURVIVING SPOUSES OF DISABILITY AND INDEMNITY COMPENSATION AND ANNUITIES UNDER SURVIVOR BENEFIT PLAN.

(a) CONCURRENT PAYMENT.—Section 1450 of title 10, United States Code, is amended by striking subsection (c).

(b) CONFORMING AMENDMENTS.—That section is further amended by striking subsections (e) and (k).

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act, and shall apply with respect to the payment of annuities under the Survivor Benefit Plan under subchapter II of chapter 73 of title 10, United States Code, for months beginning on or after that date.

(d) RECOMPUTATION OF ANNUITIES.—The Secretary of Defense shall provide for the readjustment of any annuities to which subsection (c) of section 1450 of title 10, United States Code, applies as of the date before the date of the enactment of this Act, as if the adjustment otherwise provided for under such subsection (c) had never been made.

(e) PROHIBITION ON RETROACTIVE BENEFITS.—No benefits shall be paid to any person by virtue of the amendments made by this section for any period before the effective date of the amendments as specified in subsection (c).

Subtitle E—Other Matters

SEC. 661. REIMBURSEMENT OF RECRUITING AND ROTC PERSONNEL FOR PARKING EXPENSES.

(a) IN GENERAL.—Chapter 53 of title 10, United States Code, is amended by inserting after section 1053 the following new section:

"§ 1053a. Reimbursement of recruiting and ROTC personnel: parking expenses

''(a) AUTHORITY.—The Secretary concerned may, under regulations prescribed by the Secretary of Defense, reimburse eligible Department of Defense personnel for expenses incurred for parking a privately owned vehicle at a place of duty.

''(b) ELIGIBILITY.—A member of the armed forces or employee of the Department of Defense is eligible for reimbursement under subsection (a) while—

''(1) assigned to duty as a recruiter for any of the armed forces;

''(2) assigned to duty at a military entrance processing facility of the armed forces; or

''(3) detailed for instructional and administrative duties at any institution where a unit of the Senior Reserve Officers' Training Corps is maintained.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1053 the following:

"1053a. Reimbursement of recruiting and ROTC personnel: parking expenses.".

SEC. 662. EXTENSION OF DEADLINE FOR FILING CLAIMS ASSOCIATED WITH CAPTURE AND INTERNMENT OF CERTAIN PERSONS BY NORTH VIETNAM.

Section 657(d)(1) 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: "The Secretary may extend the time limitation under the preceding sentence for up to 18 months in the case of any claim for which the Secretary determines that the extension is necessary to prevent an injustice or that a failure to file within the time limitation is due to excusable neglect.".

SEC. 663. SETTLEMENT OF CLAIMS FOR PAYMENTS FOR UNUSED ACCRUED LEAVE AND FOR RETIRED PAY.

(a) CLAIMS FOR PAYMENTS FOR UNUSED ACCRUED LEAVE.—Subsection (a)(1) of section 3702 of title 31, United States Code, is amended by inserting "payments for unused accrued leave," after "transportation,".

(b) WAIVER OF TIME LIMITATIONS.—Subsection (e)(1) of such section is amended by striking "claim for

pay or allowances under title 37'' and inserting ''claim for pay, allowances, or payment for unused accrued leave under title 37 or a claim for retired pay under title 10''.

SEC. 664. ELIGIBILITY OF CERTAIN MEMBERS OF THE INDIVIDUAL READY RESERVE FOR SERVICEMEMBERS' GROUP LIFE INSURANCE.

Section 1965(5) of title 38, United States Code, is amended—

(1) by striking ''and'' at the end of subparagraph (B);

(2) by redesignating subparagraph (C) as subparagraph (D); and

(3) by inserting after subparagraph (B) the following new subparagraph (C):

''(C) a person who volunteers for assignment to a category in the Individual Ready Reserve of a uniformed service that is subject to an involuntary call to active duty under section 12304 of title 10; and''.

SEC. 665. AUTHORITY TO PAY GRATUITY TO CERTAIN VETERANS OF BATAAN AND CORREGIDOR.

(a) PAYMENT OF GRATUITY AUTHORIZED.—The Secretary of Veterans Affairs may pay a gratuity to a covered veteran, or to the surviving spouse of a covered veteran, in the amount of $20,000.

(b) COVERED VETERAN DEFINED.—For purposes of subsection (a), the term ''covered veteran'' means any veteran of the Armed Forces who—

(1) served at Bataan or Corregidor in the Philippines during World War II;

(2) was captured and held as a prisoner of war by Japan as a result of such service; and

(3) was required by Japan to perform slave labor in Japan during World War II.

(c) RELATIONSHIP TO OTHER PAYMENTS.—Any amount paid a person under this section for activity described in subsection (b) is in addition to any other amount paid such person for such activity under any other provision of law.

SEC. 666. CONCURRENT PAYMENT OF RETIRED PAY AND COMPENSATION FOR RETIRED MEMBERS WITH SERVICE-CONNECTED DISABILITIES.

(a) CONCURRENT PAYMENT.—Section 5304(a) of title 38, United States Code, is amended by adding at the end the following new paragraph:

''(3) Notwithstanding the provisions of paragraph (1) and section 5305 of this title, compensation under chapter 11 of this title may be paid to a person entitled to receive retired or retirement pay described in such section 5305

concurrently with such person's receipt of such retired or retirement pay.''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on the date of the enactment of this Act, and apply with respect to payments of compensation for months beginning on or after that date.

(c) PROHIBITION ON RETROACTIVE BENEFITS.—No benefits shall be paid to any person by virtue of the amendment made by subsection (a) for any period before the effective date of this Act as specified in subsection (b).

SEC. 667. TRAVEL BY RESERVES ON MILITARY AIRCRAFT TO AND FROM LOCATIONS OUTSIDE THE CONTINENTAL UNITED STATES FOR INACTIVE-DUTY TRAINING.

(a) SPACE-REQUIRED TRAVEL.—Subsection (a) of section 18505 of title 10, United States Code, is amended—

(1) by inserting ''residence or'' after ''In the case of a member of a reserve component whose''; and

(2) by inserting after ''(including a place'' the following: ''of inactive-duty training''.

(b) CLERICAL AMENDMENTS.—(1) The heading of such section is amended to read as follows:

"§ **18505. Space-required travel: Reserves traveling to inactive-duty training**".

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

"18505. Space-required travel: Reserves traveling to inactive-duty training.".

SEC. 668. ADDITIONAL BENEFITS AND PROTECTIONS FOR PERSONNEL INCURRING INJURY, ILLNESS, OR DISEASE IN THE PERFORMANCE OF FUNERAL HONORS DUTY.

(a) INCAPACITATION PAY.—Section 204 of title 37, United States Code, is amended—

(1) in subsection (g)(1)—

(A) by striking "or" at the end of subparagraph (C);

(B) by striking the period at the end of subparagraph (D) and inserting "; or"; and

(C) by adding at the end the following:

"(E) in line of duty while—

"(i) serving on funeral honors duty under section 12503 of this title or section 115 of title 32;

"(ii) traveling to or from the place at which the duty was to be performed; or

"(iii) remaining overnight at or in the vicinity of that place immediately before so serv-

ing, if the place is outside reasonable commuting distance from the member's residence.''; and

(2) in subsection (h)(1)—

(A) by striking ''or'' at the end of subparagraph (C);

(B) by striking the period at the end of subparagraph (D) and inserting ''; or''; and

(C) by adding at the end the following:

''(E) in line of duty while—

''(i) serving on funeral honors duty under section 12503 of this title or section 115 of title 32;

''(ii) traveling to or from the place at which the duty was to be performed; or

''(iii) remaining overnight at or in the vicinity of that place immediately before so serving, if the place is outside reasonable commuting distance from the member's residence.''.

(b) TORT CLAIMS.—Section 2671 of title 28, United States Code, is amended by inserting ''115,'' in the second paragraph after ''members of the National Guard while engaged in training or duty under section''.

(c) APPLICABILITY.—(1) The amendments made by subsection (a) shall apply with respect to months beginning on or after the date of the enactment of this Act.

(2) The amendment made by subsection (b) shall apply with respect to acts and omissions occurring before, on, or after the date of the enactment of this Act.

SEC. 669. DETERMINATIONS OF INCOME ELIGIBILITY FOR SPECIAL SUPPLEMENTAL FOOD PROGRAM.

Section 1060a(c)(1)(B) of title 10, United States Code, is amended by striking the second sentence and inserting the following: ''In the application of such criterion, the Secretary shall exclude from income any basic allowance for housing as permitted under section 17(d)(2)(B) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(d)(2)(B)).''.

SEC. 670. MODIFICATION OF TIME FOR USE BY CERTAIN MEMBERS OF THE SELECTED RESERVE OF ENTITLEMENT TO EDUCATIONAL ASSISTANCE.

(a) IN GENERAL.—Subsection (a) of section 16133 of title 10, United States Code, is amended by striking ''(1) at the end'' and all that follows through the end and inserting ''on the date the person is separated from the Selected Reserve.''.

(b) CERTAIN MEMBERS.—Paragraph (1) of subsection (b) of that section is amended in the flush matter following subparagraph (B) by striking ''shall be determined'' and all that follows through the end and inserting ''shall expire on the later of (i) the 10-year period beginning on the date on which such person becomes entitled to educational assistance under this chapter, or (ii) the end of the 4-year period beginning on the date such person is separated from, or ceases to be, a member of the Selected Reserve.''.

(c) CONFORMING AMENDMENTS.—Subsection (b) of that section is further amended—

(1) in paragraph (2), by striking ''subsection (a)'' and inserting ''subsections (a) and (b)(1)'';

(2) in paragraph (3), by striking ''subsection (a)'' and inserting ''subsection (b)(1)''; and

(3) in paragraph (4)—

(A) in subparagraph (A), by striking ''subsection (a)'' and inserting ''subsections (a) and (b)(1)''; and

(B) in subparagraph (B), by striking ''clause (2) of such subsection'' and inserting ''subsection (a)''.

SEC. 671. RECOGNITION OF MEMBERS OF THE ALASKA TERRITORIAL GUARD AS VETERANS.

(a) IN GENERAL.—Section 106 of title 38, United States Code, is amended by adding at the end the following new subsection:

''(f) Service as a member of the Alaska Territorial Guard during World War II of any individual who was honorably discharged therefrom under section 656(b) of the National Defense Authorization Act for Fiscal Year 2001 shall be considered active duty for purposes of all laws administered by the Secretary.''.

(b) DISCHARGE.—(1) The Secretary of Defense shall issue to each individual who served as a member of the Alaska Territorial Guard during World War II a discharge from such service under honorable conditions if the Secretary determines that the nature and duration of the service of the individual so warrants.

(2) A discharge under paragraph (1) shall designate the date of discharge. The date of discharge shall be the date, as determined by the Secretary, of the termination of service of the individual concerned as described in that paragraph.

(c) PROHIBITION ON RETROACTIVE BENEFITS.—No benefits shall be paid to any individual for any period before the date of the enactment of this Act by reason of the enactment of this section.

SEC. 672. CLARIFICATION OF DEPARTMENT OF VETERANS AFFAIRS DUTY TO ASSIST.

(a) IN GENERAL.—Section 5107 of title 38, United States Code, is amended to read as follows:

"§ 5107 Assistance to claimants; benefit of the doubt; burden of proof

''(a) The Secretary shall assist a claimant in developing all facts pertinent to a claim for benefits under this title. Such assistance shall include requesting information as described in section 5106 of this title. The Secretary shall provide a medical examination when such examination may substantiate entitlement to the benefits sought. The Secretary may decide a claim without providing assistance under this subsection when no reasonable possibility exists that such assistance will aid in the establishment of entitlement.

''(b) The Secretary shall consider all evidence and material of record in a case before the Department with respect to benefits under laws administered by the Secretary and shall give the claimant the benefit of the doubt when there is an approximate balance of positive and negative evidence regarding any issue material to the determination of the matter.

''(c) Except when otherwise provided by this title or by the Secretary in accordance with the provisions of this title, a person who submits a claim for benefits under a

law administered by the Secretary shall have the burden of proof.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 51 of that title is amended by striking the item relating to section 5017 and inserting the following new item:

''5107 Assistance to claimants; benefit of the doubt; burden of proof.''.

SEC. 673. BACK PAY FOR MEMBERS OF THE NAVY AND MARINE CORPS APPROVED FOR PROMOTION WHILE INTERNED AS PRISONERS OF WAR DURING WORLD WAR II.

(a) ENTITLEMENT OF FORMER PRISONERS OF WAR.—Upon receipt of a claim made in accordance with this section, the Secretary of the Navy shall pay back pay to a claimant who, by reason of being interned as a prisoner of war while serving as a member of the Navy or the Marine Corps during World War II, was not available to accept a promotion for which the claimant was approved.

(b) PROPER CLAIMANT FOR DECEASED FORMER MEMBER.—In the case of a person described in subsection (a) who is deceased, the back pay for that deceased person under this section shall be paid to a member or members of the family of the deceased person determined appropriate in the same manner as is provided in section 6(c) of the War Claims Act of 1948 (50 U.S.C. App. 2005(c)).

(c) AMOUNT OF BACK PAY.—The amount of back pay payable to or for a person described in subsection (a) is the amount equal to the excess of—

(1) the total amount of basic pay that would have been paid to that person for service in the Navy or the Marine Corps if the person had been promoted on the date on which the promotion was approved, over

(2) the total amount of basic pay that was paid to or for that person for such service on and after that date.

(d) TIME LIMITATIONS.—(1) To be eligible for a payment under this section, a claimant must file a claim for such payment with the Secretary of Defense within two years after the effective date of the regulations implementing this section.

(2) Not later than 18 months after receiving a claim for payment under this section, the Secretary shall determine the eligibility of the claimant for payment of the claim. Subject to subsection (f), if the Secretary determines that the claimant is eligible for the payment, the Secretary shall promptly pay the claim.

(e) REGULATIONS.—The Secretary of Defense shall prescribe regulations to carry out this section. Such regulations shall include procedures by which persons may sub-

mit claims for payment under this section. Such regulations shall be prescribed not later than six months after the date of the enactment of this Act.

(f) LIMITATION ON DISBURSEMENT.—(1) Notwithstanding any power of attorney, assignment of interest, contract, or other agreement, the actual disbursement of a payment under this section may be made only to each person who is eligible for the payment under subsection (a) or (b) and only—

(A) upon the appearance of that person, in person, at any designated disbursement office in the United States or its territories; or

(B) at such other location or in such other manner as that person may request in writing.

(2) In the case of a claim approved for payment but not disbursed as a result of operation of paragraph (1), the Secretary of Defense shall hold the funds in trust for the person in an interest bearing account until such time as the person makes an election under such paragraph.

(g) ATTORNEY FEES.—Notwithstanding any contract, the representative of a person may not receive, for services rendered in connection with the claim of, or with respect to, a person under this section, more than 10 percent of the amount of a payment made under this section on that claim.

(h) OUTREACH.—The Secretary of the Navy shall take such actions as are necessary to ensure that the benefits and eligibility for benefits under this section are widely publicized by means designed to provide actual notice of the availability of the benefits in a timely manner to the maximum number of eligible persons practicable.

(i) DEFINITION.—In this section, the term ''World War II'' has the meaning given the term in section 101(8) of title 38, United States Code.

Subtitle F—Education Benefits

SEC. 681. SHORT TITLE.

This subtitle may be cited as the ''Helping Our Professionals Educationally (HOPE) Act of 2000''.

SEC. 682. TRANSFER OF ENTITLEMENT TO EDUCATIONAL ASSISTANCE BY CERTAIN MEMBERS OF THE ARMED FORCES.

(a) AUTHORITY TO TRANSFER TO FAMILY MEMBERS.—(1) Subchapter II of chapter 30 of title 38, United States Code, is amended by adding at the end the following new section:

''§ 3020. Transfer of entitlement to basic educational assistance: members of the Armed Forces

''(a)(1) Subject to the provisions of this section, the Secretary of each military department may, for the purpose of enhancing recruiting and retention and at such

Secretary's sole discretion, permit an individual described in paragraph (2) who is entitled to basic educational assistance under this subchapter to elect to transfer such individual's entitlement to such assistance, in whole or in part, to the dependents specified in subsection (b).

''(2) An individual referred to in paragraph (1) is any individual who is a member of the Armed Forces at the time of the approval by the Secretary of the military department concerned of the individual's request to transfer entitlement to educational assistance under this section.

''(3) The Secretary of the military department concerned may not approve an individual's request to transfer entitlement to educational assistance under this section until the individual has completed six years of service in the Armed Forces.

''(4) Subject to the time limitation for use of entitlement under section 3031 of this title, an individual approved to transfer entitlement to educational assistance under this section may transfer such entitlement at any time after the approval of individual's request to transfer such entitlement without regard to whether the individual is a member of the Armed Forces when the transfer is executed.

''(b) An individual approved to transfer an entitlement to basic educational assistance under this section

may transfer the individual's entitlement to such assistance as follows:

"(1) To the individual's spouse.

"(2) To one or more of the individual's children.

"(3) To a combination of the individuals referred to in paragraphs (1) and (2).

"(c)(1) An individual transferring an entitlement to basic educational assistance under this section shall—

"(A) designate the dependent or dependents to whom such entitlement is being transferred and the percentage of such entitlement to be transferred to each such dependent; and

"(B) specify the period for which the transfer shall be effective for each dependent designated under subparagraph (A).

"(2) The aggregate amount of the entitlement transferable by an individual under this section may not exceed the aggregate amount of the entitlement of such individual to basic educational assistance under this subchapter.

"(3) An individual transferring an entitlement under this section may modify or revoke the transfer at any time before the use of the transferred entitlement begins. An individual shall make the modification or revocation by

submitting written notice of the action to the Secretary of the military department concerned.

"(d)(1) A dependent to whom entitlement to educational assistance is transferred under this section may not commence the use of the transferred entitlement until the completion by the individual making the transfer of 10 years of service in the Armed Forces.

"(2) The use of any entitlement transferred under this section shall be charged against the entitlement of the individual making the transfer at the rate of one month for each month of transferred entitlement that is used.

"(3) Except as provided in under subsection (c)(1)(B) and subject to paragraphs (4) and (5), a dependent to whom entitlement is transferred under this section is entitled to basic educational assistance under this subchapter in the same manner and at the same rate as the individual from whom the entitlement was transferred.

"(4) Notwithstanding section 3031 of this title, a child to whom entitlement is transferred under this section may not use any entitlement so transferred after attaining the age of 26 years.

"(5) The administrative provisions of this chapter (including the provisions set forth in section 3034(a)(1) of this title) shall apply to the use of entitlement transferred under this section, except that the dependent to

whom the entitlement is transferred shall be treated as the eligible veteran for purposes of such provisions.

''(e) In the event of an overpayment of basic educational assistance with respect to a dependent to whom entitlement is transferred under this section, the dependent and the individual making the transfer shall be jointly and severally liable to the United States for the amount of the overpayment for purposes of section 3685 of this title.

''(f) The Secretary of a military department may approve transfers of entitlement to educational assistance under this section in a fiscal year only to the extent that appropriations for military personnel are available in the fiscal year for purposes of making transfers of funds under section 2006 of title 10 with respect to such transfers of entitlement.

''(g) The Secretary of Defense shall prescribe regulations for purposes of this section. Such regulations shall specify the manner and effect of an election to modify or revoke a transfer of entitlement under subsection (c)(3) and shall specify the manner of the applicability of the administrative provisions referred to in subsection (d)(5) to a dependent to whom entitlement is transferred under this section.

"(h)(1) Not later than January 31, 2002, and each year thereafter, each Secretary of a military department shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on the transfers of entitlement under this section that were approved by such Secretary during the preceding year.

"(2) Each report shall set forth—

"(A) the number of transfers of entitlement under this section that were approved by such Secretary during the preceding year; or

"(B) if no transfers of entitlement under this section were approved by such Secretary during that year, a justification for such Secretary's decision not to approve any such transfers of entitlement during that year.".

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

"3020. Transfer of entitlement to basic educational assistance: members of the Armed Forces.".

(b) TREATMENT UNDER DEPARTMENT OF DEFENSE EDUCATION BENEFITS FUND.—Section 2006(b)(2) of title 10, United States Code, is amended by adding at the end the following:

"(D) The present value of the future benefits payable from the Fund as a result of trans-

fers under section 3020 of title 38 of entitlement to basic educational assistance under chapter 30 of title 38.''

(c) PLAN FOR IMPLEMENTATION.—Not later than June 30, 2001, the Secretary of Defense shall submit to Congress a report describing the manner in which the Secretaries of the military departments propose to exercise the authority granted by section 3020 of title 38, United States Code, as added by subsection (a).

SEC. 683. PARTICIPATION OF ADDITIONAL MEMBERS OF THE ARMED FORCES IN MONTGOMERY GI BILL PROGRAM.

(a) PARTICIPATION AUTHORIZED.—(1) Subchapter II of chapter 30 of title 38, United States Code, as amended by section 682(a) of this Act, is further amended by inserting after section 3018C the following new section:

''§ 3018D. Opportunity to enroll: certain VEAP participants; active duty personnel not previously enrolled

''(a)(1) Notwithstanding any other provision of law and subject to the provisions of this section, the Secretary concerned may, for the purpose of enhancing recruiting and retention and at such Secretary's sole discretion, permit an individual described in subsection (b) to elect under

subsection (c) to become entitled to basic educational assistance under this chapter.

"(2) The Secretary concerned may permit an individual to elect to become entitled to basic educational assistance under this section only if sufficient funds are available in accordance with this section for purposes of payments by the Secretary of Defense into the Department of Defense Education Benefits Fund under section 2006 of title 10 with respect to such election.

"(3) An individual who makes an election to become entitled to basic educational assistance under this section shall be entitled to basic educational assistance under this chapter.

"(b) An individual eligible to be permitted to make an election under this section is an individual who—

"(1) either—

"(A)(i) is a participant on the date of the enactment of this section in the educational benefits program provided by chapter 32 of this title; or

"(ii) disenrolled from participation in that program before that date; or

"(B) has made an election under section 3011(c)(1) or 3012(d)(1) of this title not to receive educational assistance under this chapter

and has not withdrawn that election under section 3018(a) of this title as of that date;

''(2) is serving on active duty (excluding periods referred to in section 3202(1)(C) of this title in the case of an individual described in paragraph (1)(A)) on that date; and

''(3) before applying for benefits under this section, has completed the requirements of a secondary school diploma (or equivalency certificate) or has successfully completed the equivalent of 12 semester hours in a program of education leading to a standard college degree.

''(c) An individual permitted to make an election under this section to become entitled to basic educational assistance under this chapter shall make an irrevocable election to receive benefits under this section in lieu of benefits under chapter 32 of this title or withdraw the election made under section 3011(c)(1) or 3012(d)(1) of this title, as the case may be, pursuant to procedures which the Secretary of each military department shall provide in accordance with regulations prescribed by the Secretary of Defense for the purpose of carrying out this section or which the Secretary of Transportation shall provide for such purpose with respect to the Coast Guard when it is not operating as a service in the Navy.

"(d)(1) Except as provided in paragraphs (2) and (3), in the case of an individual who makes an election under this section to become entitled to basic educational assistance under this chapter, the basic pay of the individual shall be reduced (in a manner determined by the Secretary of Defense) until the total amount by which such basic pay is reduced is—

"(A) $1,200, in the case of an individual described in subsection (b)(1)(A); or

"(B) $1,500, in the case of an individual described in subsection (b)(1)(B).

"(2) In the case of an individual previously enrolled in the educational benefits program provided by chapter 32 of this title, the total amount of the reduction in basic pay otherwise required by paragraph (1) shall be reduced by an amount equal to so much of the unused contributions made by the individual to the Post-Vietnam Era Veterans Education Account under section 3222(a) of this title as do not exceed $1,200.

"(3) An individual may at any time pay the Secretary concerned an amount equal to the difference between the total of the reductions otherwise required with respect to the individual under this subsection and the total amount of the reductions made with respect to the individual under this subsection as of the time of the payment.

"(4) The Secretary concerned shall transfer to the Secretary of Defense amounts retained with respect to individuals under paragraph (1) and amounts, if any, paid by individuals under paragraph (3).

"(e)(1) An individual who is enrolled in the educational benefits program provided by chapter 32 of this title and who makes the election described in subsection (c) shall be disenrolled from the program as of the date of such election.

"(2) For each individual who is disenrolled from such program, the Secretary shall transfer to Secretary of Defense any amounts in the Post-Vietnam Era Veterans Education Account that are attributable to the individual, including amounts in the Account that are attributable to the individual by reason of contributions made by the Secretary of Defense under section 3222(c) of this title.

"(f) With respect to each individual electing under this section to become entitled to basic educational assistance under this chapter, the Secretary concerned shall transfer to the Secretary of Defense, from appropriations for military personnel that are available for transfer, an amount equal to the difference between—

"(1) the amount required to be paid by the Secretary of Defense into the Department of Defense

Education Benefits Fund with respect to such election; and

"(2) the aggregate amount transferred to the Secretary of Defense with respect to the individual under subsections (d) and (e).

"(g) The Secretary of Defense shall utilize amounts transferred to such Secretary under this section for purposes of payments into the Department of Defense Education Benefits Fund with respect to the provision of benefits under this chapter for individuals making elections under this section.

"(h)(1) The requirements of sections 3011(a)(3) and 3012(a)(3) of this title shall apply to an individual who makes an election under this section, except that the completion of service referred to in such section shall be the completion of the period of active duty being served by the individual on the date of the enactment of this section.

"(2) The procedures provided in regulations referred to in subsection (c) shall provide for notice of the requirements of subparagraphs (B), (C), and (D) of section 3011(a)(3) of this title and of subparagraphs (B), (C), and (D) of section 3012(a)(3) of this title. Receipt of such notice shall be acknowledged in writing.

"(i)(1) Not later than January 31, 2002, and each year thereafter, each Secretary concerned shall submit to

the Committees on Armed Services of the Senate and House of Representatives a report on the members of the Armed Forces under the jurisdiction of such Secretary who were permitted to elect to become entitled to basic educational assistance under this section during the preceding year.

''(2) Each report shall set forth—

''(A) the number of members who were permitted to elect to become entitled to basic educational assistance under this section during the preceding year;

''(B) the number of members so permitted who elected to become entitled to basic educational assistance during that year; and

''(C) if no members were so permitted during that year, a justification for such Secretary's decision not to permit any members to elect to become so entitled during that year.''.

(2) The table of sections at the beginning of chapter 30 of that title, as amended by section 682(a) of this Act, is further amended by inserting after the item relating to section 3018C the following new item:

''3018D. Opportunity to enroll: certain VEAP participants; active duty personnel not previously enrolled.''.

(b) CONFORMING AMENDMENT.—Section 3015(f) of that title is amended by striking ''or 3018C'' and inserting ''3018C, or 3018D''.

(c) TREATMENT UNDER DEPARTMENT OF DEFENSE EDUCATION BENEFITS FUND.—Section 2006(b)(2) of title 10, United States Code, as amended by section 682(b) of this Act, is further amended by adding at the end the following:

> ''(E) The present value of the future benefits payable from the Fund as a result of elections under section 3018D of title 38 of entitlement to basic educational assistance under chapter 30 of title 38.''.

(d) PLANS FOR IMPLEMENTATION.—(1) Not later than June 30, 2001, the Secretary of Defense shall submit to Congress a report describing the manner in which the Secretaries of the military departments propose to exercise the authority granted by section 3018A of title 38, United States Code, as added by subsection (a).

(2) Not later than June 30, 2001, the Secretary of Transportation shall submit to Congress a report describing the manner in which that Secretary proposes to exercise the authority granted by such section 3018A with respect to members of the Coast Guard.

SEC. 684. MODIFICATION OF AUTHORITY TO PAY TUITION FOR OFF-DUTY TRAINING AND EDUCATION.

(a) AUTHORITY TO PAY ALL CHARGES.—Section 2007 of title 10, United States Code, is amended—

(1) by striking subsections (a) and (b) and inserting the following new subsections:

''(a) Subject to subsection (b), the Secretary of a military department may pay all or a portion of the charges of an educational institution for the tuition or expenses of a member of the armed forces enrolled in such educational institution for education or training during the member's off-duty periods.

''(b) In the case of a commissioned officer on active duty, the Secretary of the military department concerned may not pay charges under subsection (a) unless the officer agrees to remain on active duty for a period of at least two years after the completion of the training or education for which the charges are paid.''; and

(2) in subsection (d)—

(A) by striking ''(within the limits set forth in subsection (a))'' in the matter preceding paragraph (1); and

(B) in paragraph (3), by striking ''subsection (a)(3)'' and inserting ''subsection (b)''.

(b) USE OF ENTITLEMENT TO ASSISTANCE UNDER MONTGOMERY GI BILL FOR PAYMENT OF CHARGES.—(1)

That section is further amended by adding at the end the following new subsection:

"(e)(1) A member of the armed forces who is entitled to basic educational assistance under chapter 30 of title 38 may use such entitlement for purposes of paying any portion of the charges described in subsection (a) or (c) that are not paid for by the Secretary of the military department concerned under such subsection.

"(2) The use of entitlement under paragraph (1) shall be governed by the provisions of section 3014(b) of title 38.".

(2) Section 3014 of title 38, United States Code, is amended—

(A) by inserting "(a)" before "The Secretary"; and

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

"(b)(1) In the case of an individual entitled to basic educational assistance who is pursuing education or training described in subsection (a) or (c) of section 2007 of title 10, the Secretary shall, at the election of the individual, pay the individual a basic educational assistance allowance to meet all or a portion of the charges of the educational institution for the education or training that

are not paid by the Secretary of the military department concerned under such subsection.

''(2)(A) The amount of the basic educational assistance allowance payable to an individual under this subsection for a month shall be the amount of the basic educational assistance allowance to which the individual would be entitled for the month under section 3015 of this title (without regard to subsection (g) of that section) were payment made under that section instead of under this subsection.

''(B) The maximum number of months for which an individual may be paid a basic educational assistance allowance under paragraph (1) is 36.''.

(3) Section 3015 of title 38, United States Code, is amended—

(A) by striking ''subsection (g)'' each place it appears in subsections (a) and (b);

(B) by redesignating subsection (g) as subsection (h); and

(C) by inserting after subsection (f) the following new subsection (g):

''(g) In the case of an individual who has been paid a basic educational assistance allowance under section 3014(b) of this title, the rate of the basic educational assistance allowance applicable to the individual under this

section shall be the rate otherwise applicable to the individual under this section reduced by an amount equal to—

"(1) the aggregate amount of such allowances paid the individual under such section 3014(b); divided by

"(2) 36.".

SEC. 685. MODIFICATION OF TIME FOR USE BY CERTAIN MEMBERS OF SELECTED RESERVE OF ENTITLEMENT TO CERTAIN EDUCATIONAL ASSISTANCE.

Section 16133(b) of title 10, United States Code, is amended by adding at the end the following new paragraph:

"(5)(A) In the case of a person who continues to serve as member of the Selected Reserve as of the end of the 10-year period applicable to the person under subsection (a), as extended, if at all, under paragraph (4), the period during which the person may use the person's entitlement shall expire at the end of the 5-year period beginning on the date the person is separated from the Selected Reserve.

"(B) The provisions of paragraph (4) shall apply with respect to any period of active duty of a person referred to in subparagraph (A) during the 5-year period referred to in that subparagraph.".

Subtitle G—Additional Benefits For Reserves and Their Dependents

SEC. 691. SENSE OF CONGRESS.

It is the sense of Congress that it is in the national interest for the President to provide the funds for the reserve components of the Armed Forces (including the National Guard and Reserves) that are sufficient to ensure that the reserve components meet the requirements specified for the reserve components in the National Military Strategy, including training requirements.

SEC. 692. TRAVEL BY RESERVES ON MILITARY AIRCRAFT.

(a) SPACE-REQUIRED TRAVEL FOR TRAVEL TO DUTY STATIONS INCONUS AND OCONUS.—(1) Subsection (a) of section 18505 of title 10, United States Code, is amended to read as follows:

''(a) A member of a reserve component traveling to a place of annual training duty or inactive-duty training (including a place other than the member's unit training assembly if the member is performing annual training duty or inactive-duty training in another location) may travel in a space-required status on aircraft of the armed forces between the member's home and the place of such duty or training.''.

(2) The heading of such section is amended to read as follows:

"§ 18505. Reserves traveling to annual training duty or inactive-duty training: authority for space-required travel".

(b) SPACE-AVAILABLE TRAVEL FOR MEMBERS OF SELECTED RESERVE AND DEPENDENTS.—Chapter 1805 of such title is amended by adding at the end the following new section:

"§ 18506. Space-available travel: Selected Reserve members and dependents

''(a) ELIGIBILITY FOR SPACE-AVAILABLE TRAVEL.—The Secretary of Defense shall prescribe regulations to allow persons described in subsection (b) to receive transportation on aircraft of the Department of Defense on a space-available basis under the same terms and conditions (including terms and conditions applicable to travel outside the United States) as apply to members of the armed forces entitled to retired pay.

''(b) PERSONS ELIGIBLE.—Subsection (a) applies to a person who is a member of the Selected Reserve in good standing (as determined by the Secretary concerned) or who is a participating member of the Individual Ready Reserve of the Navy or Coast Guard in good standing (as determined by the Secretary concerned).

''(c) DEPENDENTS.—A dependent of a person described in subsection (b) shall be provided transportation

under this section on the same basis as dependents of members of the armed forces entitled to retired pay.

"(d) LIMITATION ON REQUIRED IDENTIFICATION.—Neither the 'Authentication of Reserve Status for Travel Eligibility' form (DD Form 1853), nor or any other form, other than the presentation of military identification and duty orders upon request, or other methods of identification required of active duty personnel, shall be required of reserve component personnel using space-available transportation within or outside the continental United States under this section.".

(c) CLERICAL AMENDMENTS.—The table of sections at the beginning of such chapter is amended by striking the item relating to section 18505 and inserting the following new items:

"18505. Reserves traveling to annual training duty or inactive-duty training: authority for space-required travel.
"18506. Space-available travel: Selected Reserve members and dependents.".

(d) IMPLEMENTING REGULATIONS.—Regulations under section 18506 of title 10, United States Code, as added by subsection (b), shall be prescribed not later than 180 days after the date of the enactment of this Act.

SEC. 693. BILLETING SERVICES FOR RESERVE MEMBERS TRAVELING FOR INACTIVE DUTY TRAINING.

(a) IN GENERAL.—(1) Chapter 1217 of title 10, United States Code, is amended by inserting after section 12603 the following new section:

"§ 12604. Billeting in Department of Defense facilities: Reserves attending inactive-duty training

"(a) AUTHORITY FOR BILLETING ON SAME BASIS AS ACTIVE DUTY MEMBERS TRAVELING UNDER ORDERS.—The Secretary of Defense shall prescribe regulations authorizing a Reserve traveling to inactive-duty training at a location more than 50 miles from that Reserve's residence to be eligible for billeting in Department of Defense facilities on the same basis and to the same extent as a member of the armed forces on active duty who is traveling under orders away from the member's permanent duty station.

"(b) PROOF OF REASON FOR TRAVEL.—The Secretary shall include in the regulations the means for confirming a Reserve's eligibility for billeting under subsection (a).".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 12603 the following new item:

"12604. Billeting in Department of Defense facilities: Reserves attending inactive-duty training.

(b) EFFECTIVE DATE.—Section 12604 of title 10, United States Code, as added by subsection (a), shall apply with respect to periods of inactive-duty training be-

ginning more than 180 days after the date of the enactment of this Act.

SEC. 694. INCREASE IN MAXIMUM NUMBER OF RESERVE RETIREMENT POINTS THAT MAY BE CREDITED IN ANY YEAR.

Section 12733(3) of title 10, United States Code, is amended by striking ''but not more than'' and all that follows and inserting ''but not more than—

''(A) 60 days in any one year of service before the year of service that includes September 23, 1996;

''(B) 75 days in the year of service that includes September 23, 1996, and in any subsequent year of service before the year of service that includes the date of the enactment of the National Defense Authorization Act for Fiscal Year 2001; and

''(C) 90 days in the year of service that includes the date of the enactment of the National Defense Authorization Act for Fiscal Year 2001 and in any subsequent year of service.''.

SEC. 695. AUTHORITY FOR PROVISION OF LEGAL SERVICES TO RESERVE COMPONENT MEMBERS FOLLOWING RELEASE FROM ACTIVE DUTY.

(a) LEGAL SERVICES.—Section 1044(a) of title 10, United States Code, is amended—

(1) by redesignating paragraph (4) as paragraph (5); and

(2) by inserting after paragraph (3) the following new paragraph (4):

''(4) Members of reserve components of the armed forces not covered by paragraph (1) or (2) following release from active duty under a call or order to active duty for more than 30 days issued under a mobilization authority (as determined by the Secretary of Defense), but only during the period that begins on the date of the release and is equal to at least twice the length of the period served on active duty under such call or order to active duty.''.

(b) DEPENDENTS.—Paragraph (5) of such section, as redesignated by subsection (a)(1), is amended by striking ''and (3)'' and inserting ''(3), and (4)''.

(c) IMPLEMENTING REGULATIONS.—Regulations to implement the amendments made by this section shall be prescribed not later than 180 days after the date of the enactment of this Act.

TITLE VII—HEALTH CARE

Subtitle A—Senior Health Care

SEC. 701. CONDITIONS FOR ELIGIBILITY FOR CHAMPUS UPON THE ATTAINMENT OF 65 YEARS OF AGE.

(a) ELIGIBILITY OF MEDICARE ELIGIBLE PERSONS.—Section 1086(d) of title 10, United States Code, is amended—

(1) by striking paragraph (2) and inserting the following:

''(2) The prohibition contained in paragraph (1) shall not apply to a person referred to in subsection (c) who—

''(A) is enrolled in the supplementary medical insurance program under part B of such title (42 U.S.C. 1395j et seq.); and

''(B) in the case of a person under 65 years of age, is entitled to hospital insurance benefits under part A of title XVIII of the Social Security Act pursuant to subparagraph (A) or (C) of section 226(b)(2) of such Act (42 U.S.C. 426(b)(2)) or section 226A(a) of such Act (42 U.S.C. 426–1(a)).''; and

(2) in paragraph (4), by striking ''paragraph (1) who satisfy only the criteria specified in subparagraphs (A) and (B) of paragraph (2), but not sub-

paragraph (C) of such paragraph,'' and inserting ''subparagraph (B) of paragraph (2) who do not satisfy the condition specified in subparagraph (A) of such paragraph''.

(b) EXTENSION OF TRICARE SENIOR PRIME DEMONSTRATION PROGRAM.—Paragraph (4) of section 1896(b) of the Social Security Act (42 U.S.C. 1395ggg(b)) is amended by striking ''3-year period beginning on January 1, 1998'' and inserting ''period beginning on January 1, 1998, and ending on December 31, 2001''.

(c) EFFECTIVE DATES.—(1) The amendments made by subsection (a) shall take effect on October 1, 2001.

(2) The amendment made by subsection (b) shall take effect on the date of the enactment of this Act.

(d) ADJUSTMENT FOR BUDGET-RELATED RESTRICTIONS.—Effective on October 1, 2003, section 1086(d)(2) of title 10, United States Code, as amended by subsection (a), is further amended by striking ''in the case of a person under 65 years of age,'' and inserting ''is under 65 years of age and''.

Subtitle B—TRICARE Program

SEC. 711. ADDITIONAL BENEFICIARIES UNDER TRICARE PRIME REMOTE PROGRAM IN CONUS.

(a) COVERAGE OF OTHER UNIFORMED SERVICES.—(1) Section 1074(c) of title 10, United States Code, is amended—

(A) by striking ''armed forces'' each place it appears, except in paragraph (3)(A), and inserting ''uniformed services'';

(B) in paragraph (1), by inserting after ''military department'' in the first sentence the following: '', the Department of Transportation (with respect to the Coast Guard when it is not operating as a service in the Navy), or the Department of Health and Human Services (with respect to the National Oceanic and Atmospheric Administration and the Public Health Service)'';

(C) in paragraph (2), by adding at the end the following:

''(C) The Secretary of Defense shall consult with the other administering Secretaries in the administration of this paragraph.''; and

(D) in paragraph (3)(A), by striking ''The Secretary of Defense may not require a member of the armed forces described in subparagraph (B)'' and

inserting ''A member of the uniformed services described in subparagraph (B) may not be required''.

(2)(A) Subsections (b), (c), and (d)(3) of section 731 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 1811; 10 U.S.C. 1074 note) are amended by striking ''Armed Forces'' and inserting ''uniformed services''.

(B) Subsection (b) of such section is further amended by adding at the end the following:

''(4) The Secretary of Defense shall consult with the other administering Secretaries in the administration of this subsection.''.

(C) Subsection (f) of such section is amended by adding at the end the following:

''(3) The terms 'uniformed services' and 'administering Secretaries' have the meanings given those terms in section 1072 of title 10, United States Code.''.

(3) Section 706(b) of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 684) is amended by striking ''Armed Forces'' and inserting ''uniformed services (as defined in section 1072(1) of title 10, United States Code)''.

(b) COVERAGE OF IMMEDIATE FAMILY.—(1) Section 1079 of title 10, United States Code, is amended by adding at the end the following:

''(p)(1) Subject to such exceptions as the Secretary of Defense considers necessary, coverage for medical care under this section for the dependents referred to in subsection (a) of a member of the uniformed services referred to in section 1074(c)(3) of this title who are residing with the member, and standards with respect to timely access to such care, shall be comparable to coverage for medical care and standards for timely access to such care under the managed care option of the TRICARE program known as TRICARE Prime.

''(2) The Secretary of Defense shall enter into arrangements with contractors under the TRICARE program or with other appropriate contractors for the timely and efficient processing of claims under this subsection.

''(3) The Secretary of Defense shall consult with the other administering Secretaries in the administration of this subsection.''.

(2) Section 731(b) of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 1811; 10 U.S.C. 1074 note) is amended—

(A) in paragraph (1), by adding at the end the following: ''A dependent of the member, as described

in subparagraph (A), (D), or (I) of section 1072(2) of title 10, United States Code, who is residing with the member shall have the same entitlement to care and to waiver of charges as the member.''; and

(B) in paragraph (2), by inserting ''or dependent of the member, as the case may be,'' after ''(2) A member''.

(c) EFFECTIVE DATE.—(1) The amendments made by subsection (a)(2), with respect to members of the uniformed services, and the amendments made by subsection (b)(2), with respect to dependents of members, shall take effect on the date of the enactment of this Act and shall expire with respect to a member or the dependents of a member, respectively, on the later of the following:

(A) The date that is one year after the date of the enactment of this Act.

(B) The date on which the amendments subsection (a)(1) or (b)(1) apply with respect to the coverage of medical care for and provision of such care to the member or dependents, respectively.

(2) Section 731(b)(3) of Public Law 105–85 does not apply to a member of the Coast Guard, the National Oceanic and Atmospheric Administration, or the Commissioned Corps of the Public Health Service, or to a dependent of a member of a uniformed service.

SEC. 712. ELIMINATION OF COPAYMENTS FOR IMMEDIATE FAMILY.

(a) NO COPAYMENT FOR IMMEDIATE FAMILY.—Section 1097a of title 10, United States Code, is amended—

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

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

''(e) NO COPAYMENT FOR IMMEDIATE FAMILY.—No copayment shall be charged a member for care provided under TRICARE Prime to a dependent of a member of the uniformed services described in subparagraph (A), (D), or (I) of section 1072 of this title.''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on October 1, 2000, and shall apply with respect to care provided on or after that date.

SEC. 713. IMPROVEMENT IN BUSINESS PRACTICES IN THE ADMINISTRATION OF THE TRICARE PROGRAM.

(a) REQUIREMENT.—Not later than October 1, 2001, the Secretary of Defense shall take actions that the Secretary considers appropriate to improve the business practices used in administering the access of eligible persons to health care services through the TRICARE program

under chapter 55 of title 10, United States Code, including the practices relating to the following:

(1) The availability and scheduling of appointments.

(2) The filing, processing, and payment of claims.

(3) Public relations efforts that are focused on outreach to eligible persons.

(4) The continuation of enrollments without expiration.

(5) The portability of enrollments nationwide.

(b) CONSULTATION.—The Secretary of Defense shall consult with the other administering Secretaries in the development of the actions to be taken under subsection (a).

(c) REPORT.—Not later than March 15, 2001, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and House of Representatives a report on the actions to be taken under subsection (a).

(d) DEFINITIONS.—In this section the terms ''administering Secretaries'' and ''TRICARE program'' shall have the meanings given such terms in section 1072 of title 10, United States Code.

SEC. 714. IMPROVEMENT OF ACCESS TO HEALTH CARE UNDER THE TRICARE PROGRAM.

(a) WAIVER OF NONAVAILABILITY STATEMENT OR PREAUTHORIZATION.—In the case of a covered beneficiary under chapter 55 of title 10, United States Code, who is enrolled in TRICARE Standard, the Secretary of Defense may not require with regard to authorized health care services (other than mental health services) under any new contract for the provision of health care services under such chapter that the beneficiary—

(1) obtain a nonavailability statement or preauthorization from a military medical treatment facility in order to receive the services from a civilian provider; or

(2) obtain a nonavailability statement for care in specialized treatment facilities outside the 200-mile radius of a military medical treatment facility.

(b) NOTICE.—The Secretary may require that the covered beneficiary inform the primary care manager of the beneficiary of any health care received from a civilian provider or in a specialized treatment facility.

(c) EXCEPTIONS.—Subsection (a) shall not apply if—

(1) the Secretary demonstrates significant cost avoidance for specific procedures at the affected military medical treatment facilities;

(2) the Secretary determines that a specific procedure must be maintained at the affected military medical treatment facility to ensure the proficiency levels of the practitioners at the facility; or

(3) the lack of nonavailability statement data would significantly interfere with TRICARE contract administration.

(d) EFFECTIVE DATE.—This section shall take effect on October 1, 2001.

SEC. 715. ENHANCEMENT OF ACCESS TO TRICARE IN RURAL STATES.

(a) HIGHER MAXIMUM ALLOWABLE CHARGE.—Section 1079(h) of title 10, United States Code, is amended—

(1) in paragraph (1), by striking ''paragraphs (2) and (3)'' in the first sentence and inserting ''paragraphs (2), (3), and (4)'';

(2) by redesignating paragraph (4) as paragraph (5);

(3) by inserting after paragraph (3) the following new paragraph (4):

''(4)(A) The amount payable for a charge for a service provided by an individual health care professional or other noninstitutional health care provider in a rural State for which a claim is submitted under a plan contracted

for under subsection (a) shall be equal to 80 percent of the customary and reasonable charge for services of that type when provided by such a professional or other provider, as the case may be, in that State.

"(B) A customary and reasonable charge shall be determined for the purposes of subparagraph (A) under regulations prescribed by the Secretary of Defense in consultation with the other administering Secretaries. In prescribing the regulations, the Secretary may also consult with the Administrator of the Health Care Financing Administration of the Department of Health and Human Services."; and

(4) by adding at the end the following:

"(6) In this subsection the term 'rural State' means a State that has, on average, as determined by the Bureau of the Census in the latest decennial census—

"(A) less than 76 residents per square mile; and

"(B) less than 211 actively practicing physicians (not counting physicians employed by the United States) per 100,000 residents.".

(b) REPORT.—(1) Not later than 180 days after the date of the enactment of this Act, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on the

extent to which physicians are choosing not to participate in contracts for the furnishing of health care in rural States under chapter 55 of title 10, United States Code.

(2) The report shall include the following:

(A) The number of physicians in rural States who are withdrawing from participation, or otherwise refusing to participate, in the health care contracts.

(B) The reasons for the withdrawals and refusals.

(C) The actions that the Secretary of Defense can take to encourage more physicians to participate in the health care contracts.

(D) Any recommendations for legislation that the Secretary considers necessary to encourage more physicians to participate in the health care contracts.

(3) In this subsection, the term ''rural State'' has the meaning given that term in section 1079(h)(6) of title 10, United States Code (as added by subsection (a)).

Subtitle C—Joint Initiatives With Department of Veterans Affairs

SEC. 721. TRACKING PATIENT SAFETY IN MILITARY AND VETERANS HEALTH CARE SYSTEMS.

(a) CENTRALIZED TRACKING PROCESS.—The Secretary of Defense and the Secretary of Veterans Affairs shall jointly prescribe a centralized process for the reporting, compiling, and analysis of errors in the provision of health care under the Defense Health Program and the Department of Veterans Affairs health care system that endanger patients beyond the normal risks associated with the care and treatment of the patients.

(b) SAFETY INDICATORS, ET CETERA.—The process shall include such indicators, standards, and protocols as the Secretary of Defense and the Secretary of Veterans Affairs consider necessary for the establishment and administration of an effective process.

SEC. 722. PHARMACEUTICAL IDENTIFICATION TECHNOLOGY.

(a) BAR CODE IDENTIFICATION TECHNOLOGY.—The Secretary of Defense and the Secretary of Veterans Affairs shall jointly develop a system for the use of bar codes for the identification of pharmaceuticals.

(b) USE IN MAIL ORDER PHARMACEUTICALS PROGRAM.—The Secretary of Defense, in consultation with

the Secretary of Veterans Affairs, shall experiment with the use of bar code identification of pharmaceuticals in the administration of the mail order pharmaceuticals program carried out under section 1110(a) of title 10, United States Code (as added by section 731).

SEC. 723. MEDICAL INFORMATICS.

(a) ADDITION MATTERS FOR ANNUAL REPORT ON MEDICAL INFORMATICS ADVISORY COMMITTEE.—Section 723(d)(5) of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 697; 10 U.S.C. 1071 note) is amended to read as follows:

''(5) The Secretary of Defense shall submit to Congress an annual report on medical informatics. The report shall include a discussion of the following matters:

''(A) The activities of the Committee.

''(B) The coordination of development, deployment, and maintenance of health care informatics systems within the Federal Government, and between the Federal Government and the private sector.

''(C) The progress or growth occurring in medical informatics.

''(D) How the TRICARE program and the Department of Veterans Affairs health care system can use the advancement of knowledge in medical

informatics to raise the standards of health care and treatment and the expectations for improving health care and treatment.''.

(b) FISCAL YEAR 2001 FUNDING FOR PHARMACEUTICALS-RELATED MEDICAL INFORMATICS.—Of the amount authorized to be appropriated under section 301(22)—

(1) $64,000,000 is available for the commencement of the implementation of a new computerized medical record, including an automated entry order system for pharmaceuticals, that makes all relevant clinical information on a patient under the Defense Health Program available when and where it is needed; and

(2) $9,000,000 is available for the implementation of an integrated pharmacy system under the Defense Health Program that creates a single profile for all of the prescription medications a patient takes, regardless of whether the prescriptions for those medications were filled at military or private pharmacies serving Department of Defense beneficiaries worldwide.

Subtitle D—Other Matters

SEC. 731. PERMANENT AUTHORITY FOR CERTAIN PHARMACEUTICAL BENEFITS.

(a) AUTHORITY.—(1) Chapter 55 of title 10, United States Code, is amended by adding at the end the following:

"§ 1110. Pharmaceutical benefits

''(a) PHARMACEUTICALS BY MAIL.—The Secretary of Defense shall carry out a program to provide eligible persons with prescription pharmaceuticals by mail.

''(b) RETAIL PHARMACY NETWORK.—To the maximum extent practicable, the Secretary of Defense shall include in each managed health care program under this chapter, a program to supply prescription pharmaceuticals to eligible persons through a managed care network of community retail pharmacies in the area covered by the managed health care program.

''(c) ELIGIBLE PERSONS.—A person is eligible to obtain pharmaceuticals under the program of pharmaceuticals by mail under subsection (a) or through a retail pharmacy network included in a managed health care program under subsection (b) as follows:

''(1) A person who is eligible for medical care under a contract for medical care entered into by the

Secretary of Defense under section 1079 or 1086 of this title.

"(2) A person who would be eligible for medical care under a contract for medical care entered into under section 1086 of this title except for the operation of subsection (d)(1) of such section.

"(d) PHARMACEUTICALS OFFERED.—The Secretary of Defense shall determine the pharmaceuticals that may be obtained by eligible persons under subsection (a) or (b).

"(e) FEES.—The Secretary of Defense shall prescribe an appropriate fee, charge, or copayment to be paid by persons for pharmaceuticals obtained under subsection (a) or (b).

"(f) CONSULTATION REQUIREMENT.—The Secretary of Defense shall consult with the other administering Secretaries in the administration of this section.".

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

"1110. Pharmaceutical benefits.".

(b) REPEAL OF SUPERSEDED AUTHORITY.—Section 702 of the National Defense Authorization Act for Fiscal Year 1993 (Public Law 102–484; 106 Stat. 2431; 10 U.S.C. 1079 note) is repealed.

(c) EFFECTIVE DATE.—This section and the amendments made by this section shall take effect on January 1, 2001.

SEC. 732. PROVISION OF DOMICILIARY AND CUSTODIAL CARE FOR CHAMPUS BENEFICIARIES.

(a) CONTINUATION OF CARE FOR CERTAIN CHAMPUS BENEFICIARIES.—Section 703(a)(1) of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 682; 10 U.S.C. 1077 note) is amended by inserting before the period at the end the following: ''or by the prohibition in section 1086(d)(1) of such title''.

(b) COST LIMITATION FOR INDIVIDUAL CASE MANAGEMENT PROGRAM.—(1) Section 1079(a)(17) of title 10, United States Code, is amended—

(A) by inserting ''(A)'' after ''(17)''; and

(B) by adding at the end the following:

''(B) The total amount expended under subparagraph (A) for a fiscal year may not exceed $100,000,000.''.

(2) Section 703 of the National Defense Authorization Act for Fiscal Year 2000 is amended by adding at the end the following:

''(e) COST LIMITATION.—The total amount paid for services for eligible beneficiaries under subsection (a) for a fiscal year (together with the costs of administering the authority under that subsection) shall be included in the expenditures limited by section 1079(a)(17)(B) of title 10, United States Code.''.

(c) APPLICABILITY OF COST LIMITATION.—The amendments made by subsection (b) shall apply to fiscal years after fiscal year 1999.

SEC. 733. MEDICAL AND DENTAL CARE FOR MEDAL OF HONOR RECIPIENTS AND THEIR DEPENDENTS.

(a) MEDAL RECIPIENTS.—Section 1074 of title 10, United States Code, is amended by adding at the end the following:

''(d)(1) A medal of honor recipient is entitled to medical and dental care under this chapter to the same extent as a person referred to in subsection (b).

''(2) In this subsection, the term 'medal of honor recipient' means a person awarded a medal of honor under section 3741, 6241, or 8741 of this title, or section 491 of title 14.''.

(b) DEPENDENTS.—Section 1076 of such title is amended by adding at the end the following:

''(f)(1) The immediate dependents of a medal of honor recipient are entitled to medical and dental care under this chapter to the same extent as a person referred to in subsection (b).

''(2) In this subsection:

"(A) The term 'medal of honor recipient' has the meaning given the term in section 1074(d)(2) of this title.

"(B) The term 'immediate dependent' means a dependent described in subparagraphs (A), (B), (C), and (D) of section 1072(2) of this title.".

SEC. 734. SCHOOL-REQUIRED PHYSICAL EXAMINATIONS FOR CERTAIN MINOR DEPENDENTS.

Section 1076 of title 10, United States Code, as amended by section 733(b), is further amended by adding at the end the following:

"(g)(1) The administering Secretaries shall furnish an eligible dependent a physical examination that is required by a school in connection with the enrollment of the dependent as a student in that school.

"(2) A dependent is eligible for a physical examination under paragraph (1) if the dependent—

"(A) is entitled to receive medical care under subsection (a) or is authorized to receive medical care under subsection (b); and

"(B) is at least 5 years of age and less than 12 years of age.

"(3) Nothing in paragraph (2) may be construed to prohibit the furnishing of a school-required physical examination to any dependent who, except for not satisfying

the age requirement under that paragraph, would otherwise be eligible for a physical examination required to be furnished under this subsection.''.

SEC. 735. TWO-YEAR EXTENSION OF DENTAL AND MEDICAL BENEFITS FOR SURVIVING DEPENDENTS OF CERTAIN DECEASED MEMBERS.

(a) DENTAL BENEFITS.—Section 1076a(k)(2) of title 10, United States Code, is amended by striking ''one-year period'' and inserting ''three-year period''.

(b) MEDICAL BENEFITS.—Section 1079(g) of title 10, United States Code, is amended by striking ''one-year period'' in the second sentence and inserting ''three-year period''.

SEC. 736. EXTENSION OF AUTHORITY FOR CONTRACTS FOR MEDICAL SERVICES AT LOCATIONS OUTSIDE MEDICAL TREATMENT FACILITIES.

Section 1091(a)(2) of title 10, United States Code, is amended by striking ''December 31, 2000'' and inserting ''September 30, 2002''.

SEC. 737. TRANSITION OF CHIROPRACTIC HEALTH CARE DEMONSTRATION PROGRAM TO PERMANENT STATUS.

(a) TRICARE PRIME BENEFITS.—The Secretary of Defense shall complete the development and implementation of a program to provide chiropractic health care serv-

ices and benefits for all TRICARE Prime enrollees as a permanent part of the military health care system for the enrollees in that plan, as follows:

(1) At the military medical treatment facilities designated pursuant to section 731(a)(2)(A) of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 10 U.S.C. 1092 note), not later than 180 days after the date of the enactment of this Act.

(2) At the other military medical treatment facilities considered by the Secretary of Defense to be major military medical treatment facilities, not later than October 1, 2001.

(b) PRIMARY CARE MANAGEMENT.—The Secretary shall ensure that the primary care manager model, which requires referral by a primary care manager, is used for providing the chiropractic health care services and benefits under the program referred to in subsection (a).

(c) CONTINUATION OF EXISTING CHIROPRACTIC BENEFITS.—Section 731(a)(4) of the National Defense Authorization Act for Fiscal Year 1995 is amended—

(1) by striking ''During fiscal year 2000, the'' and inserting ''The''; and

(2) by adding at the end the following: ''The requirement under the preceding sentence shall cease

to apply with respect to a military medical treatment facility on the date on which the Secretary of Defense completes the implementation of a program to provide chiropractic health care services and benefits at that facility for all TRICARE Prime enrollees as a permanent part of the military health care system for the enrollees in that plan.''.

SEC. 738. USE OF INFORMATION TECHNOLOGY FOR ENHANCEMENT OF DELIVERY OF ADMINISTRATIVE SERVICES UNDER THE DEFENSE HEALTH PROGRAM.

(a) REQUIREMENT.—The Secretary of Defense shall take the actions that the Secretary determines necessary to use, in at least one TRICARE program region, commercially available information technology systems and products to simplify the critical administrative processes of the defense health program (including TRICARE), to enhance the efficiency of the performance of administrative services under the program, to match commercially recognized standards of performance of the services, and otherwise to improve the performance of the services.

(b) IMPLEMENTATION.—In carrying out subsection (a), the Secretary shall ensure that—

(1) the use of Internet technology is incorporated into the processes referred to in that subsection; and

(2) conversions to new or different computer technologies incorporate data requirements that are widely used in the marketplace (including those used by medicare or commercial insurers) for the performance of administrative services.

(c) ADMINISTRATIVE SERVICES DEFINED.—In this section, the term ''administrative services'' includes the performance of the following functions:

(1) Marketing.

(2) Enrollment.

(3) Program education of beneficiaries.

(4) Program education of health care providers.

(5) Scheduling of appointments.

(6) Processing of claims.

SEC. 739. PATIENT CARE REPORTING AND MANAGEMENT SYSTEM.

(a) ESTABLISHMENT.—The Secretary of Defense shall establish a patient care error reporting and management system.

(b) PURPOSES OF SYSTEM.—The purposes of the system are as follows:

(1) To study the occurrences of errors in the patient care provided under chapter 55 of title 10, United States Code.

(2) To identify the systemic factors that are associated with such occurrences.

(3) To provide for action to be taken to correct the identified systemic factors.

(c) REQUIREMENTS FOR SYSTEM.—The patient care error reporting and management system shall include the following:

(1) A hospital-level patient safety center, within the quality assurance department of each health care organization of the Department of Defense, to collect, assess, and report on the nature and frequency of errors related to patient care.

(2) For each health care organization of the Department of Defense and for the entire Defense health program, the patient safety baselines that are necessary for the development of a full understanding of patient safety issues in each such organization and the entire program, including the nature and types of errors and the systemic causes of the errors.

(3) A Department of Defense Patient Safety Center within the Armed Forces Institute of Pathology to have the following missions:

(A) To analyze information on patient care errors that is submitted to the Center by each military health care organization.

(B) To develop action plans for addressing patterns of patient care errors.

(C) To execute those action plans to mitigate and control errors in patient care with a goal of ensuring that the health care organizations of the Department of Defense provide highly reliable patient care with virtually no error.

(D) To provide, through the Assistant Secretary of Defense for Health Affairs, to the Agency for Healthcare Research and Quality of the Department of Health and Human Services any reports that the Assistant Secretary determines appropriate.

(E) To review and integrate processes for reducing errors associated with patient care and for enhancing patient safety.

(F) To contract with a qualified and objective external organization to manage the na-

tional patient safety database of the Department of Defense.

(d) MEDTEAMS PROGRAM.—The Secretary shall expand the health care team coordination program to integrate that program into all Department of Defense health care operations. In carrying out this subsection, the Secretary shall take the following actions:

(1) Establish not less than two Centers of Excellence for the development, validation, proliferation, and sustainment of the health care team coordination program, one of which shall support all fixed military health care organizations, the other of which shall support all combat casualty care organizations.

(2) Deploy the program to all fixed and combat casualty care organizations of each of the Armed Forces, at the rate of not less than 10 organizations in each fiscal year.

(3) Expand the scope of the health care team coordination program from a focus on emergency department care to a coverage that includes care in all major medical specialties, at the rate of not less than one specialty in each fiscal year.

(4) Continue research and development investments to improve communication, coordination, and team work in the provision of health care.

(e) CONSULTATION.—The Secretary shall consult with the other administering Secretaries (as defined in section 1072(3) of title 10, United States Code) in carrying out this section.

SEC. 740. HEALTH CARE MANAGEMENT DEMONSTRATION PROGRAM.

(a) ESTABLISHMENT.—The Secretary of Defense shall carry out a demonstration program on health care management to explore opportunities for improving the planning and management of the Department of Defense health care system.

(b) TEST MODELS.—Under the demonstration program, the Secretary shall test the use of the following planning and management models:

(1) A health care simulation model for studying alternative delivery policies, processes, organizations, and technologies.

(2) A health care simulation model for studying long term disease management.

(c) DEMONSTRATION SITES.—The Secretary shall test each model separately at one or more sites.

(d) PERIOD FOR PROGRAM.—The demonstration program shall begin not later than 180 days after the date of the enactment of this Act and shall terminate on December 31, 2001.

(e) REPORTS.—The Secretary of Defense shall submit a report on the demonstration program to the Committees on Armed Services of the Senate and the House of Representatives not later than March 15, 2002. The report shall include the Secretary's assessment of the value of incorporating the use of the tested planning and management models throughout the Department of Defense health care system.

(f) FUNDING.—Of the amount authorized to be appropriated under section 301(22), $6,000,000 shall be available for the demonstration program under this section.

SEC. 741. STUDIES OF ACCRUAL FINANCING FOR HEALTH CARE FOR MILITARY RETIREES.

(a) STUDIES REQUIRED.—The Secretary of Defense shall carry out two studies to assess the feasibility and desirability of financing the military health care program for retirees of the uniformed services on an accrual basis.

(b) SOURCES OF STUDIES.—The Secretary shall provide for—

(1) one of the studies under subsection (a) to be conducted by one or more Department of Defense organizations designated by the Secretary; and

(2) the other study to be conducted by an organization that is independent of the Department of Defense and has expertise in financial programs and health care.

(c) REPORTS.—(1) The Secretary shall provide for the submission of a final report on each study to the Secretary within such time as the Secretary determines necessary to satisfy the requirement in paragraph (2).

(2) The Secretary shall transmit the final reports on the studies to Congress not later than February 8, 2001. The Secretary may include in the transmittal any comments on the reports or on the matters studied that the Secretary considers appropriate.

SEC. 742. AUGMENTATION OF ARMY MEDICAL DEPARTMENT BY RESERVE OFFICERS OF THE PUBLIC HEALTH SERVICE.

(a) AUTHORITY.—The Secretary of the Army and the Secretary of Health and Human Services may jointly conduct a program to augment the Army Medical Department by exercising any authorities provided to those officials in law for the detailing of reserve commissioned officers of

the Public Health Service not in an active status to the Army Medical Department for that purpose.

(b) AGREEMENT.—The Secretary of the Army and the Secretary of Health and Human Services shall enter into an agreement governing any program conducted under subsection (a).

(c) ASSESSMENT.—(1) The Secretary of the Army shall review the laws providing the authorities described in subsection (a) and assess the adequacy of those laws for authorizing—

(A) the Secretary of Health and Human Services to detail reserve commissioned officers of the Public Health Service not in an active status to the Army Medical Department to augment that department; and

(B) the Secretary of the Army to accept the detail of such officers for that purpose.

(2) The Secretary shall complete the review and assessment under paragraph (1) not later than 90 days after the date of the enactment of this Act.

(d) REPORT TO CONGRESS.—Not later than March 1, 2001, the Secretary of the Army shall submit a report on the results of the review and assessment under subsection (c) to the Committees on Armed Services of the

Senate and the House of Representatives. The report shall include the following:

(1) The findings resulting from the review and assessment.

(2) Any proposal for legislation that the Secretary recommends to strengthen the authority of the Secretary of Health and Human Services and the authority of the Secretary of the Army to take the actions described in subparagraphs (A) and (B), respectively, of subsection (c)(1).

(e) CONSULTATION REQUIREMENT.—The Secretary of the Army shall consult with the Secretary of Health and Human Services in carrying out the review and assessment under subsection (c) and in preparing the report (including making recommendations) under subsection (d).

SEC. 743. SERVICE AREAS OF TRANSFEREES OF FORMER UNIFORMED SERVICES TREATMENT FACILITIES THAT ARE INCLUDED IN THE UNIFORMED SERVICES HEALTH CARE DELIVERY SYSTEM.

Section 722(e) of the National Defense Authorization Act for Fiscal Year 1997 (Public Law 104–201; 10 U.S.C. 1073 note) is amended—

(1) by inserting "(1)" after "(e) SERVICE AREA.—"; and

(2) by adding at the end the following:

"(2) The Secretary may, with the agreement of a designated provider, expand the service area of the designated provider as the Secretary determines necessary to permit covered beneficiaries to enroll in the designated provider's managed care plan. The expanded service area may include one or more noncontiguous areas.".

SEC. 744. BLUE RIBBON ADVISORY PANEL ON DEPARTMENT OF DEFENSE POLICIES REGARDING THE PRIVACY OF INDIVIDUAL MEDICAL RECORDS.

(a) ESTABLISHMENT.—(1) There is hereby established an advisory panel to be known as the Blue Ribbon Advisory Panel on Department of Defense Policies Regarding the Privacy of Individual Medical Records (in this section referred to as the "Panel").

(2)(A) The Panel shall be composed of 7 members appointed by the President, of whom—

(i) at least one shall be a member of a consumer organization;

(ii) at least one shall be a medical professional;

(iii) at least one shall have a background in medical ethics; and

(iv) at least one shall be a member of the Armed Forces.

(B) The appointments of the members of the Panel shall be made not later than 30 days after the date of the enactment of this Act.

(3) No later than 30 days after the date on which all members of the Panel have been appointed, the Panel shall hold its first meeting.

(4) The Panel shall select a Chairman and Vice Chairman from among its members.

(b) DUTIES.—(1) The Panel shall conduct a thorough study of all matters relating to the policies and practices of the Department of Defense regarding the privacy of individual medical records.

(2) Not later than April 30, 2001, the Panel shall submit a report to the President and Congress which shall contain a detailed statement of the findings and conclusions of the Panel, together with its recommendations for such legislation and administrative actions as it considers appropriate to ensure the privacy of individual medical records.

(c) POWERS.—(1) The Panel may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Panel considers advisable to carry out the purposes of this section.

(2) The Panel may secure directly from the Department of Defense, and any other Federal department or agency, such information as the Panel considers necessary to carry out the provisions of this section. Upon request of the Chairman of the Panel, the Secretary of Defense, or the head of such department or agency, shall furnish such information to the Panel.

(3) The Panel may use the United States mails in the same manner and under the same conditions as other departments and agencies of the Federal Government.

(4) The Panel may accept, use, and dispose of gifts or donations of services or property.

(5) Any Federal Government employee may be detailed to the Panel without reimbursement, and such detail shall be without interruption or loss of civil service status or privilege.

(d) TERMINATION.—The Panel shall terminate 30 days after the date on which the Panel submits its report under subsection (b)(2).

(e) FUNDING.—(1) Of the amounts authorized to be appropriated by this Act, the Secretary shall make available to the Panel such sums as the Panel may require for its activities under this section.

(2) Any sums made available under paragraph (1) shall remain available, without fiscal year limitation, until expended.

TITLE VIII—ACQUISITION POLICY, ACQUISITION MANAGEMENT, AND RELATED MATTERS

SEC. 801. IMPROVEMENTS IN PROCUREMENTS OF SERVICES.

(a) PREFERENCE FOR PERFORMANCE-BASED SERVICE CONTRACTING.—Not later than 180 days after the date of the enactment of this Act, the Federal Acquisition Regulation issued in accordance with sections 6 and 25 of the Office of Federal Procurement Policy Act (41 U.S.C. 405 and 421) shall be revised to establish a preference for use of contracts and task orders for the purchase of services in the following order of precedence:

(1) A performance-based contract or performance-based task order that contains firm fixed prices for the specific tasks to be performed.

(2) Any other performance-based contract or performance-based task order.

(3) Any contract or task order that is not a performance-based contract or a performance-based task order.

(b) INCENTIVE FOR USE OF PERFORMANCE-BASED SERVICE CONTRACTS.—(1) A Department of Defense performance-based contract or performance-based task order may be treated as a contract for the procurement of commercial items if—

(A) the contract or task order is valued at $5,000,000 or less;

(B) the contract or task order sets forth specifically each task to be performed and, for each task—

(i) defines the task in measurable, mission-related terms;

(ii) identifies the specific end products or output to be achieved; and

(iii) contains a firm fixed price; and

(C) the source of the services provides similar services contemporaneously to the general public under terms and conditions similar to those offered to the Federal Government.

(2) The special simplified procedures provided in the Federal Acquisition Regulation pursuant to section 2304(g)(1)(B) of title 10, United States Code, shall not apply to a performance-based contract or performance-based task order that is treated as a contract for the procurement of commercial items under paragraph (1).

(3) Not later than 2 years after the date of the enactment of this Act, the Comptroller General shall submit a report on the implementation of this subsection to the congressional defense committees.

(4) The authority under this subsection shall not apply to contracts entered into or task orders issued more than 3 years after the date of the enactment of this Act.

(c) CENTERS OF EXCELLENCE IN SERVICE CONTRACTING.—Not later than 180 days after the date of the enactment of this Act, the Secretary of each military department shall establish at least one center of excellence in contracting for services. Each center of excellence shall assist the acquisition community by identifying, and serving as a clearinghouse for, best practices in contracting for services in the public and private sectors.

(d) ENHANCED TRAINING IN SERVICE CONTRACTING.—(1) The Secretary of Defense shall ensure that classes focusing specifically on contracting for services are offered by the Defense Acquisition University and the Defense Systems Management College and are otherwise available to contracting personnel throughout the Department of Defense.

(2) The Secretary of each military department and the head of each Defense Agency shall ensure that the personnel of the department or agency, as the case may

be, who are responsible for the awarding and management of contracts for services receive appropriate training that is focused specifically on contracting for services.

(e) DEFINITIONS.—In this section:

(1) The term ''performance-based'', with respect to a contract, a task order, or contracting, means that the contract, task order, or contracting, respectively, includes the use of performance work statements that set forth contract requirements in clear, specific, and objective terms with measurable outcomes.

(2) The term ''commercial item'' has the meaning given the term in section 4(12) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(12)).

(3) The term ''Defense Agency'' has the meaning given the term in section 101(a)(11) of title 10, United States Code.

SEC. 802. ADDITION OF THRESHOLD VALUE REQUIREMENT FOR APPLICABILITY OF A REPORTING REQUIREMENT RELATING TO MULTIYEAR CONTRACT.

Section 2036b(l)(4) of title 10, United States Code, is amended by striking ''until the Secretary of Defense submits to the congressional defense committees a report

with respect to that contract (or contract extension)'' in the matter preceding subparagraph (A) and inserting ''the value of which would exceed $500,000,000 (when entered into or when extended, as the case may be) until the Secretary of Defense has submitted to the congressional defense committees a report''.

SEC. 803. PLANNING FOR THE ACQUISITION OF INFORMATION SYSTEMS.

(a) RESPONSIBILITY OF CHIEF INFORMATION OFFICERS.—Section 2223 of title 10, United States Code, is amended—

(1) in subsection (a)—

(A) by striking ''and'' at the end of paragraph (3);

(B) by striking the period at the end of paragraph (4) and inserting ''; and''; and

(C) by adding at the end the following:

''(5) maintain a consolidated inventory of Department of Defense mission critical and mission essential information systems, identify interfaces between these systems and other information systems, and develop and maintain contingency plans for responding to a disruption in the operation of any of these information systems.''; and

(2) in subsection (b)—

(A) by striking ''and'' at the end of paragraph (3);

(B) by striking the period at the end of paragraph (4) and inserting ''; and''; and

(C) by adding at the end the following:

''(5) maintain an inventory of the mission critical and mission essential information systems of the military department, identify interfaces between these systems and other information systems, and develop and maintain contingency plans for responding to a disruption in the operation of any of these information systems.''.

(b) REVISED REGULATIONS REQUIRED.—Not later than 60 days after the date of enactment of this Act, Department of Defense Directive 5000.1 shall be revised to establish minimum planning requirements for the acquisition of information technology systems.

(c) MISSION CRITICAL AND MISSION ESSENTIAL INFORMATION TECHNOLOGY SYSTEMS.—The revised directive required by subsection (b) shall—

(1) include definitions of the terms ''mission critical information system'' and ''mission essential information system''; and

(2) prohibit the award of any contract for the acquisition of a mission critical or mission essential information technology system until—

(A) the system has been registered with the Chief Information Officer of the Department of Defense;

(B) the Chief Information Officer has received all information on the system that is required under the directive to be provided to that official; and

(C) the Chief Information Officer has determined that an appropriate information assurance strategy is in place for the system.

(d) MAJOR AUTOMATED INFORMATION SYSTEMS.—The revised directive required by subsection (b) shall prohibit Milestone I approval, Milestone II approval, or Milestone III approval of a major automated information system within the Department of Defense until the Chief Information Officer has determined that—

(1) the system is being developed in accordance with the requirements of division E of the Clinger-Cohen Act of 1996 (40 U.S.C. 1401 et seq.);

(2) appropriate actions have been taken with respect to the system in the areas of business proc-

ess reengineering, analysis of alternatives, economic analysis, and performance measures; and

(3) the system has been registered as described in subsection (c)(2).

(e) REPORTS.—(1) The Secretary of Defense shall submit to the congressional defense committees, not later than February 1 of each of fiscal years 2001, 2002, and 2003, a report on the implementation of the requirements of this section during the preceding fiscal year.

(2) The report for a fiscal year under paragraph (1) shall include, at a minimum, for each major automated information system that was approved during such preceding fiscal year under Department of Defense Directive 5000.1 (as revised pursuant to subsection (d)), the following:

(A) The funding baseline.

(B) The milestone schedule.

(C) The actions that have been taken to ensure compliance with the requirements of this section and the directive.

(3) The report for fiscal year 2000 shall include, in addition to the information required by paragraph (2), an explanation of the manner in which the responsible officials within the Department of Defense have addressed, or intend to address, the following acquisition issues for

each major automated information system to be acquired after that fiscal year:

(A) Requirements definition.

(B) Presentation of a business case analysis, including an analysis of alternatives and a calculation of return on investment.

(C) Performance measurement.

(D) Test and evaluation.

(E) Interoperability.

(F) Cost, schedule, and performance baselines.

(G) Information assurance.

(H) Incremental fielding and implementation.

(I) Risk mitigation.

(J) The role of integrated product teams.

(K) Issues arising from implementation of the Command, Control, Communications, Computers, Intelligence, Surveillance, and Reconnaissance Plan required by Department of Defense Directive 5000.1 and Chairman of the Joint Chiefs of Staff Instruction 3170.01.

(L) Oversight, including the Chief Information Officer's oversight of decision reviews.

(f) DEFINITIONS.—In this section:

(1) The term ''Chief Information Officer'' means the senior official of the Department of De-

fense designated by the Secretary of Defense pursuant to section 3506 of title 44, United States Code.

(2) The term ''information technology system'' has the meaning given the term ''information technology'' in section 5002 of the Clinger-Cohen Act of 1996 (40 U.S.C. 1401).

(3) The term ''major automated information system'' has the meaning given that term in Department of Defense Directive 5000.1.

SEC. 804. TRACKING OF INFORMATION TECHNOLOGY PURCHASES.

(a) REQUIREMENT FOR TRACKING SYSTEM.—(1) Chapter 131 of title 10, United States Code, is amended by adding at the end the following:

''§ 2225. Information technology purchases: automated tracking and management systems

''(a) REQUIREMENT FOR SYSTEMS.—(1) The Secretary of each military department shall administer an automated system for tracking and managing purchases of information technology products and services by the department.

''(2) The Secretary of Defense shall administer an automated system for tracking and managing purchases of information technology products and services by the Defense Agencies.

"(b) PURCHASE TO WHICH APPLICABLE.—Each system under subsection (a) shall, at a minimum, provide for collection of data on all purchases of information technology products and services in excess of the simplified acquisition threshold, regardless of whether such purchases are made in the form of a contract, grant, cooperative agreement, other transaction, task order, delivery order, or military interdepartmental purchase request, or in any other form.

"(c) DATA TO BE INCLUDED.—The information collected under each such system shall include, for each purchase, the following:

"(1) The products or services purchased.

"(2) The categorization of the products or services as commercial off-the-shelf products, other commercial items, nondevelopmental items other than commercial items, other noncommercial items, or services.

"(3) The total dollar amount of the purchase.

"(4) The contract form used to make the purchase.

"(5) In the case of a purchase made through another agency—

"(A) the agency through which the purchase is made; and

"(B) the reasons for making the purchase through that agency.

"(6) The type of pricing used to make the purchase (whether by fixed price or by another specified type of pricing).

"(7) The extent of competition provided for in making the purchase.

"(8) A statement regarding whether the purchase was made from—

"(A) a small business concern;

"(B) a small business concern owned and controlled by socially and economically disadvantaged individuals; or

"(C) a small business concern owned and controlled by women.

"(9) A statement regarding whether the purchase was made in compliance with the planning requirements provided under sections 5112, 5113, 5122, and 5123 of the Clinger-Cohen Act of 1996 (40 U.S.C. 1412, 1413, 1242, 1423).

"(10) In the case of frequently-purchased commercial off-the-shelf items, data that informs managers of the unit prices paid for the items and enables the managers to ensure that such prices are fair and reasonable.

"(d) LIMITATION ON PURCHASES.—No purchase of information technology products or services in excess of the simplified acquisition threshold shall be made for the Department of Defense through a Federal Government agency that is outside the Department of Defense unless—

"(1) data on the purchase is included in a tracking system that meets the requirements of subsections (a), (b), and (c); or

"(2) the purchase—

"(A) in the case of a purchase by a Defense Agency, is approved by the Under Secretary of Defense for Acquisition, Technology, and Logistics; or

"(B) in the case of a purchase by a military department, is approved by the senior procurement executive of the military department.

"(e) ANNUAL REPORT.—Not later than February 15 of each fiscal year, the Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives a report on the purchases of information technology products and services that were made by the military departments and Defense Agencies during the preceding fiscal year. The report shall set forth

an aggregation of the information collected in accordance with subsection (c).

"(f) DEFINITIONS.—In this section:

"(1) The term 'senior procurement executive', with respect to a military department, means the official designated as the senior procurement executive for the military department for the purposes of section 16(3) of the Office of Federal Procurement Policy Act (41 U.S.C. 414(3)).

"(2) The term 'simplified acquisition threshold' has the meaning given the term in section 4(11) of the Office of Federal Procurement Policy Act (31 U.S.C. 403(11).

"(3) The term 'small business concern' means a business concern that meets the applicable size standards prescribed pursuant to section 3(a) of the Small Business Act (15 U.S.C. 632(a)).

"(4) The term 'small business concern owned and controlled by socially and economically disadvantaged individuals' has the meaning given that term in section 8(d)(3)(C) of the Small Business Act (15 U.S.C. 637(d)(3)(C)).

"(5) The term 'small business concern owned and controlled by women' has the meaning given

that term in section 8(d)(3)(D) of the Small Business Act (15 U.S.C. 637(d)(3)(D)).''.

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

''2225. Information technology purchases: automated tracking and management systems.''.

(b) TIME FOR IMPLEMENTATION.—(1) Each official required under section 2225 of title 10, United States Code (as added by subsection (a)), to administer an automated system for tracking and managing purchases of information technology products and services shall develop and commence the use of the system not later than one year after the date of the enactment of this Act.

(2) Subsection (d) of section 2225 of title 10, United States Code (as so added), shall apply to purchases described in that subsection for which solicitations of offers are issued more than one year after the date of the enactment of this Act.

(c) GAO REPORT.—Not later than 15 months after the date of the enactment of this Act, the Comptroller General shall submit to the congressional defense committees a report on the systems developed pursuant to section 2225 of title 10, United States Code (as added by subsection (a)). The report shall include the Comptroller General's assessment of the extent to which the systems meet the requirements of that section.

SEC. 805. REPEAL OF REQUIREMENT FOR CONTRACTOR ASSURANCES REGARDING THE COMPLETENESS, ACCURACY, AND CONTRACTUAL SUFFICIENCY OF TECHNICAL DATA PROVIDED BY THE CONTRACTOR.

Section 2320(b) of title 10, United States Code, is amended—

(1) by striking paragraph (7); and

(2) by redesignating paragraphs (8) and (9) as paragraphs (7) and (8), respectively.

SEC. 806. EXTENSION OF AUTHORITY FOR DEPARTMENT OF DEFENSE ACQUISITION PILOT PROGRAMS.

Section 5064(d)(2) of the Federal Acquisition Streamlining Act of 1994 (Public Law 103–355; 108 Stat. 3361; 10 U.S.C. 2430 note) is amended by striking ''45 days after the date of the enactment of this Act and ends on September 30, 1998'' and inserting ''on October 13, 1994, and ends on October 1, 2007''.

SEC. 807. CLARIFICATION AND EXTENSION OF AUTHORITY TO CARRY OUT CERTAIN PROTOTYPE PROJECTS.

(a) AMENDMENTS TO AUTHORITY.—Section 845 of the National Defense Authorization Act for Fiscal Year 1994 (10 U.S.C. 2371 note) is amended by—

(1) redesignating subsection (d) as subsection (g); and

(2) inserting after subsection (c) the following:

"(d) APPROPRIATE USE OF AUTHORITY.—(1) The Secretary of Defense shall ensure that no official of an agency enters into an agreement for a prototype project under the authority of this section unless—

"(A) at least 20 percent of the total cost of the prototype project is to be paid out of funds provided by parties to the agreement other than the Federal Government (not including funds provided by such parties in the form of independent research and development costs and other costs that are reimbursed as indirect costs under Federal Government contracts);

"(B) at least 40 percent of the total cost of the prototype project is to be paid out of funds provided by parties to the agreement other than the Federal Government (including funds provided by such parties in the form of independent research and development costs and other costs that are reimbursed as indirect costs under Federal Government contracts);

"(C) there is at least one nontraditional defense contractor participating to a significant extent in the prototype project; or

"(D) the senior procurement executive for the agency (as designated for the purposes of section

16(3) of the Office of Federal Procurement Policy Act (41 U.S.C. 414(3))) determines in writing that extraordinary circumstances justify the use of the authority of section 2371 of title 10, United States Code, in accordance with the requirements of this section, to enter into the particular agreement.

''(2)(A) Except as provided in subparagraph (B), the amounts counted for the purposes of this subsection as being provided or to be provided by a party other than the Federal Government under an agreement for a prototype project that is entered into under this section do not include costs that were incurred before the date on which the agreement becomes effective.

''(B) Costs that were incurred for a prototype project by a party after the beginning of negotiations resulting in an agreement for the project under this section may be counted for the purposes of this subsection as being provided or to be provided by the party under the agreement if and to the extent that the contracting officer or another official responsible for entering into the agreement determines in writing that—

''(i) the party incurred the costs in anticipation of entering into the agreement; and

''(ii) it was appropriate for the party to incur the costs before the agreement became effective in

order to ensure the successful implementation of the agreement.

"(e) PILOT PROGRAM FOR TRANSITION TO FOLLOW-ON CONTRACTS.—(1) The Secretary of Defense is authorized to carry out a pilot program for follow-on contracting for the production of items or processes that are developed by nontraditional defense contractors under prototype projects carried out under this section.

"(2) Under the pilot program—

"(A) a qualifying contract for the procurement of such an item or process, or a qualifying subcontract under a contract for the procurement of such an item or process, may be treated as a contract or subcontract, respectively, for the procurement of commercial items, as defined in section 4(12) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(12)); and

"(B) the item or process may be treated as an item or process, respectively, that is developed in part with Federal funds and in part at private expense for the purposes of section 2320 of title 10, United States Code.

"(3) For the purposes of the pilot program, a qualifying contract or subcontract is a contract or subcontract,

respectively, with a nontraditional defense contractor that—

"(A) does not exceed $20,000,000; and

"(B) is either—

"(i) a firm, fixed-price contract or subcontract; or

"(ii) a fixed-price contract or subcontract with economic price adjustment.

"(4) The authority to conduct a pilot program under this subsection shall terminate on September 30, 2004. The termination of the authority shall not affect the validity of contracts or subcontracts that are awarded or modified during the period of the pilot program, without regard to whether the contracts or subcontracts are performed during the period.

"(f) NONTRADITIONAL DEFENSE CONTRACTOR DEFINED.—In this section, the term 'nontraditional defense contractor' means an entity that has not, for a period of at least three years, entered into—

"(1) any contract that is subject to the cost accounting standards prescribed pursuant to section 26 of the Office of Federal Procurement Policy Act (41 U.S.C. 422); or

"(2) any other contract or agreement to carry out prototype projects or to perform basic, applied,

or advanced research projects for a Federal Government agency, other than an agreement entered into under the authority of this section or section 2371 of title 10, United States Code.''.

(b) EXTENSION OF AUTHORITY.—Subsection (g) of such section, as redesignated by subsection (a)(1), is amended by striking ''September 30, 2001'' and inserting ''September 30, 2004''.

(c) MORATORIUM.—Beginning on the date that is 120 days after the date of the enactment of this Act, no transaction may be entered into under the authority of section 845 of the National Defense Authorization Act for Fiscal Year 1994 or section 2371 of title 10, United States Code, until the final regulations implementing such section 2371 (required by subsection (g) of such section) are published in the Federal Register.

SEC. 808. CLARIFICATION OF AUTHORITY OF COMPTROLLER GENERAL TO REVIEW RECORDS OF PARTICIPANTS IN CERTAIN PROTOTYPE PROJECTS.

(a) COMPTROLLER GENERAL REVIEW.—Section 845(c) of the National Defense Authorization Act for Fiscal Year 1994 (10 U.S.C. 2371 note) is amended—

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

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

''(3)(A) The right provided to the Comptroller General in a clause of an agreement under paragraph (1) is limited as provided in subparagraph (B) in the case of a party to the agreement, an entity that participates in the performance of the agreement, or a subordinate element of that party or entity if the only agreements or other transactions that the party, entity, or subordinate element entered into with Government entities in the year prior to the date of that agreement are cooperative agreements or transactions that were entered into under this section or section 2371 of title 10, United States Code.

''(B) The only records of a party, other entity, or subordinate element referred to in subparagraph (A) that the Comptroller General may examine in the exercise of the right referred to in that subparagraph are records of the same type as the records that the Government has had the right to examine under the audit access clauses of the previous agreements or transactions referred to in such subparagraph that were entered into by that particular party, entity, or subordinate element.''.

SEC. 809. ELIGIBILITY OF SMALL BUSINESS CONCERNS OWNED AND CONTROLLED BY WOMEN FOR ASSISTANCE UNDER THE MENTOR-PROTEGE PROGRAM.

Section 831(m)(2) of the National Defense Authorization Act for Fiscal Year 1991 (Public Law 101–510; 10 U.S.C. 2302 note) is amended—

(1) by striking ''or'' at the end of subparagraph (C);

(2) by striking the period at the end of subparagraph (D) and inserting ''; or''; and

(3) by adding at the end the following:

''(E) a small business concern owned and controlled by women, as defined in section 8(d)(3)(D) of the Small Business Act (15 U.S.C. 637(d)(3)(D)).''.

SEC. 810. NAVY-MARINE CORPS INTRANET ACQUISITION.

(a) LIMITATION.—The performance of a contract for the acquisition of a Navy-Marine Corps Intranet may not begin until the Secretary of the Navy submits a report on that contract to Congress. A report under this section shall contain the following information:

(1) An estimate of the amount to be expended on the contract by each of the Navy and Marine Corps for each fiscal year.

(2) The accounts from which the performance of the contract will be funded through the end of fiscal year 2001.

(3) A plan for an incrementally phased implementation of the Navy-Marine Corps Intranet into the operations of the shore-based activities of the Navy and Marine Corps.

(4) The same information with regard to the Navy-Marine Corps Intranet as is required to be included in the report on major automated information systems under paragraphs (2) and (3) of section 803(e).

(5) With regard to each major command included in the first year of the implementation of the contract—

(A) an estimate of the number of civilian personnel currently performing functions that are potentially included in the scope of the contract;

(B) the extent to which the contractor may continue to rely upon that workforce to perform functions after the award of the contract; and

(C) the plans of the Department of the Navy for reassignment, reorganization, or other

disposition of any portion of the workforce that does not continue to perform current functions.

(b) PROHIBITIONS.—(1) The increment of the Navy-Marine Corps Intranet that is implemented during the first year of implementation may not include any activities of the Marine Corps, the naval shipyards, or the naval aviation depots.

(2) Funds available for fiscal year 2001 for activities referred to in paragraph (1) may not be expended for any contract for the Navy-Marine Corps Intranet.

(c) APPLICABILITY OF STATUTORY AND REGULATORY REQUIREMENTS.—The acquisition of a Navy-Marine Corps Intranet shall be managed by the Department of the Navy in accordance with the requirements of—

(1) the Clinger-Cohen Act of 1996, including the requirement for utilizing modular contracting in accordance with section 38 of the Office of Federal Procurement Policy Act (41 U.S.C. 434); and

(2) Department of Defense Directives 5000.1 and 5000.2–R and all other directives, regulations, and management controls that are applicable to major investments in information technology and related services.

(d) COMPTROLLER GENERAL REVIEW.—(1) At the same time that the Secretary of the Navy submits a report

on the Navy-Marine Corps Intranet to Congress under subsection (a), the Secretary shall transmit a copy of the report to the Comptroller General.

(2) Not later than 60 days after receiving a report on the Navy-Marine Corps Intranet under paragraph (1), the Comptroller General shall review the report and submit to Congress any comments that the Comptroller General considers appropriate regarding the report and the Navy-Marine Corps Intranet.

(e) PHASED IMPLEMENTATION TO COMMENCE DURING FISCAL YEAR 2001—The Secretary of the Navy shall commence a phased implementation of the Navy-Marine Corps Intranet during fiscal year 2001. For the implementation in that fiscal year—

(1) not more than fifteen percent of the total number of work stations to be provided under the Navy-Marine Corps Intranet program may be provided in the first quarter of such fiscal year; and

(2) no additional work stations may be provided until—

(A) the Secretary has conducted operational testing of the Intranet; and

(B) the Chief Information Officer of the Department of Defense has certified to the Sec-

retary that the results of the operational testing of the Intranet are acceptable.

(f) IMPACT ON FEDERAL EMPLOYEES.—The Secretary shall mitigate any adverse impact of the implementation of the Navy-Marine Corps Intranet on civilian employees of the Department of the Navy who, as of the date of the enactment of this Act, are performing functions that are included in the scope of the Navy-Marine Corps Intranet program by—

(1) developing a comprehensive plan for the transition of such employees to the performance of other functions within the Department of the Navy;

(2) taking full advantage of transition authorities available for the benefit of employees;

(3) encouraging the retraining of employees who express a desire to qualify for reassignment to the performance of other functions within the Department of the Navy; and

(4) including a provision in the Navy-Marine Corps Intranet contract that requires the contractor to provide a preference for hiring employees of the Department of the Navy who, as of the date of the enactment of this Act, are performing functions that are included in the scope of the contract.

SEC. 811. QUALIFICATIONS REQUIRED FOR EMPLOYMENT AND ASSIGNMENT IN CONTRACTING POSITIONS.

(a) APPLICABILITY OF REQUIREMENTS TO MEMBERS OF THE ARMED FORCES.—Section 1724 of title 10, United States Code, is amended—

(1) in subsection (a), by striking ''a person must'' in the matter preceding paragraph (1) and inserting ''an employee or member of the armed forces must''; and

(2) in subsection (d)—

(A) by striking ''employee of'' and inserting ''person in''; and

(B) by striking ''employee possesses'' and inserting ''person possesses''.

(b) MANDATORY ACADEMIC QUALIFICATIONS.—(1) Subsection (a)(3) of such section is amended—

(A) by inserting ''and'' before ''(B)''; and

(B) by striking '', or (C)'' and all that follows through ''listed in subparagraph (B)''.

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

''(b) GS–1102 SERIES POSITIONS AND SIMILAR MILITARY POSITIONS.—The Secretary of Defense shall require that a person meet the requirements set forth in paragraph (3) of subsection (a), but not the other require-

ments set forth in that subsection, in order to qualify to serve in a position in the Department of Defense in—

"(1) the GS–1102 occupational series; or

"(2) a similar occupational specialty when the position is to be filled by a member of the armed forces.".

(c) EXCEPTION.—Subsection (c) of such section is amended to read as follows:

"(c) EXCEPTION.—The requirements imposed under subsection (a) or (b) shall not apply to a person for the purpose of qualifying to serve in a position in which the person is serving on September 30, 2000.".

(d) DELETION OF UNNECESSARY CROSS REFERENCES.—Subsection (a) of such section is amended by striking "(except as provided in subsections (c) and (d))" in the matter preceding paragraph (1).

(e) EFFECTIVE DATE.—This section, and the amendments made by this section, shall take effect on October 1, 2000, and shall apply to appointments and assignments made on or after that date.

SEC. 812. DEFENSE ACQUISITION AND SUPPORT WORKFORCE.

(a) REQUIREMENT FOR REPORT.—Not later than March 15, 2001, the Secretary of Defense shall submit to Congress a report on the sufficiency of the acquisition

and support workforce of the Department of Defense. The report shall include a plan to ensure that the defense acquisition and support workforce is of sufficient size and has the expertise necessary to ensure the cost-effective management of the defense acquisition system to obtain needed products and services at the best value.

(b) CONTENT OF REPORT.—(1) The Secretary's report on the defense acquisition and support workforce under subsection (a) shall include, at a minimum, the following:

(A) A comprehensive reassessment of any programmed reductions in the workforce and the impact that such reductions are likely to have on the ability of the workforce to meet the anticipated workload and responsibilities of the acquisition workforce.

(B) An assessment of the changing demographics of the workforce, including the impact of anticipated retirements among the most experienced acquisition personnel over the next five years, and management steps that may be needed to address these changes.

(C) A plan to address problems arising from previous reductions in the workforce, including—

(i) increased backlogs in closing out completed contracts;

(ii) increased program costs resulting from contracting for technical support rather than using Federal employees to provide the technical support;

(iii) insufficient staff to negotiate fair and reasonable pricing, to review and respond to contractor actions, to perform oversight and inspections, and otherwise to manage contract requirements;

(iv) failures to comply with competition requirements, to perform independent cost estimates, to complete technical reviews, to meet contractor surveillance requirements, and to perform necessary cost control functions; and

(v) lost opportunities to negotiate strategic supplier alliances, to improve parts control and management, to conduct modeling and simulation projects, and to develop other cost savings initiatives.

(D) The actions that are being taken or could be taken within the Department of Defense to enhance the tenure and reduce the turnover of program executive officers, program managers, and contracting officers.

(E) An evaluation of the acquisition workforce demonstration project conducted under section 4308 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 10 U.S.C. 1701 note) together with any recommendations for improving personnel management laws, policies, or procedures with respect to the defense acquisition and support workforce.

(2) The plan contained in the report shall include specific milestones for workforce size, composition, and qualifications (including plans for needed recruiting, retention, and training) to address any problems identified in the report and to ensure the achievement of the objectives of the plan that are set forth in subsection (a).

(c) EXTENSION OF DEMONSTRATION PROJECT.—Section 4308(b)(3)(B) of the National Defense Authorization Act for Fiscal Year 1996 (10 U.S.C. 1701 note) is amended by striking ''3-year period beginning on the date of the enactment of the National Defense Authorization Act for Fiscal Year 1998'' and inserting ''period beginning on November 18, 1997, and ending on November 17, 2003''.

(d) MORATORIUM ON REDUCTION OF DEFENSE ACQUISITION WORKFORCE.—(1) Notwithstanding any other provision of law, the defense acquisition and support work-

force may not be reduced, during fiscal years 2001, 2002, and 2003, below the level of that workforce as of September 30, 2000, determined on the basis of full-time equivalent positions.

(2) The Secretary of Defense may waive the prohibition in paragraph (1) and reduce the level of the defense acquisition and support workforce upon submitting to Congress the Secretary's certification that the defense acquisition and support workforce, at the level to which reduced, will be able efficiently and effectively to perform the workloads that are required of that workforce consistent with the cost-effective management of the defense acquisition system to obtain best value equipment and with ensuring military readiness.

(e) DEFENSE ACQUISITION AND SUPPORT WORKFORCE DEFINED.—In this section, the term ''defense acquisition and support workforce'' means Armed Forces and civilian personnel who are assigned to, or are employed in, an organization of the Department of Defense that is—

(1) an acquisition organization specified in Department of Defense Instruction 5000.58, dated January 14, 1992; or

(2) an organization not so specified that has acquisition as its predominant mission, as determined by the Secretary of Defense.

SEC. 813. FINANCIAL ANALYSIS OF USE OF DUAL RATES FOR QUANTIFYING OVERHEAD COSTS AT ARMY INDUSTRIAL FACILITIES.

(a) REQUIREMENT FOR ANALYSIS.—The Secretary of the Army shall carry out a financial analysis of the costs that would be incurred and the benefits that would be derived from the implementation of a policy to use—

(1) one set of rates for quantifying the overhead costs associated with government-owned industrial facilities of the Department of the Army when allocating those costs to contractors operating the facilities; and

(2) another set of rates for quantifying the overhead costs to be allocated to the operation of such facilities by employees of the United States.

(b) REPORT.—Not later than February 15, 2001, the Secretary shall submit to the congressional defense committees a report on the results of the analysis carried out under subsection (a). The report shall include the following:

(1) The costs and benefits identified in the analysis under subsection (a).

(2) The risks to the United States of implementing a dual rates policy described in subsection (a).

(3) The effects that a use of dual rates under such a policy would have on the defense industrial base of the United States.

SEC. 814. REVISION OF THE ORGANIZATION AND AUTHORITY OF THE COST ACCOUNTING STANDARDS BOARD.

(a) ESTABLISHMENT WITHIN OMB.—Paragraph (1) of subsection (a) of section 26 of the Office of Federal Procurement Policy Act (41 U.S.C. 422) is amended by striking ''Office of Federal Procurement Policy'' in the first sentence and inserting ''Office of Management and Budget''.

(b) COMPOSITION OF BOARD.—Subsection (a) of such section is further amended—

(1) by striking the second sentence of paragraph (1);

(2) by redesignating paragraph (2) as paragraph (3); and

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

''(2) The Board shall consist of five members appointed as follows:

"(A) A Chairman, appointed by the Director of the Office of Management and Budget, from among persons who are knowledgeable in cost accounting matters for Federal Government contracts.

"(B) One member, appointed by the Secretary of Defense, from among Department of Defense personnel.

"(C) One member, appointed by the Administrator, from among employees of executive agencies other than the Department of Defense, with the concurrence of the head of the executive agency concerned.

"(D) One member, appointed by the Chairman from among persons (other than officers and employees of the United States) who are in the accounting or accounting education profession.

"(E) One member, appointed by the Chairman from among persons in industry.".

(c) TERM OF OFFICE.—Paragraph (3) of such subsection, as redesignated by subsection (b)(2), is amended—

(1) in subparagraph (A)—

(A) by striking ", other than the Administrator for Federal Procurement Policy,";

(B) by striking clause (i);

(C) by redesignating clauses (ii) and (iii) as clauses (i) and (ii), respectively; and

(D) in clause (ii), as so redesignated, by striking ''individual who is appointed under paragraph (1)(A)'' and inserting ''officer or employee of the Federal Government who is appointed as a member under paragraph (2)''; and

(2) by striking subparagraph (C).

(d) OTHER BOARD PERSONNEL.—(1) Subsection (b) of such section is amended to read as follows:

''(b) SENIOR STAFF.—The Chairman, after consultation with the Board, may appoint an executive secretary and two additional staff members without regard to the provisions of title 5, United States Code, governing appointments in the competitive service and in senior-level positions. The Chairman may pay such employees without regard to the provisions of chapter 51 (relating to classification of positions), and subchapter III of chapter 53 of such title and section 5376 of such title (relating to the rates of basic pay under the General Schedule and for senior-level positions, respectively), except that no individual so appointed may receive pay in excess of the maximum rate of basic pay payable for a senior-level position under such section 5376.''.

(2) Subsections (c) and (d)(2), and the third sentence of subsection (e), of such section are amended by striking ''Administrator'' and inserting ''Chairman''.

(e) COST ACCOUNTING STANDARDS AUTHORITY.—(1) Paragraph (1) of subsection (f) of such section is amended by inserting '', subject to direction of the Director of the Office of Management and Budget,'' after ''exclusive authority''.

(2) Paragraph (2)(B)(iv) of such subsection is amended by striking ''more than $7,500,000'' and inserting ''$7,500,000 or more''.

(3) Paragraph (3) of such subsection is amended, in the first sentence—

(A) by striking ''Administrator, after consultation with the Board'' and inserting ''Chairman, with the concurrence of a majority of the members of the Board''; and

(B) by inserting before the period at the end the following: '', including rules and procedures for the public conduct of meetings of the Board''.

(4) Paragraph (5)(C) of such subsection is amended to read as follows:

''(C) The head of an executive agency may not delegate the authority under subparagraph (A) or (B) to any

official in the executive agency below a level in the executive agency as follows:

"(i) The senior policymaking level, except as provided in clause (ii).

"(ii) The head of a procuring activity, in the case of a firm, fixed price contract or subcontract for which the requirement to obtain cost or pricing data under subsection (a) of section 2306a of title 10, United States Code, or subsection (a) of section 304A of the Federal Property and Administrative Services Act of 1949 (41 U.S.C. 254b) is waived under subsection (b)(1)(C) of such section, respectively.".

(5) Paragraph (5)(E) of such subsection is amended by inserting before the period at the end the following: "in accordance with requirements prescribed by the Board".

(f) REQUIREMENTS FOR STANDARDS.—(1) Subsection (g)(1)(B) of section 26 of the Office of Federal Procurement Policy Act is amended by inserting before the semicolon at the end the following: ", together with a solicitation of comments on those issues".

(g) INTEREST RATE APPLICABLE TO CONTRACT PRICE ADJUSTMENTS.—Subsection (h)(4) of such section

is amended by inserting ''(a)(2)'' after ''6621'' both places that it appears.

(h) REPEAL OF REQUIREMENT FOR ANNUAL REPORT.—Such section is further amended by striking subsection (i).

(i) EFFECTS OF BOARD INTERPRETATIONS AND REGULATIONS.—Subsection (j) of such section is amended—

(1) in paragraph (1), by striking ''promulgated by the Cost Accounting Standards Board under section 719 of the Defense Production Act of 1950 (50 U.S.C. App. 2168)'' and inserting ''that are in effect on the date of the enactment of the National Defense Authorization Act for Fiscal Year 2001''; and

(2) in paragraph (3), by striking ''under the authority set forth in section 6 of this Act'' and inserting ''exercising the authority provided in section 6 of this Act in consultation with the Chairman''.

(j) RATE OF PAY FOR CHAIRMAN.—Section 5315 of title 5, United States Code, is amended by adding at the end the following:

''Chairman, Cost Accounting Standards Board.''.

(k) TRANSITION PROVISION FOR MEMBERS.—Each member of the Cost Accounting Standards Board who

serves on the Board under paragraph (1) of section 26(a) of the Office of Federal Procurement Policy Act, as in effect on the day before the date of the enactment of this Act, shall continue to serve as a member of the Board until the earlier of—

(1) the expiration of the term for which the member was so appointed; or

(2) the date on which a successor to such member is appointed under paragraph (2) of such section 26(a), as amended by subsection (b) of this section.

SEC. 815. REVISION OF AUTHORITY FOR SOLUTIONS-BASED CONTRACTING PILOT PROGRAM.

(a) PILOT PROJECTS UNDER THE PROGRAM.—Section 5312 of the Clinger-Cohen Act of 1996 (40 U.S.C. 1492) is amended—

(1) in subsection (a), by striking ''subsection (d)(2)'' and inserting ''subsection (d)''; and

(2) by striking subsection (d) and inserting the following:

''(d) PILOT PROGRAM PROJECTS.—The Administrator shall authorize to be carried out under the pilot program—

''(1) not more than 10 projects, each of which has an estimated cost of at least $25,000,000 and not more than $100,000,000; and

"(2) not more than 10 projects for small business concerns, each of which has an estimated cost of at least $1,000,000 and not more than $5,000,000.".

(b) ELIMINATION OF REQUIREMENT FOR FEDERAL FUNDING OF PROGRAM DEFINITION PHASE.—Subsection (c)(9)(B) of such section is amended by striking "program definition phase (funded, in the case of the source ultimately awarded the contract, by the Federal Government)—" and inserting "program definition phase—".

SEC. 816. APPROPRIATE USE OF PERSONNEL EXPERIENCE AND EDUCATIONAL REQUIREMENTS IN THE PROCUREMENT OF INFORMATION TECHNOLOGY SERVICES.

(a) AMENDMENT OF THE FEDERAL ACQUISITION REGULATION.—Not later than 180 days after the date of the enactment of this Act, the Federal Acquisition Regulation issued in accordance with sections 6 and 25 of the Office of Federal Procurement Policy Act (41 U.S.C. 405 and 421) shall be amended to address the use of personnel experience and educational requirements in the procurement of information technology services.

(b) CONTENT OF AMENDMENT.—The amendment issued pursuant to subsection (a) shall—

(1) provide that a solicitation of bids on a performance-based contract for the procurement of information technology services may not set forth any minimum experience or educational requirement for contractor personnel that a bidder must satisfy in order to be eligible for award of the contract; and

(2) specify—

(A) the circumstances under which a solicitation of bids for other contracts for the procurement of information technology services may set forth any such minimum requirement for that purpose; and

(B) the circumstances under which a solicitation of bids for other contracts for the procurement of information technology services may not set forth any such minimum requirement for that purpose.

(c) CONSTRUCTION OF REGULATION.—The amendment issued pursuant to subsection (a) shall include a rule of construction that a prohibition included in the amendment under paragraph (1) or (2)(B) does not prohibit the consideration of the experience and educational levels of the personnel of bidders in the selection of a bidder to be awarded a contract.

(d) GAO REPORT.—Not later than 1 year after the date on which the regulations required by subsection (a) are published in the Federal Register, the Comptroller General shall submit to Congress an evaluation of—

(1) executive agency compliance with the regulations; and

(2) conformity of the regulations with existing law, together with any recommendations that the Comptroller General considers appropriate.

(e) DEFINITIONS.—In this section:

(1) The term ''executive agency'' has the meaning given that term in section 4 of the Office of Federal Procurement Policy Act (41 U.S.C. 403).

(2) The term ''performance-based contract'' means a contract that includes performance work statements setting forth contract requirements in clear, specific, and objective terms with measurable outcomes.

(3) The term ''information technology'' has the meaning given that term in section 5002 of the Clinger-Cohen Act of 1996 (40 U.S.C. 1401).

SEC. 817. STUDY OF OFFICE OF MANAGEMENT AND BUDGET CIRCULAR A–76 PROCESS.

(a) GAO-CONVENED PANEL.—The Comptroller General shall convene a panel of experts to study rules, and

the administration of the rules, governing the selection of sources for the performance of commercial or industrial functions for the Federal Government from between public and private sector sources, including public-private competitions pursuant to the Office of Management and Budget Circular A–76. The Comptroller General shall be the chairman of the panel.

(b) COMPOSITION OF PANEL.—(1) The Comptroller General shall appoint highly qualified and knowledgeable persons to serve on the panel and shall ensure that the following groups receive fair representation on the panel:

(A) Officers and employees of the United States.

(B) Persons in private industry.

(C) Federal labor organizations.

(2) For the purposes of the requirement for fair representation under paragraph (1), persons serving on the panel under subparagraph (C) of that paragraph shall not be counted as persons serving on the panel under subparagraph (A) or (B) of that paragraph.

(c) PARTICIPATION BY OTHER INTERESTED PARTIES.—The Comptroller General shall ensure that the opportunity to submit information and views on the Office of Management and Budget Circular A–76 process to the panel for the purposes of the study is accorded to all inter-

ested parties, including officers and employees of the United States not serving on the panel and entities in private industry and representatives of federal labor organizations not represented on the panel.

(d) INFORMATION FROM AGENCIES.—The panel may secure directly from any department or agency of the United States any information that the panel considers necessary to carry out a meaningful study of administration of the rules described in subsection (a), including the Office of Management and Budget Circular A–76 process. Upon the request of the Chairman of the panel, the head of such department or agency shall furnish the requested information to the panel.

(e) REPORT.—The Comptroller General shall submit a report on the results of the study to Congress.

(f) DEFINITION.—In this section, the term ''federal labor organization'' has the meaning given the term ''labor organization'' in section 7103(a)(4) of title 5, United States Code.

SEC. 818. PROCUREMENT NOTICE THROUGH ELECTRONIC ACCESS TO CONTRACTING OPPORTUNITIES.

(a) PUBLICATION BY ELECTRONIC ACCESSIBILITY.—Subsection (a) of section 18 of the Office of Federal Procurement Policy Act (41 U.S.C. 416) is amended—

(1) in paragraph (1)(A), by striking ''furnish for publication by the Secretary of Commerce'' and inserting ''publish'';

(2) by striking paragraph (2) and inserting the following:

''(2)(A) A notice of solicitation required to be published under paragraph (1) may be published by means of—

''(i) electronic accessibility that meets the requirements of paragraph (7); or

''(ii) publication in the Commerce Business Daily.

''(B) The Secretary of Commerce shall promptly publish in the Commerce Business Daily each notice or announcement received under this subsection for publication by that means.''; and

(3) by adding at the end the following:

''(7) A publication of a notice of solicitation by means of electronic accessibility meets the requirements of this paragraph for electronic accessibility if the notice is electronically accessible in a form that allows convenient and universal user access through the single Government-wide point of entry designated in the Federal Acquisition Regulation.''.

(b) WAITING PERIOD FOR ISSUANCE OF SOLICITATION.—Paragraph (3) of such subsection is amended—

(1) in the matter preceding subparagraph (A), by striking ''furnish a notice to the Secretary of Commerce'' and inserting ''publish a notice of solicitation''; and

(2) in subparagraph (A), by striking ''by the Secretary of Commerce''.

(c) CONFORMING AMENDMENTS FOR SMALL BUSINESS ACT.—Subsection (e) of section 8 of the Small Business Act (15 U.S.C. 637) is amended—

(1) in paragraph (1)(A), by striking ''furnish for publication by the Secretary of Commerce'' and inserting ''publish'';

(2) by striking paragraph (2) and inserting the following:

''(2)(A) A notice of solicitation required to be published under paragraph (1) may be published by means of—

''(i) electronic accessibility that meets the requirements of section 18(a)(7) of the Office of Federal Procurement Policy Act (41 U.S.C. 416(a)(7)); or

''(ii) publication in the Commerce Business Daily.

"(B) The Secretary of Commerce shall promptly publish in the Commerce Business Daily each notice or announcement received under this subsection for publication by that means."; and

(3) in paragraph (3)—

(A) in the matter preceding subparagraph (A), by striking "furnish a notice to the Secretary of Commerce" and inserting "publish a notice of solicitation"; and

(B) in subparagraph (A), by striking "by the Secretary of Commerce".

(d) PERIODIC REPORTS ON IMPLEMENTATION OF ELECTRONIC COMMERCE IN FEDERAL PROCUREMENT.—Section 30(e) of the Office of Federal Procurement Policy Act (41 U.S.C. 426(e)) is amended—

(1) in the first sentence, by striking "Not later than March 1, 1998, and every year afterward through 2003" and inserting "Not later than March 1 of each even-numbered year through 2004"; and

(2) in paragraph (4)—

(A) by striking "Beginning with the report submitted on March 1, 1999,"; and

(B) by striking "calendar year" and inserting "two fiscal years".

(e) EFFECTIVE DATE AND APPLICABILITY.—This section and the amendments made by this section shall take effect on October 1, 2000. The amendments made by subsections (a), (b) and (c) shall apply with respect to solicitations issued on or after that date.

TITLE IX—DEPARTMENT OF DEFENSE ORGANIZATION AND MANAGEMENT

SEC. 901. REPEAL OF LIMITATION ON MAJOR DEPARTMENT OF DEFENSE HEADQUARTERS ACTIVITIES PERSONNEL.

(a) REPEAL OF LIMITATION.—(1) Section 130a of title 10, United States Code, is repealed.

(2) The table of sections at the beginning of chapter 3 of such title is amended by striking the item relating to section 130a.

(b) REPEAL OF ASSOCIATED REPORTING REQUIREMENT.—Section 921(b) of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 723) is repealed.

SEC. 902. OVERALL SUPERVISION OF DEPARTMENT OF DEFENSE ACTIVITIES FOR COMBATING TERRORISM.

Section 138(b)(4) of title 10, United States Code, is amended to read as follows:

"(4)(A) One of the Assistant Secretaries shall be the Assistant Secretary of Defense for Special Operations and Low Intensity Conflict.

"(B) The Assistant Secretary shall have the following duties:

"(i) As the principal duty, to provide overall supervision (including oversight of policy and resources) of special operations activities (as defined in section 167(j) of this title) and low intensity conflict activities of the Department of Defense.

"(ii) To provide overall direction and supervision for policy, program planning and execution, and allocation and use of resources for the activities of the Department of Defense for combating terrorism, including antiterrorism activities, counterterrorism activities, terrorism consequences management activities, and terrorism-related intelligence support activities.

"(C) The Assistant Secretary is the principal civilian adviser to the Secretary of Defense on, and is the principal official within the senior management of the Department of Defense (after the Secretary and Deputy Secretary) responsible for, the following matters:

"(i) Special operations and low intensity conflict.

"(ii) Combating terrorism.".

SEC. 903. NATIONAL DEFENSE PANEL 2001.

(a) ESTABLISHMENT.—Not later than March 1, 2001, the Secretary of Defense shall establish a nonpartisan, independent panel to be known as the National Defense Panel 2001. The Panel shall have the duties set forth in this section.

(b) MEMBERSHIP AND CHAIRMAN.—(1) The Panel shall be composed of nine members appointed from among persons in the private sector who are recognized experts in matters relating to the national security of the United States, as follows:

(A) Three members appointed by the Secretary of Defense.

(B) Three members appointed by the Chairman of the Committee on Armed Services of the Senate, in consultation with the ranking member of the committee.

(C) Three members appointed by the Chairman of the Committee on Armed Services of the House of Representatives, in consultation with the ranking member of the committee.

(2) The Secretary of Defense, in consultation with the chairmen and ranking members of the Committees on Armed Services of the Senate and the House of Represent-

atives, shall designate one of the members to serve as the chairman of the Panel.

(c) DUTIES.—(1) The Panel shall—

(A) assess the matters referred to in paragraph (2);

(B) assess the current and projected strategic environment, together with the progress made by the Armed Forces in transforming to meet that environment;

(C) identify the most dangerous threats to the national security interests of the United States that are to be countered by the United States in the ensuing 10 years and those that are to be encountered in the ensuing 20 years;

(D) identify the strategic and operational challenges for the Armed Forces to address in order to prepare to counter the threats identified under subparagraph (C);

(E) develop—

(i) a recommendation on the priority that should be accorded to each of the strategic and operational challenges identified under subparagraph (D); and

(ii) a recommendation on the priority that should be accorded to the development of each

joint capability needed to meet each such challenge; and

(F) identify the issues that the Panel recommends for assessment during the next quadrennial review to be conducted under section 118 of title 10, United States Code.

(2) The matters to be assessed under paragraph (1)(A) are the defense strategy, force structure, force modernization plans, infrastructure, budget plan, and other elements of the defense program and policies established since the quadrennial defense review conducted in 1996.

(3) The Panel shall conduct the assessments under paragraph (1) with a view toward recommending—

(A) the most critical changes that should be made to the defense strategy of the United States for the ensuing 10 years and the most critical changes that should be made to the defense strategy of the United States for the ensuing 20 years; and

(B) any changes considered appropriate by the Panel regarding the major weapon systems programmed for the force, including any alternatives to those weapon systems.

(d) REPORT.—(1) The Panel shall submit to the Secretary of Defense and to the Committees on Armed Serv-

ices of the Senate and the House of Representatives two reports on the assessment, including a discussion of the Panel's activities, the findings and recommendations of the Panel, and any recommendations for legislation that the Panel considers appropriate, as follows:

(A) An interim report not later than July 1, 2001.

(B) A final report not later than December 1, 2001.

(2) Not later than December 15, 2001, the Secretary shall transmit to the committees referred to in paragraph (1) the Secretary's comments on the final report submitted to the committees under subparagraph (B) of that paragraph.

(e) INFORMATION FROM FEDERAL AGENCIES.—The Panel may secure directly from the Department of Defense and any of its components and from any other department and agency of the United States 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, United States Code, for each day (including travel time) during which the member is engaged in the performance of the duties of the Panel.

(2) The members of the Panel shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, 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, United States Code, 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 employee of the United States 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 Committees on Armed Services of the Senate and the House of Representatives.

SEC. 904. QUADRENNIAL NATIONAL DEFENSE PANEL.

(a) NATIONAL DEFENSE PANEL.—(1) Chapter 7 of title 10, United States Code, is amended by adding at the end the following:

"§ 184. 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 AND CHAIRMAN.—(1) The Panel shall be composed of nine members appointed from among persons in the private sector who are recognized experts in matters relating to the national security of the United States, as follows:

''(A) Three members appointed by the Secretary of Defense.

''(B) Three members appointed by the Chairman of the Committee on Armed Services of the Senate, in consultation with the ranking member of the committee.

''(C) Three members appointed by the Chairman of the Committee on Armed Services of the House of Representatives, in consultation with the ranking member of the committee.

''(2) The Secretary of Defense, in consultation with the chairmen and ranking members of the Committees on Armed Services of the Senate and the House of Represent-

atives, shall designate one of the members to serve as the chairman of the Panel

"(c) DUTIES.—(1) The Panel shall—

"(A) assess the matters referred to in paragraph (2);

"(B) assess the current and projected strategic environment, together with the progress made by the armed forces in transforming to meet the environment;

"(C) identify the most dangerous threats to the national security interests of the United States that are to be countered by the United States in the ensuing 10 years and those that are to be encountered in the ensuing 20 years;

"(D) identify the strategic and operational challenges for the armed forces to address in order to prepare to counter the threats identified under subparagraph (C);

"(E) develop—

"(i) a recommendation on the priority that should be accorded to each of the strategic and operational challenges identified under subparagraph (D); and

"(ii) a recommendation on the priority that should be accorded to the development of each

joint capability needed to meet each such challenge; and

"(F) identify the issues that the Panel recommends for assessment during the next quadrennial review to be conducted under section 118 of this title.

"(2) The matters to be assessed under paragraph (1)(A) are the defense strategy, force structure, force modernization plans, infrastructure, budget plan, and other elements of the defense program and policies established since the previous quadrennial defense review under section 118 of this title.

"(3) The Panel shall conduct the assessments under paragraph (1) with a view toward recommending—

"(A) the most critical changes that should be made to the defense strategy of the United States for the ensuing 10 years and the most critical changes that should be made to the defense strategy of the United States for the ensuing 20 years; and

"(B) any changes considered appropriate by the Panel regarding the major weapon systems programmed for the force, including any alternatives to those weapon systems.

"(d) REPORT.—(1) The Panel, in the year that it is conducting an assessment under subsection (c), shall sub-

mit to the Secretary of Defense and to the Committees on Armed Services of the Senate and the House of Representatives two reports on the assessment, including a discussion of the Panel's activities, the findings and recommendations of the Panel, and 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 receives a final report under paragraph (1)(B), the Secretary shall submit to the committees referred to in paragraph (1) the Secretary's comments on that 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 department or agency of the United States any information that the Panel considers necessary to carry out its duties under this section. The head of that department or agency shall ensure that information requested by the Panel under this subsection is promptly provided.

"(f) PERSONNEL MATTERS.—(1) Each member of the Panel shall be compensated at a rate equal to the daily equivalent of the annual rate of basic pay prescribed for level IV of the Executive Schedule under section 5315 of title 5 for each day (including travel time) during which the member is engaged in the performance of the duties of the Panel.

"(2) The members of the Panel shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5 while away from their homes or regular places of business in the performance of services for the Panel.

"(3)(A) The chairman of the Panel may, without regard to the civil service laws and regulations, appoint and terminate an executive director and a staff if the Panel determines that an executive director and staff are necessary in order for the Panel to perform its duties effectively. The employment of an executive director shall be subject to confirmation by the Panel.

"(B) The chairman may fix the compensation of the executive director without regard to the provisions of chapter 51 and subchapter III of chapter 53 of title 5 relating to classification of positions and General Schedule pay rates, except that the rate of pay for the executive

director may not exceed the rate payable for level V of the Executive Schedule under section 5316 of such title.

"(4) Any Federal Government employee may be detailed to the Panel without reimbursement of the employee's agency, and such detail shall be without interruption or loss of civil service status or privilege. The Secretary shall ensure that sufficient personnel are detailed to the Panel to enable the Panel to carry out its duties effectively.

"(5) To the maximum extent practicable, the members and employees of the Panel shall travel on military aircraft, military ships, military vehicles, or other military conveyances when travel is necessary in the performance of a duty of the Panel, except that no such aircraft, ship, vehicle, or other conveyance may be scheduled primarily for the transportation of any such member or employee when the cost of commercial transportation is less expensive.

"(g) ADMINISTRATIVE PROVISIONS.—(1) The Panel may use the United States mails and obtain printing and binding services in the same manner and under the same conditions as other departments and agencies of the Federal Government.

"(2) The Secretary shall furnish the Panel any administrative and support services requested by the Panel.

"(3) The Panel may accept, use, and dispose of gifts or donations of services or property.

"(h) PAYMENT OF PANEL EXPENSES.—The compensation, travel expenses, and per diem allowances of members and employees of the Panel shall be paid out of funds available to the Department of Defense for the payment of compensation, travel allowances, and per diem allowances, respectively, of civilian employees of the Department. The other expenses of the Panel shall be paid out of funds available to the Department for the payment of similar expenses incurred by the Department.

"(i) TERMINATION.—The Panel shall terminate at the end of the year following the year in which the Panel submits its final report under subsection (d)(1)(B). For the period that begins 90 days after the date of submittal of the report, the activities and staff of the panel shall be reduced to a level that the Secretary of Defense considers sufficient to continue the availability of the Panel for consultation with the Secretary of Defense and with the Committees on Armed Services of the Senate and the House of Representatives.".

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

"184. National Defense Panel.".

(b) FIRST PANEL TO BE ESTABLISHED IN 2004.—The first National Defense Panel under section 184 of

title 10, United States Code (as added by subsection (a)), shall be established in 2004.

SEC. 905. INSPECTOR GENERAL INVESTIGATIONS OF PROHIBITED PERSONNEL ACTIONS.

(a) STANDARDS AND PROCEDURES FOR PRELIMINARY DETERMINATIONS.—Subsection (c)(3)(A) of section 1034 of title 10, United States Code, is amended by inserting ", in accordance with regulations prescribed under subsection (h)," after "shall expeditiously determine".

(b) DEFINITION OF INSPECTOR GENERAL.—Subsection (i)(2) of such section is amended by adding at the end the following:

> "(H) An officer of the armed forces or employee of the Department of Defense, not referred to in any other subparagraph of this paragraph, who is assigned or detailed to serve as an Inspector General at any level in the Department of Defense.".

SEC. 906. NETWORK CENTRIC WARFARE.

(a) GOAL.—It shall be a goal of the Department of Defense to fully coordinate the network centric warfare efforts being pursued by the Joint Chiefs of Staff, the Defense Agencies, and the military departments so that (1) the concepts, procedures, training, and technology development resulting from those efforts lead to an integrated

information network, and (2) a coherent concept for enabling information dominance in joint military operations can be formulated.

(b) REPORT ON IMPLEMENTATION OF NETWORK CENTRIC WARFARE PRINCIPLES.—(1) The Secretary of Defense, in consultation with the Chairman of the Joint Chiefs of Staff, shall submit to the congressional defense committees a report on the development and implementation of network centric warfare concepts in the Department of Defense.

(2) The report shall contain the following:

(A) A clear definition and terminology to describe the set of operational concepts referred to as network centric warfare.

(B) An identification and description of current, planned, and needed activities by the Office of the Secretary of Defense, the Joint Chiefs of Staff, and the United States Joint Forces Command to coordinate the development of doctrine and the definition of requirements and to ensure that those activities are consistent with the concepts of network centric warfare and information superiority that are articulated in Joint Vision 2010 issued by the Joint Chiefs of Staff.

(C) Recommended metrics, and a process for applying and reporting such metrics, to assist the Secretary of Defense and the Chairman of the Joint Chiefs of Staff in the evaluation of the progress being made toward—

(i) the implementation of the concepts of network centric warfare and information superiority that are articulated in Joint Vision 2010; and

(ii) the attainment of a fully integrated, joint command, control, communications, computers, intelligence, surveillance, and reconnaissance capability.

(D) A recommended joint concept development and experimentation campaign for enabling the co-evolution of doctrine, organization, training, materiel, leadership, people, and facilities that are pertinent to achieving advances in command and control consistent with the concepts of network centric warfare and information superiority articulated in those vision statements.

(E) A description of the programs and initiatives underway, together with a discussion of the progress made (as determined using metrics recommended under subparagraph (C)) toward—

(i) establishing a foundation for networking the sensors, combat personnel and weapon systems, and decisionmaking nodes to ensure that there is seamless communication within each of the Armed Forces and across the Armed Forces;

(ii) achieving, within and between the Armed Forces, full situational awareness of the dispositions of friendly forces so that joint task forces can operate effectively on fast-changing battlefields with substantially reduced risk of fratricide and less restrictive control measures; and

(iii) ensuring a seamless delivery of fire on targets by the Armed Forces and allied forces, with particular attention being given in that discussion to how networking of surface and aerial fire delivery and aerial transport assets can be exploited to manage theater airspace so as to minimize the coordination steps necessary for obtaining fire clearance or aerial transit clearance.

(F) An identification of the additional powers that must be provided the officials making joint policy for the Armed Forces in order to ensure that

those officials have sufficient authority quickly to develop and implement means for supporting network centric warfare, including such means as interoperable intranets of the Armed Forces and joint and allied interoperability standards for the joint operating environment.

(G) The areas of joint authority that require greater emphasis or resource allocation.

(H) The specific organizational entities that can provide coordination for the development of network centric warfare systems and doctrine.

(I) The joint requirements under development that will lead to the acquisition of technologies for enabling the implementation and support of network centric warfare, together with—

(i) a description of how the joint requirements are modifying existing requirements and vision statements of each of the Armed Forces to better reflect the joint nature of network centric warfare;

(ii) a description of how the vision statements are being expanded to reflect the role of network centric warfare concepts in future coalition operations and operations other than war; and

(iii) an evaluation of whether there is a need to modify the milestone decision processes for all acquisition programs that directly affect joint task force interoperability and interoperability between the Armed Forces.

(J) A discussion of how the efforts within the Department of Defense to implement information superiority concepts described in Joint Vision 2010 are informed by private sector investments, and successes and failures, in implementing networking technologies that enhance distribution, inventory control, maintenance management, personnel management, knowledge management, technology development, and other relevant business areas.

(K) A discussion of how Department of Defense activities to establish a joint network centric capability—

(i) are coordinated with the Intelligence Community, the Department of Commerce, the Department of Justice, the Federal Emergency Management Agency, and other departments and agencies of the United States; and

(ii) are carried out in accordance with Presidential Decision Directive 63 and the National Plan for Information Systems Protection.

(c) STUDY ON USE OF JOINT EXPERIMENTATION FOR DEVELOPING NETWORK CENTRIC WARFARE CONCEPTS.—(1) The Secretary of Defense shall conduct a study on the present and future use of the joint experimentation program of the Department of Defense in the development of network centric warfare concepts.

(2) The Secretary shall submit to the congressional defense committees a report on the results of the study. The report shall include the following:

(A) A survey and description of how experimentation under the joint experimentation program and experimentation under the experimentation program of each of the Armed Forces are being used for evaluating emerging concepts in network centric warfare.

(B) Recommended means and mechanisms for using the results of the joint experimentation for developing new joint requirements, new joint doctrine, and new acquisition programs of the military departments and Defense Agencies with a view to achieving the objective of supporting network centric operations.

(C) Recommendations on future joint experimentation to validate and accelerate the use of net-

work centric warfare concepts in operations involving coalition forces.

(D) Recommendations on how joint experimentation can be used to identify impediments to—

(i) the development of a joint information network; and

(ii) the seamless coordination of the intranet systems of each of the Armed Forces in operational environments.

(E) Recommendations on how joint experimentation can be used to develop concepts in revolutionary force redesign to leverage new operational concepts in network centric warfare.

(F) The levels of appropriations necessary for joint experimentation on network-related concepts.

(3) The Secretary of Defense, acting through the Chairman of the Joint Chiefs of Staff, shall designate the Commander in Chief of the United States Joint Forces Command to carry out the study and to prepare the report required under this subsection.

(d) REPORT ON SCIENCE AND TECHNOLOGY PROGRAMS TO SUPPORT NETWORK CENTRIC WARFARE CONCEPTS.—(1) The Under Secretary of Defense for Acquisition, Technology, and Logistics shall submit to the congressional defense committees a report describing the co-

ordination of the science and technology investments of the military departments and Defense Agencies in the development of future joint network centric warfare capabilities. The Under Secretary shall consult with the Chairman of the Joint Chiefs of Staff in the preparation of the report.

(2) The report shall include the following:

(A) A discussion of the science and technology investments in the following areas:

(i) Sensors, including ground-based, air-based, sea-based, and space-based inhabited and uninhabited systems.

(ii) Seamless communications and networking protocols and technologies.

(iii) Modeling and simulation of technologies and operational concepts.

(iv) Secure and reliable information networks and databases.

(v) Computing and software technology.

(vi) Robust human-machine interfaces.

(vii) Novel training concepts for supporting network centric operations.

(B) For the areas listed in subparagraph (A)—

(i) a rationalization of the rapid pace of technological change and the influence of global developments in commercial technology; and

(ii) an explanation of how that rationalization is informing and modifying science and technology investments made by the Department of Defense.

(e) TIME FOR SUBMISSION OF REPORTS.—Each report required under this section shall be submitted not later than March 1, 2001.

SEC. 907. ADDITIONAL DUTIES FOR THE COMMISSION TO ASSESS UNITED STATES NATIONAL SECURITY SPACE MANAGEMENT AND ORGANIZATION.

Section 1622(a) of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 814; 10 U.S.C. 111 note) is amended by adding at the end the following:

''(6) The advisability of—

''(A) various actions to eliminate the requirement for specified officers in the United States Space Command to be flight rated that results from the dual assignment of such officers to that command and to one or more other commands for which the officers are expressly required to be flight rated;

"(B) the establishment of a requirement that all new general or flag officers of the United States Space Command have experience in space, missile, or information operations that is either acquisition experience or operational experience; and

"(C) rotating the command of the United States Space Command among the Armed Forces.".

SEC. 908. SPECIAL AUTHORITY FOR ADMINISTRATION OF NAVY FISHER HOUSES.

(a) BASE OPERATING SUPPORT.—Section 2493 of title 10, United States Code, is amended—

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

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

"(f) SPECIAL AUTHORITY FOR NAVY.—The Secretary of the Navy shall provide base operating support for Fisher Houses associated with health care facilities of the Navy. The level of the support shall be equivalent to the base operating support that the Secretary provides for morale, welfare, and recreation category B community activities (as defined in regulations, prescribed by the Sec-

retary, that govern morale, welfare, and recreation activities associated with Navy installations).''.

(b) SAVINGS PROVISIONS FOR CERTAIN NAVY EMPLOYEES.—(1) The Secretary of the Navy may continue to employ, and pay out of appropriated funds, any employee of the Navy in the competitive service who, as of October 17, 1998, was employed by the Navy in a position at a Fisher House administered by the Navy, but only for so long as the employee is continuously employed in that position.

(2) After a person vacates a position in which the person was continued to be employed under the authority of paragraph (1), a person employed in that position shall be employed as an employee of a nonappropriated fund instrumentality of the United States and may not be paid for services in that position out of appropriated funds.

(3) In this subsection:

(A) The term ''Fisher House'' has the meaning given the term in section 2493(a)(1) of title 10, United States Code.

(B) The term ''competitive service'' has the meaning given the term in section 2102 of title 5, United States Code.

(c) EFFECTIVE DATE.—(1) The amendments made by subsection (a) shall be effective as of October 17, 1998,

as if included in section 2493 of title 10, United States Code, as enacted by section 906(a) of Public Law 105–261.

(2) Subsection (b) applies with respect to the pay period that includes October 17, 1998, and subsequent pay periods.

SEC. 909. ORGANIZATION AND MANAGEMENT OF THE CIVIL AIR PATROL.

(a) IN GENERAL.—Chapter 909 of title 10, United States Code, is amended to read as follow:

"CHAPTER 909—CIVIL AIR PATROL

"Sec.
"9441. Status as federally chartered corporation; purposes.
"9442. Status as volunteer civilian auxiliary of the Air Force.
"9443. Activities not performed as auxiliary of the Air Force.
"9444. Activities performed as auxiliary of the Air Force.
"9445. Funds appropriated for the Civil Air Patrol.
"9446. Miscellaneous personnel authorities.
"9447. Board of Governors.
"9448. Regulations.

"§ 9441. Status as federally chartered corporation; purposes

"(a) STATUS.—(1) The Civil Air Patrol is a nonprofit corporation that is federally chartered under section 40301 of title 36.

"(2) Except as provided in section 9442(b)(2) of this title, the Civil Air Patrol is not an instrumentality of the Federal Government for any purpose.

"(b) PURPOSES.—The purposes of the Civil Air Patrol are set forth in section 40302 of title 36.

"§ 9442. Status as volunteer civilian auxiliary of the Air Force

"(a) VOLUNTEER CIVILIAN AUXILIARY.—The Civil Air Patrol is a volunteer civilian auxiliary of the Air Force when the services of the Civil Air Patrol are used by any department or agency in any branch of the Federal Government.

"(b) USE BY AIR FORCE.—(1) The Secretary of the Air Force may use the services of the Civil Air Patrol to fulfill the noncombat programs and missions of the Department of the Air Force.

"(2) The Civil Air Patrol shall be deemed to be an instrumentality of the United States with respect to any act or omission of the Civil Air Patrol, including any member of the Civil Air Patrol, in carrying out a mission assigned by the Secretary of the Air Force.

"§ 9443. Activities not performed as auxiliary of the Air Force

"(a) SUPPORT FOR STATE AND LOCAL AUTHORITIES.—The Civil Air Patrol may, in its status as a federally chartered nonprofit corporation and not as an auxiliary of the Air Force, provide assistance requested by State or local governmental authorities to perform disaster

relief missions and activities, other emergency missions and activities, and nonemergency missions and activities. Missions and activities carried out under this section shall be consistent with the purposes of the Civil Air Patrol.

"(b) USE OF FEDERALLY PROVIDED RESOURCES.—(1) To perform any mission or activity authorized under subsection (a), the Civil Air Patrol may use any equipment, supplies, and other resources provided to it by the Air Force or by any other department or agency of the Federal Government or acquired by or for the Civil Air Patrol with appropriated funds, without regard to whether the Civil Air Patrol has reimbursed the Federal Government source for the equipment, supplies, other resources, or funds, as the case may be.

"(2) The use of equipment, supplies, or other resources under paragraph (1) is subject to—

"(A) the terms and conditions of the applicable agreement entered into under chapter 63 of title 31; and

"(B) the laws and regulations that govern the use by nonprofit corporations of federally provided assets or of assets purchased with appropriated funds, as the case may be.

"(c) AUTHORITY NOT CONTINGENT ON REIMBURSEMENT.—The authority for the Civil Air Patrol to provide

assistance under this section is not contingent on the Civil Air Patrol being reimbursed for the cost of providing the assistance. If the Civil Air Patrol requires reimbursement for the provision of any such assistance, the Civil Air Patrol may establish the reimbursement rate for the assistance at a rate less than the rate charged by private sector sources for equivalent services.

"(d) LIABILITY INSURANCE.—The Secretary of the Air Force may provide the Civil Air Patrol with funds for paying the cost of liability insurance for missions and activities carried out under this section.

"§ 9444. Activities performed as auxiliary of the Air Force

"(a) AIR FORCE SUPPORT FOR ACTIVITIES.—The Secretary of the Air Force may furnish to the Civil Air Patrol in accordance with this section any equipment, supplies, and other resources that the Secretary determines necessary to enable the Civil Air Patrol to fulfill the missions assigned by the Secretary to the Civil Air Patrol as an auxiliary of the Air Force.

"(b) FORMS OF AIR FORCE SUPPORT.—The Secretary of the Air Force may, under subsection (a)—

"(1) give, lend, or sell to the Civil Air Patrol without regard to the Federal Property and Admin-

istrative Services Act of 1949 (40 U.S.C. 471 et seq.)—

"(A) major items of equipment (including aircraft, motor vehicles, computers, and communications equipment) that are excess to the military departments; and

"(B) necessary related supplies and training aids that are excess to the military departments;

"(2) permit the use, with or without charge, of services and facilities of the Air Force;

"(3) furnish supplies (including fuel, lubricants, and other items required for vehicle and aircraft operations) or provide funds for the acquisition of supplies;

"(4) establish, maintain, and supply liaison officers of the Air Force at the national, regional, State, and territorial headquarters of the Civil Air Patrol;

"(5) detail or assign any member of the Air Force or any officer, employee, or contractor of the Department of the Air Force to any liaison office at the national, regional, State, or territorial headquarters of the Civil Air Patrol;

"(6) detail any member of the Air Force or any officer, employee, or contractor of the Department of

the Air Force to any unit or installation of the Civil Air Patrol to assist in the training programs of the Civil Air Patrol;

''(7) authorize the payment of travel expenses and allowances, at rates not to exceed those paid to employees of the Federal Government under subchapter I of chapter 57 of title 5, to members of the Civil Air Patrol while the members are carrying out programs or missions specifically assigned by the Air Force;

''(8) provide funds for the national headquarters of the Civil Air Patrol, including—

''(A) funds for the payment of staff compensation and benefits, administrative expenses, travel, per diem and allowances, rent, utilities, other operational expenses of the national headquarters; and

''(B) to the extent considered necessary by the Secretary of the Air Force to fulfill Air Force requirements, funds for the payment of compensation and benefits for key staff at regional, State, or territorial headquarters;

''(9) authorize the payment of expenses of placing into serviceable condition, improving, and maintaining equipment (including aircraft, motor vehi-

cles, computers, and communications equipment) owned or leased by the Civil Air Patrol;

"(10) provide funds for the lease or purchase of items of equipment that the Secretary determines necessary for the Civil Air Patrol;

"(11) support the Civil Air Patrol cadet program by furnishing—

"(A) articles of the Air Force uniform to cadets without cost; and

"(B) any other support that the Secretary of the Air Force determines is consistent with Air Force missions and objectives; and

"(12) provide support, including appropriated funds, for the Civil Air Patrol aerospace education program to the extent that the Secretary of the Air Force determines appropriate for furthering the fulfillment of Air Force missions and objectives.

"(c) ASSISTANCE BY OTHER AGENCIES.—(1) The Secretary of the Air Force may arrange for the use by the Civil Air Patrol of such facilities and services under the jurisdiction of the Secretary of the Army, the Secretary of the Navy, or the head of any other department or agency of the United States as the Secretary of the Air Force considers to be needed by the Civil Air Patrol to carry out its mission.

"(2) An arrangement for use of facilities or services of a military department or other department or agency under this subsection shall be subject to the agreement of the Secretary of the military department or head of the other department or agency, as the case may be.

"(3) Each arrangement under this subsection shall be made in accordance with regulations prescribed under section 9448 of this title.

"§ 9445. Funds appropriated for the Civil Air Patrol

"Funds appropriated for the Civil Air Patrol shall be available only for the exclusive use of the Civil Air Patrol.

"§ 9446. Miscellaneous personnel authorities

"(a) USE OF RETIRED AIR FORCE PERSONNEL.—(1) Upon the request of a person retired from service in the Air Force, the Secretary of the Air Force may enter into a personal services contract with that person providing for the person to serve as an administrator or liaison officer for the Civil Air Patrol. The qualifications of a person to provide the services shall be determined and approved in accordance with regulations prescribed under section 9448 of this title.

"(2) To the extent provided in a contract under paragraph (1), a person providing services under the contract may accept services on behalf of the Air Force.

"(3) A person, while providing services under a contract authorized under paragraph (1), may not be considered to be on active duty or inactive-duty training for any purpose.

"(b) USE OF CIVIL AIR PATROL CHAPLAINS.—The Secretary of the Air Force may use the services of Civil Air Patrol chaplains in support of the Air Force active duty and reserve component forces to the extent and under conditions that the Secretary determines appropriate.

"§ 9447. Board of Governors

"(a) GOVERNING BODY.—The Board of Governors of the Civil Air Patrol is the governing body of the Civil Air Patrol.

"(b) COMPOSITION.—The Board of Governors is composed of 13 members as follows:

"(1) Four members appointed by the Secretary of the Air Force, who may be active or retired officers of the Air Force (including reserve components of the Air Force), employees of the Federal Government, or private citizens.

"(2) Four members of the Civil Air Patrol, elected from among the members of the Civil Air Patrol in the manner provided in regulations prescribed under section 9448 of this title.

"(3) Three members appointed or selected as provided in subsection (c) from among personnel of any Federal Government agencies, public corporations, nonprofit associations, and other organizations that have an interest and expertise in civil aviation and the Civil Air Patrol mission.

"(4) One member appointed by the Majority Leader of the Senate.

"(5) One member appointed by the Speaker of the House of Representatives.

"(c) APPOINTMENTS FROM INTERESTED ORGANIZATIONS.—(1) Subject to paragraph (2), the members of the Board of Governors referred to in subsection (b)(3) shall be appointed jointly by the Secretary of the Air Force and the National Commander of the Civil Air Patrol.

"(2) Any vacancy in the position of a member referred to in paragraph (1) that is not filled under that paragraph within 90 days shall be filled by majority vote of the other members of the Board.

"(d) CHAIRPERSON.—(1) The Chairperson of the Board of Governors shall be chosen by the members of the Board of Governors from among the members of the Board eligible for selection under paragraph (2) and shall serve for a term of two years.

"(2) The position of Chairperson shall be held on a rotating basis, first by a member of the Board selected from among those appointed by the Secretary of the Air Force under paragraph (1) of subsection (b) and then by a member of the Board selected from among the members elected by the Civil Air Patrol under paragraph (2) of that subsection. Upon the expiration of the term of a Chairperson selected from among the members referred to in one of those paragraphs, the selection of a successor to that position shall be made from among the members who are referred to in the other paragraph.

"(e) POWERS.—(1) The Board of Governors shall, subject to paragraphs (2) and (3), exercise the powers granted under section 40304 of title 36.

"(2) Any exercise by the Board of the power to amend the constitution or bylaws of the Civil Air Patrol or to adopt a new constitution or bylaws shall be subject to the approval of the corporate officers of the Civil Air Patrol, as those officers are defined in the constitution and bylaws of the Civil Air Patrol.

"(3) Neither the Board of Governors nor any other component of the Civil Air Patrol may modify or terminate any requirement or authority set forth in this section.

"(f) PERSONAL LIABILITY FOR BREACH OF A FIDUCIARY DUTY.—(1) The Board of Governors may, subject

to paragraph (2), take such action as is necessary to limit the personal liability of a member of the Board of Governors to the Civil Air Patrol or to any of its members for monetary damages for a breach of fiduciary duty while serving as a member of the Board.

"(2) The Board may not limit the liability of a member of the Board of Governors to the Civil Air Patrol or to any of its members for monetary damages for any of the following:

"(A) A breach of the member's duty of loyalty to the Civil Air Patrol or its members.

"(B) Any act or omission that is not in good faith or that involves intentional misconduct or a knowing violation of law.

"(C) Participation in any transaction from which the member directly or indirectly derives an improper personal benefit.

"(3) Nothing in this subsection shall be construed as rendering section 207 or 208 of title 18 inapplicable in any respect to a member of the Board of Governors who is a member of the Air Force on active duty, an officer on a retired list of the Air Force, or an employee of the Federal Government.

"(g) PERSONAL LIABILITY FOR BREACH OF A FIDUCIARY DUTY.—(1) Except as provided in paragraph (2),

no member of the Board of Governors or officer of the Civil Air Patrol shall be personally liable for damages for any injury or death or loss or damage of property resulting from a tortious act or omission of an employee or member of the Civil Air Patrol.

''(2) Paragraph (1) does not apply to a member of the Board of Governors or officer of the Civil Air Patrol for a tortious act or omission in which the member or officer, as the case may be, was personally involved, whether in breach of a civil duty or in commission of a criminal offense.

''(3) Nothing in this subsection shall be construed to restrict the applicability of common law protections and rights that a member of the Board of Governors or officer of the Civil Air Patrol may have.

''(4) The protections provided under this subsection are in addition to the protections provided under subsection (f).

"§ 9448. Regulations

''(a) AUTHORITY.—The Secretary of the Air Force shall prescribe regulations for the administration of this chapter.

''(b) REQUIRED REGULATIONS.—The regulations shall include the following:

"(1) Regulations governing the conduct of the activities of the Civil Air Patrol when it is performing its duties as a volunteer civilian auxiliary of the Air Force under section 9442 of this title.

"(2) Regulations for providing support by the Air Force and for arranging assistance by other agencies under section 9444 of this title.

"(3) Regulations governing the qualifications of retired Air Force personnel to serve as an administrator or liaison officer for the Civil Air Patrol under a personal services contract entered into under section 9446(a) of this title.

"(4) Procedures and requirements for the election of members of the Board of Governors under section 9447(b)(2) of this title.

"(c) APPROVAL BY SECRETARY OF DEFENSE.—The regulations required by subsection (b)(2) shall be subject to the approval of the Secretary of Defense.".

(b) CONFORMING AMENDMENTS.—(1) Section 40302 of title 36, United States Code, is amended—

(A) by striking "to—" in the matter preceding paragraph (1) and inserting "as follows:";

(B) by inserting "To" after the paragraph designation in each of paragraphs (1), (2), (3), and (4);

(C) by striking the semicolon at the end of paragraphs (1)(B) and (2) and inserting a period;

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

(E) by adding at the end the following:

''(5) To assist the Department of the Air Force in fulfilling its noncombat programs and missions.''.

(2)(A) Section 40303 of such title is amended—

(i) by inserting ''(a) MEMBERSHIP.—'' before ''Eligibility''; and

(ii) by adding at the end the following:

''(b) GOVERNING BODY.—The Civil Air Patrol has a Board of Governors. The composition and responsibilities of the Board of Governors are set forth in section 9447 of title 10.''.

(B) The heading for such section is amended to read as follows:

''§ 40303. Membership and governing body''.

(C) The item relating to such section in the table of sections at the beginning of chapter 403 of title 36, United States Code, is amended to read as follows:

''40303. Membership and governing body.''.

(c) EFFECTIVE DATE.—This section and the amendments made by this section shall take effect on January 1, 2001.

SEC. 910. RESPONSIBILITY FOR THE NATIONAL GUARD CHALLENGE PROGRAM.

(a) SECRETARY OF DEFENSE.—Subsection (a) of section 509 of title 32, United States Code, is amended by striking ", acting through the Chief of the National Guard Bureau,".

(b) CLARIFICATION OF SOURCE OF FEDERAL SUPPORT.—Subsection (b) of such section is amended by striking "Federal expenditures" and inserting "Department of Defense expenditures".

(c) REGULATIONS.—Such section is further amended—

(1) by redesignating subsection (l) and subsection (m); and

(2) by inserting after subsection (k) the following new subsection (l):

"(l) REGULATIONS.—The Secretary of Defense shall prescribe regulations to carry out this section, including regulations governing the following:

"(1) Terms and conditions to be included in program agreements under subsection (c).

"(2) The eligibility requirements for participation under subsection (e).

"(3) The benefits authorized for program participants under subsection (f).

"(4) The status of National Guard personnel providing services for the program under subsection (g).

"(5) The use of equipment and facilities of the National Guard for the program under subsection (h).

"(6) The status of program participants under subsection (i).

"(7) The procedures for communicating between the Secretary of Defense and States regarding the program.".

SEC. 911. SUPERVISORY CONTROL OF ARMED FORCES RETIREMENT HOME BOARD BY SECRETARY OF DEFENSE.

(a) BOARD AUTHORITY SUBJECT TO SECRETARY'S CONTROL.—Section 1516(a) of the Armed Forces Retirement Home Act of 1991 (Public Law 101–510; 24 U.S.C. 416(a)) is amended by inserting after the first sentence the following: "The Board is subject to the authority, direction, and control of the Secretary of Defense in the performance of its responsibilities.".

(b) APPOINTMENT AND TERMS OF BOARD MEMBERS.—Section 1515 of such Act (24 U.S.C. 415) is amended—

(1) in subsection (b), by adding at the end the following:

"An appointment not made by the Secretary of Defense is subject to the approval of the Secretary of Defense.";

(2) in subsection (e)(3), by striking "Chairman of the Retirement Home Board" and inserting "Secretary of Defense"; and

(3) in subsection (f), by striking "(f) EARLY EXPIRATION OF TERM.—" and inserting the following:

"(f) EARLY TERMINATION.—(1) The Secretary of Defense may terminate the appointment of a member of the Board at the pleasure of the Secretary.

"(2)".

(c) RESPONSIBILITY OF CHAIRMAN TO THE SECRETARY.—Section 1515(d)(1)(B) of such Act (24 U.S.C. 415(d)(1)(B)) is amended by striking "not be responsible to the Secretary of Defense or to the Secretaries of the military departments" and inserting "be responsible to the Secretary of Defense, but not to the Secretaries of the military departments,".

SEC. 912. CONSOLIDATION OF CERTAIN NAVY GIFT FUNDS.

(a) MERGER OF NAVAL HISTORICAL CENTER FUND INTO DEPARTMENT OF THE NAVY GENERAL GIFT FUND.—(1) The Secretary of the Navy shall transfer all

amounts in the Naval Historical Center Fund maintained under section 7222 of title 10, United States Code, to the Department of the Navy General Gift Fund maintained under section 2601 of such title. Upon completing the transfer, the Secretary shall close the Naval Historical Center Fund.

(2) Amounts transferred to the Department of the Navy General Gift Fund under this subsection shall be merged with other amounts in that Fund and shall be available for the purposes for which amounts in that Fund are available.

(b) CONSOLIDATION OF NAVAL ACADEMY GENERAL GIFT FUND AND NAVAL ACADEMY MUSEUM FUND.—(1) The Secretary of the Navy shall transfer all amounts in the United States Naval Academy Museum Fund established by section 6974 of title 10, United States Code, to the gift fund maintained for the benefit and use of the United States Naval Academy under section 6973 of such title. Upon completing the transfer, the Secretary shall close the United States Naval Academy Museum Fund.

(2) Amounts transferred under this subsection shall be merged with other amounts in the gift fund to which transferred and shall be available for the purposes for which amounts in that gift fund are available.

(c) CONSOLIDATION AND REVISION OF AUTHORITIES FOR ACCEPTANCE OF GIFTS, BEQUESTS, AND LOANS FOR THE UNITED STATES NAVAL ACADEMY.—(1) Subsection (a) of section 6973 of title 10, United States Code, is amended—

(A) in the first sentence—

(i) by inserting ", and loans of personal property other than money," after "gifts and bequests of personal property"; and

(ii) by inserting "or the Naval Academy Museum, its collection, or its services" before the period at the end;

(B) in the second sentence, by striking "'United States Naval Academy general gift fund'" and inserting "'United States Naval Academy Gift and Museum Fund'"; and

(C) in the third sentence, by inserting "(including the Naval Academy Museum)" after "the Naval Academy".

(2) Such section 6973 is further amended—

(A) by redesignating subsections (b) and (c) as subsections (c) and (d), respectively; and

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

"(b) The Secretary shall prescribe written guidelines to be used for determinations of whether the acceptance of money, any personal property, or any loan of personal property under subsection (a) would reflect unfavorably on the ability of the Department of the Navy or any officer or employee of the Department of the Navy to carry out responsibilities or duties in a fair and objective manner, or would compromise either the integrity or the appearance of the integrity of any program of the Department of the Navy or any officer or employee of the Department of the Navy who is involved in any such program.".

(3) Subsection (d) of such section, as redesignated by paragraph (2)(A), is amended by striking "United States Naval Academy general gift fund" both places it appears and inserting "United States Naval Academy Gift and Museum Fund".

(4) The heading for such section is amended to read as follows:

"§ 6973. Gifts, bequests, and loans of property: acceptance for benefit and use of Naval Academy".

(d) REFERENCES TO CLOSED GIFT FUNDS.—(1) Section 6974 of title 10, United States Code, is amended to read as follows:

"§ 6974. United States Naval Academy Museum Fund: references to Fund

''Any reference in a law, regulation, document, paper, or other record of the United States to the United States Naval Academy Museum Fund formerly maintained under this section shall be deemed to refer to the United States Naval Academy Gift and Museum Fund maintained under section 6973 of this title.''.

(2) Section 7222 of such title is amended to read as follows:

"§ 7222. Naval Historical Center Fund: references to Fund

''Any reference in a law, regulation, document, paper, or other record of the United States to the Naval Historical Center Fund formerly maintained under this section shall be deemed to refer to the Department of the Navy General Gift Fund maintained under section 2601 of this title.''.

(e) CLERICAL AMENDMENTS.—(1) The table of sections at the beginning of chapter 603 of title 10, United States Code, is amended by striking the items relating to sections 6973 and 6974 and inserting the following:

''6973. Gifts, bequests, and loans of property: acceptance for benefit and use of Naval Academy.
''6974. United States Naval Academy Museum Fund: references to Fund.''.

(2) The item relating to section 7222 of such title in the table of sections at the beginning of chapter 631 of such title is amended to read as follows:

"7222. Naval Historical Center Fund: references to Fund.".

SEC. 913. TEMPORARY AUTHORITY TO DISPOSE OF A GIFT PREVIOUSLY ACCEPTED FOR THE NAVAL ACADEMY.

Notwithstanding section 6973 of title 10, United States Code, during fiscal year 2001, the Secretary of the Navy may dispose of the current cash value of a gift accepted before the date of the enactment of this Act for the Naval Academy general gift fund by disbursing out of that fund the amount equal to that cash value to an entity designated by the donor of the gift.

SEC. 914. MANAGEMENT OF NAVY RESEARCH FUNDS BY CHIEF OF NAVAL RESEARCH.

(a) CLARIFICATION OF DUTIES.—Section 5022 of title 10, United States Code, is amended—

(1) by redesignating subsections (c) and (d) as subsections (d) and (e), respectively;

(2) by inserting after paragraph (1) of subsection (a) the following:

"(b)(1) The Chief of Naval Research is the head of the Office of Naval Research."; and

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

"(c) CHIEF AS MANAGER OF RESEARCH FUNDS.—The Chief of Naval Research shall manage the Navy's basic, applied, and advanced research funds to foster transition from science and technology to higher levels of research, development, test, and evaluation.".

(b) CONFORMING AMENDMENT.—Subsection (a) of such section is amended by striking "(a)(1)" and inserting "(a)".

SEC. 915. UNITED STATES AIR FORCE INSTITUTE OF TECHNOLOGY.

(a) AUTHORITY.—(1) Part III of subtitle D of title 10, United States Code, is amended by inserting after chapter 903 the following:

"CHAPTER 904—UNITED STATES AIR FORCE INSTITUTE OF TECHNOLOGY

"Sec.
"9321. Establishment; purposes.
"9322. Sense of the Senate regarding the utilization of the Air Force Institute of Technology.

"§ 9321. Establishment; purposes

"(a) ESTABLISHMENT.—There is a United States Air Force Institute of Technology in the Department of the Air Force.

"(b) PURPOSES.—The purposes of the Institute are as follows:

"(1) To perform research.

"(2) To provide advanced instruction and technical education for employees of the Department of the Air Force and members of the Air Force (including the reserve components) in their practical and theoretical duties.

"§ 9322. Sense of the Senate regarding the utilization of the Air Force Institute of Technology

"It is the sense of the Senate that in order to insure full and continued utilization of the Air Force Institute of Technology, the Secretary of the Air Force should, in consult with the Chief of Staff of the Air Force and the Commander of the Air Force Materiel Command, review the following areas of organizational structure and operations at the Institute:

"(1) The grade of the Commandant.

"(2) The chain of command of the Commandant of the Institute within the Air Force.

"(3) The employment and compensation of civilian professors at the Institute.

"(4) The processes for the identification of requirements for advanced degrees within the Air Force, identification for annual enrollment quotas and selection of candidates.

"(5) Post graduation opportunities for graduates of the Institute.

"(6) The policies and practices regarding the admission of—

"(A) officers of the Army, Navy, Marine Corps, and Coast Guard;

"(B) employees of the Department of the Army, Department of the Navy, and Department of Transportation;

"(C) personnel of the armed forces of foreign countries;

"(D) enlisted members of the Armed Forces of the United States; and

"(E) others eligible for admission.".

SEC. 916. EXPANSION OF AUTHORITY TO EXEMPT GEODETIC PRODUCTS OF THE DEPARTMENT OF DEFENSE FROM PUBLIC DISCLOSURE.

Section 455(b)(1)(C) of title 10, United States Code, is amended by striking "or reveal military operational or contingency plans" and inserting ", reveal military operational or contingency plans, or reveal, jeopardize, or compromise military or intelligence capabilities".

SEC. 917. COORDINATION AND FACILITATION OF DEVELOPMENT OF DIRECTED ENERGY TECHNOLOGIES, SYSTEMS, AND WEAPONS.

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

(1) Directed energy systems are available to address many current challenges with respect to military weapons, including offensive weapons and defensive weapons.

(2) Directed energy weapons offer the potential to maintain an asymmetrical technological edge over adversaries of the United States for the foreseeable future.

(3) It is in the national interest that funding for directed energy science and technology programs be increased in order to support priority acquisition programs and to develop new technologies for future applications.

(4) It is in the national interest that the level of funding for directed energy science and technology programs correspond to the level of funding for large-scale demonstration programs in order to ensure the growth of directed energy science and technology programs and to ensure the successful development of other weapons systems utilizing directed energy systems.

(5) The industrial base for several critical directed energy technologies is in fragile condition and lacks appropriate incentives to make the large-scale investments that are necessary to address current

and anticipated Department of Defense requirements for such technologies.

(6) It is in the national interest that the Department of Defense utilize and expand upon directed energy research currently being conducted by the Department of Energy, other Federal agencies, the private sector, and academia.

(7) It is increasingly difficult for the Federal Government to recruit and retain personnel with skills critical to directed energy technology development.

(8) The implementation of the recommendations contained in the High Energy Laser Master Plan of the Department of Defense is in the national interest.

(9) Implementation of the management structure outlined in the Master Plan will facilitate the development of revolutionary capabilities in directed energy weapons by achieving a coordinated and focused investment strategy under a new management structure featuring a joint technology office with senior-level oversight provided by a technology council and a board of directors.

(b) IMPLEMENTATION OF HIGH ENERGY LASER MASTER PLAN.—(1) The Secretary of Defense shall im-

plement the management and organizational structure specified in the Department of Defense High Energy Laser Master Plan of March 24, 2000.

(2) The Secretary shall locate the Joint Technology Office specified in the High Energy Laser Master Plan at a location determined appropriate by the Secretary, not later than October 1, 2000.

(3) In determining the location of the Joint Technology Office, the Secretary shall, in consultation with the Deputy Under Secretary of Defense for Science and Technology, evaluate whether to locate the Office at a site at which occur a substantial proportion of the directed energy research, development, test, and evaluation activities of the Department of Defense.

(c) ENHANCEMENT OF INDUSTRIAL BASE.—(1) The Secretary of Defense shall develop and undertake initiatives, including investment initiatives, for purposes of enhancing the industrial base for directed energy technologies and systems.

(2) Initiatives under paragraph (1) shall be designed to—

(A) stimulate the development by institutions of higher education and the private sector of promising directed energy technologies and systems; and

(B) stimulate the development of a workforce skilled in such technologies and systems.

(d) ENHANCEMENT OF TEST AND EVALUATION CAPABILITIES.—The Secretary of Defense shall consider modernizing the High Energy Laser Test Facility at White Sands Missile Range, New Mexico, in order to enhance the test and evaluation capabilities of the Department of Defense with respect to directed energy weapons.

(e) COOPERATIVE PROGRAMS AND ACTIVITIES.—The Secretary of Defense shall evaluate the feasibility and advisability of entering into cooperative programs or activities with other Federal agencies, institutions of higher education, and the private sector, including the national laboratories of the Department of Energy, for the purpose of enhancing the programs, projects, and activities of the Department of Defense relating to directed energy technologies, systems, and weapons.

(f) FUNDING FOR FISCAL YEAR 2001.—(1) Of the amount authorized to be appropriated by section 201(4) for research, development, test, and evaluation, Defense-wide, up to $50,000,000 may be available for science and technology activities relating to directed energy technologies, systems, and weapons.

(2) The Secretary of Defense shall establish procedures for the allocation of funds available under para-

graph (1) among activities referred to in that paragraph. In establishing such procedures, the Secretary shall provide for the competitive selection of programs, projects, and activities to be carried out by the recipients of such funds.

(g) DIRECTED ENERGY DEFINED.—In this section, the term ''directed energy'', with respect to technologies, systems, or weapons, means technologies, systems, or weapons that provide for the directed transmission of energies across the energy and frequency spectrum, including high energy lasers and high power microwaves.

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 2001 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 SUPPLEMENTAL APPROPRIATIONS FOR FISCAL YEAR 2000.

Amounts authorized to be appropriated to the Department of Defense for fiscal year 2000 in the National

Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65) 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 any law making supplemental appropriations for fiscal year 2000 that is enacted during the 106th Congress, second session.

SEC. 1003. UNITED STATES CONTRIBUTION TO NATO COMMON-FUNDED BUDGETS IN FISCAL YEAR 2001.

(a) FISCAL YEAR 2001 LIMITATION.—The total amount contributed by the Secretary of Defense in fiscal year 2001 for the common-funded budgets of NATO may be any amount up to, but not in excess of, the amount specified in subsection (b) (rather than the maximum amount that would otherwise be applicable to those contributions under the fiscal year 1998 baseline limitation).

(b) TOTAL AMOUNT.—The amount of the limitation applicable under subsection (a) is the sum of the following:

(1) The amounts of unexpended balances, as of the end of fiscal year 2000, of funds appropriated for fiscal years before fiscal year 2001 for payments for those budgets.

(2) The amount specified in subsection (c)(1).

(3) The amount specified in subsection (c)(2).

(4) The total amount of the contributions authorized to be made under section 2501.

(c) AUTHORIZED AMOUNTS.—Amounts authorized to be appropriated by titles II and III of this Act are available for contributions for the common-funded budgets of NATO as follows:

(1) Of the amount provided in section 201(1), $743,000 for the Civil Budget.

(2) Of the amount provided in section 301(1), $194,400,000 for the Military Budget.

(d) DEFINITIONS.—For purposes of this section:

(1) COMMON-FUNDED BUDGETS OF NATO.—The term ''common-funded budgets of NATO'' means the Military Budget, the Security Investment Program, and the Civil Budget of the North Atlantic Treaty Organization (and any successor or additional account or program of NATO).

(2) FISCAL YEAR 1998 BASELINE LIMITATION.—The term ''fiscal year 1998 baseline limitation'' means the maximum annual amount of Department of Defense contributions for common-funded budgets of NATO that is set forth as the annual limitation in section 3(2)(C)(ii) of the resolution of the Senate giving the advice and consent of the Senate to the ratification of the Protocols to the North Atlantic

Treaty of 1949 on the Accession of Poland, Hungary, and the Czech Republic (as defined in section 4(7) of that resolution), approved by the Senate on April 30, 1998.

SEC. 1004. ANNUAL OMB/CBO JOINT REPORT ON SCORING OF BUDGET OUTLAYS.

(a) REVISION OF SCOPE OF TECHNICAL ASSUMPTIONS.—Subsection (a)(1) of section 226 of title 10, United States Code, is amended by inserting ''subfunctional category 051 (Department of Defense—Military) under'' before ''major functional category 050''.

(b) TREATMENT OF DIFFERENCES IN OUTLAY RATES AND ASSUMPTIONS.—(1) Subsection (b) of such section is amended by striking '', the report shall reflect the average of the relevant outlay rates or assumptions used by the two offices.'' and inserting '', the report shall reflect the differences between the relevant outlay rates or assumptions used by the two offices. For each account for which a difference is reported, the report shall also display, by fiscal year, each office's estimates regarding budget authority, outlay rates, and outlays.''.

(2) The heading for such subsection is amended to read as follows: ''DIFFERENCES IN OUTLAY RATES AND ASSUMPTIONS.—''.

SEC. 1005. PROMPT PAYMENT OF CONTRACT VOUCHERS.

(a) REQUIREMENT.—(1) Chapter 131 of title 10, United States Code, is amended by adding at the end the following:

"§ 2225. Prompt payment of vouchers for contracted property and services

''(a) REQUIREMENT.—Of the contract vouchers that are received by the Defense Finance and Accounting Service by means of the mechanization of contract administration services system, the number of such vouchers that remain unpaid for more than 30 days as of the last day of each month may not exceed 5 percent of the total number of the contract vouchers so received that remain unpaid on that day.

''(b) CONDITIONAL REQUIREMENT FOR REPORT.—(1) For any month of a fiscal year that the requirement in subsection (a) is not met, the Secretary of Defense shall submit to Congress a report on the magnitude of the unpaid contract vouchers. The report for a month shall be submitted not later than 30 days after the end of that month.

''(2) A report for a month under paragraph (1) shall include information current as of the last day of the month as follows:

''(A) The number of the vouchers received by the Defense Finance and Accounting Service by

means of the mechanization of contract administration services system during each month.

"(B) The number of the vouchers so received, whenever received by the Defense Finance and Accounting Service, that remain unpaid for each of the following periods:

"(i) Not more than 30 days.

"(ii) Over 30 days and not more than 60 days.

"(iii) Over 60 days and not more than 90 days.

"(iv) More than 90 days.

"(C) The number of the vouchers so received that remain unpaid for the major categories of procurements, as defined by the Secretary of Defense.

"(D) The corrective actions that are necessary, and those that are being taken, to ensure compliance with the requirement in subsection (a).

"(c) CONTRACT VOUCHER DEFINED.—In this section, the term 'contract voucher' means a voucher or invoice for the payment of a contractor for services, commercial items (as defined in section 4(12) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(12))), or other deliverable items provided by the contractor pursuant to a contract funded by the Department of Defense.".

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

"2225. Prompt payment of vouchers for contracted property and services".

(b) EFFECTIVE DATE.—Section 2225 of title 10, United States Code (as added by subsection (a)), shall take effect on December 1, 2000, and shall apply with respect to months beginning on or after that date.

SEC. 1006. REPEAL OF CERTAIN REQUIREMENTS RELATING TO TIMING OF CONTRACT PAYMENTS.

The following provisions of law are repealed: sections 8175 and 8176 of the Department of Defense Appropriations Act, 2000 (Public Law 106–79), as amended by sections 214 and 215, respectively, of H.R. 3425 of the 106th Congress (113 Stat. 1501A–297), as enacted into law by section 1000(a)(5) of Public Law 106–113.

SEC. 1007. PLAN FOR PROMPT POSTING OF CONTRACTUAL OBLIGATIONS.

(a) REQUIREMENT FOR PLAN.—The Secretary of Defense shall submit to the congressional defense committees, not later than November 15, 2000, and carry out a plan for ensuring that each obligation of the Department of Defense under a transaction described in subsection (c) is posted within 10 days after the obligation is incurred.

(b) CONTENT OF PLAN.—The plan for posting obligations shall provide the following:

(1) Uniform posting requirements that are applicable throughout the Department of Defense, including requirements for the posting of detailed data on each obligation.

(2) A system of uniform accounting classification reference numbers.

(3) Increased use of electronic means for the submission of invoices and other billing documents.

(c) COVERED TRANSACTIONS.—The plan shall apply to each liability of the Department of Defense for a payment under the following:

(1) A contract.

(2) An order issued under a contract.

(3) Services received under a contract.

(4) Any transaction that is similar to a transaction referred to in another paragraph of this subsection.

SEC. 1008. PLAN FOR ELECTRONIC SUBMISSION OF DOCUMENTATION SUPPORTING CLAIMS FOR CONTRACT PAYMENTS.

(a) REQUIREMENT FOR PLAN.—The Secretary of Defense shall submit to the congressional defense committees, not later than March 30, 2001, and carry out a plan for ensuring that all documentation that is to be submitted

to the Department of Defense in support of claims for payment under contracts is submitted electronically.

(b) CONTENT OF PLAN.—The plan shall include the following:

(1) The format in which information can be accepted by the Defense Finance and Accounting Service's corporate database.

(2) Procedures for electronic submission of the following:

(A) Receiving reports.

(B) Contracts and contract modifications.

(C) Required certifications.

(3) The requirements to be included in contracts regarding electronic submission of invoices by contractors.

SEC. 1009. ADMINISTRATIVE OFFSETS FOR OVERPAYMENT OF TRANSPORTATION COSTS.

(a) OFFSETS FOR OVERPAYMENTS OR LIQUIDATED DAMAGES.—Section 2636 of title 10, United States Code, is amended to read as follows:

"§ 2636. Deductions from amounts due carriers

''(a) AMOUNTS FOR LOSS OR DAMAGE.—An amount deducted from an amount due a carrier shall be credited as follows:

"(1) If deducted because of loss of or damage to material in transit for a military department, to the proper appropriation, account, or fund from which the same or similar material may be replaced.

"(2) If deducted as an administrative offset for an overpayment previously made to the carrier under any Department of Defense contract for transportation services or as liquidated damages due under any such contract, to the appropriation or account from which payments for the transportation services were made.

"(b) SIMPLIFIED OFFSET FOR COLLECTION OF CLAIMS NOT IN EXCESS OF THE SIMPLIFIED ACQUISITION THRESHOLD.—(1) In any case in which the total amount of a claim for the recovery of overpayments or liquidated damages under a contract described in subsection (a)(2) does not exceed the simplified acquisition threshold, the Secretary of Defense or the Secretary concerned may exercise the authority to collect the claim by administrative offset under section 3716 of title 31 after providing the notice required by paragraph (1) of subsection (a) of that section, but without regard to paragraphs (2), (3), and (4) of that subsection.

"(2) In this subsection, the term 'simplified acquisition threshold' has the meaning given the term in section

4(11) of the Office of Federal Procurement Policy Act (41 U.S.C. 403(11)).''.

(b) CLERICAL AMENDMENT.—The item relating to such section in the table of sections at the beginning of chapter 157 of such title is amended to read as follows:

''2636. Deductions from amounts due carriers.''.

SEC. 1010. REPEAL OF CERTAIN PROVISIONS SHIFTING CERTAIN OUTLAYS FROM ONE FISCAL YEAR TO ANOTHER.

Sections 305 and 306 of H.R. 3425 of the 106th Congress, as enacted into law by section 1000(a)(5) of Public Law 106–113 (113 Stat. 1501A–306), are repealed.

SEC. 1010A. TREATMENT OF PARTIAL PAYMENTS UNDER SERVICE CONTRACTS.

For the purposes of the regulations prescribed under section 3903(a)(5) of title 31, United States Code, partial payments, other than progress payments, that are made on a contract for the procurement of services shall be treated as being periodic payments.

Subtitle B—Counter-Drug Activities

SEC. 1011. EXTENSION AND INCREASE OF AUTHORITY TO PROVIDE ADDITIONAL SUPPORT FOR COUNTER-DRUG ACTIVITIES.

(a) EXTENSION OF AUTHORITY FOR ASSISTANCE TO COLOMBIA.—Section 1033 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 1881) is amended—

(1) in subsection (a), by striking ''during fiscal years 1998 through 2002,''; and

(2) in subsection (b)—

(A) in paragraph (1), by inserting before the period at the end the following: '', for fiscal years 1998 through 2002''; and

(B) in paragraph (2), by inserting before the period at the end the following: '', for fiscal years 1998 through 2006'.

(b) ADDITIONAL TYPE OF SUPPORT.—Subsection (c) of such section is amended by adding at the end the following:

''(4) The transfer of one light observation aircraft.''.

(c) INCREASED MAXIMUM ANNUAL AMOUNT OF SUPPORT.—Subsection (e)(2) of such section is amended—

(1) by striking ''$20,000,000'' and inserting ''$40,000,000''; and

(2) by striking ''2002'' and inserting ''2006, of which not more than $10,000,000 may be obligated or expended for any fiscal year for support for the counter-drug activities of the Government of Peru''.

SEC. 1012. RECOMMENDATIONS ON EXPANSION OF SUPPORT FOR COUNTER-DRUG ACTIVITIES.

(a) REQUIREMENT FOR SUBMITTAL OF RECOMMENDATIONS.—The Secretary of Defense shall submit to the Committees on Armed Services of the Senate and the House of Representatives, not later than February 1, 2001, the Secretary's recommendations regarding whether expanded support for counter-drug activities should be authorized under section 1033 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 1881) for the region that includes the countries that are covered by that authority on the date of the enactment of this Act.

(b) CONTENT OF SUBMISSION.—The submission under subsection (a) shall include the following:

(1) What, if any, additional countries should be covered.

(2) What, if any, additional support should be provided to covered countries, together with the reasons for recommending the additional support.

(3) For each country recommended under paragraph (1), a plan for providing support, including the counter-drug activities proposed to be supported.

SEC. 1013. REVIEW OF RIVERINE COUNTER-DRUG PROGRAM.

(a) REQUIREMENT FOR REVIEW.—The Secretary of Defense shall review the riverine counter-drug program supported under section 1033 of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 1881).

(b) REPORT.—Not later than February 1, 2001, the Secretary shall submit a report on the riverine counter-drug program to the Committees on Armed Services of the Senate and the House of Representatives. The report shall include, for each country receiving support under the riverine counter-drug program, the following:

(1) The Assistant Secretary's assessment of the effectiveness of the program.

(2) A recommendation regarding which of the Armed Forces, units of the Armed Forces, or other organizations within the Department of Defense should be responsible for managing the program.

(c) DELEGATION OF AUTHORITY.—The Secretary shall require the Assistant Secretary of Defense for Special Operations and Low Intensity Conflict to carry out the responsibilities under this section.

Subtitle C—Strategic Forces

SEC. 1015. REVISED NUCLEAR POSTURE REVIEW.

(a) REQUIREMENT FOR REVIEW.—The Secretary of Defense, in consultation with the Secretary of Energy, shall conduct a comprehensive review of the nuclear posture of the United States for the next 5 to 10 years.

(b) ELEMENTS OF REVIEW.—The nuclear posture review shall include the following elements:

(1) The role of nuclear forces in United States military strategy, planning, and programming.

(2) The policy requirements and objectives for the United States to maintain a safe, reliable, and credible nuclear deterrence posture.

(3) The relationship between United States nuclear deterrence policy, targeting strategy, and arms control objectives.

(4) The levels and composition of the nuclear delivery systems that will be required for implementing the United States national and military strategy, including any plans for replacing or modifying existing systems.

(5) The nuclear weapons complex that will be required for implementing the United States national and military strategy, including any plans to modernize or modify the complex.

(6) The active and inactive nuclear weapons stockpile that will be required for implementing the United States national and military strategy, including any plans for replacing or modifying warheads.

(c) REPORT TO CONGRESS.—The Secretary of Defense shall submit to Congress, in unclassified and classified forms as necessary, a report on the results of the nuclear posture review concurrently with the Quadrennial Defense Review due in December 2001.

(d) SENSE OF CONGRESS.—It is the sense of Congress that, to clarify United States nuclear deterrence policy and strategy for the next 5 to 10 years, a revised nuclear posture review should be conducted and that such review should be used as the basis for establishing future United States arms control objectives and negotiating positions.

SEC. 1016. PLAN FOR THE LONG-TERM SUSTAINMENT AND MODERNIZATION OF UNITED STATES STRATEGIC NUCLEAR FORCES.

(a) REQUIREMENT FOR PLAN.—The Secretary of Defense, in consultation with the Secretary of Energy, shall

develop a long-range plan for the sustainment and modernization of United States strategic nuclear forces to counter emerging threats and satisfy the evolving requirements of deterrence.

(b) ELEMENTS OF PLAN.—The plan specified under subsection (a) shall include the Secretary's plans, if any, for the sustainment and modernization of the following:

(1) Land-based and sea-based strategic ballistic missiles, including any plans for developing replacements for the Minuteman III intercontinental ballistic missile and the Trident II sea-launched ballistic missile and plans for common ballistic missile technology development

(2) Strategic nuclear bombers, including any plans for a B–2 follow-on, a B–52 replacement, and any new air-launched weapon systems.

(3) Appropriate warheads to outfit the strategic nuclear delivery systems referred to in paragraphs (1) and (2) to satisfy evolving military requirements.

(c) SUBMITTAL OF PLAN.—The plan specified under subsection (a) shall be submitted to Congress not later than April 15, 2001. The plan shall be submitted in unclassified and classified forms, as necessary.

SEC. 1017. CORRECTION OF SCOPE OF WAIVER AUTHORITY FOR LIMITATION ON RETIREMENT OR DISMANTLEMENT OF STRATEGIC NUCLEAR DELIVERY SYSTEMS; AUTHORITY TO WAIVE LIMITATION.

(a) IN GENERAL.—Section 1302(b) of the National Defense Authorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 1948), as amended by section 1501(a) of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 806), is further amended by striking ''the application of the limitation in effect under paragraph (1)(B) or (3) of subsection (a), as the case may be,'' and inserting ''the application of the limitation in effect under subsection (a) to a strategic nuclear delivery system''.

(b) AUTHORITY TO WAIVE LIMITATION ON RETIREMENT OR DISMANTLEMENT OF STRATEGIC NUCLEAR DELIVERY SYSTEMS.—After the submission of the report on the results of the nuclear posture review to Congress under section 1015(c)—

(1) the Secretary of Defense shall, taking into consideration the results of the review, submit to the President a recommendation regarding whether the President should waive the limitation on the retirement or dismantlement of strategic nuclear delivery systems in section 1302 of the National Defense Au-

thorization Act for Fiscal Year 1998 (Public Law 105–85; 111 Stat. 1948); and

(2) the President, taking into consideration the results of the review and the recommendation made by the Secretary of Defense under paragraph (1), may waive the limitation referred to in that paragraph if the President determines that it is in the national security interests of the United States to do so.

SEC. 1018. REPORT ON THE DEFEAT OF HARDENED AND DEEPLY BURIED TARGETS.

(a) STUDY.—The Secretary of Defense shall, in conjunction with the Secretary of Energy, conduct a study relating to the defeat of hardened and deeply buried targets. Under the study, the Secretaries shall—

(1) review the requirements and current and future plans for hardened and deeply buried targets and agent defeat weapons concepts and activities;

(2) determine if those plans adequately address all requirements;

(3) identify potential future hardened and deeply buried targets and other related targets;

(4) determine what resources and research and development efforts are needed to defeat the targets

identified under paragraph (3) as well as other agent defeat requirements;

(5) assess both current and future options to defeat hardened and deeply buried targets as well as agent defeat weapons concepts, including any limited research and development that may be necessary to conduct such assessment; and

(6) determine the capability and cost of each option.

(b) REPORT.—The Secretary of Defense shall submit to the congressional defense committees a report on the results of the study required by subsection (a) not later than July 1, 2001.

SEC. 1019. SENSE OF SENATE ON THE MAINTENANCE OF THE STRATEGIC NUCLEAR TRIAD.

It is the sense of the Senate that, in light of the potential for further arms control agreements with the Russian Federation limiting strategic forces—

(1) it is in the national interest of the United States to maintain a robust and balanced TRIAD of strategic nuclear delivery vehicles, including long-range bombers, land-based intercontinental ballistic missiles (ICBMs), and ballistic missile submarines; and

(2) reductions to United States conventional bomber capability are not in the national interest of the United States.

Subtitle D—Miscellaneous Reporting Requirements

SEC. 1021. ANNUAL REPORT OF THE CHAIRMAN OF THE JOINT CHIEFS OF STAFF ON COMBATANT COMMAND REQUIREMENTS.

(a) ADDITIONAL COMPONENT.—Section 153(d)(1) of title 10, United States Code, is amended by adding at the end the following:

''(C) The extent to which the future-years defense program (under section 221 of this title) addresses the requirements on the consolidated lists.''.

(b) APPLICABILITY TO REPORTS AFTER FISCAL YEAR 2000.—Subparagraph (C) of paragraph (1) of section 153(d) of title 10, United States Code (as added by subsection (a)), shall apply to reports submitted to Congress under such section after fiscal year 2000.

SEC. 1022. SEMIANNUAL REPORT ON JOINT REQUIREMENTS OVERSIGHT COUNCIL.

(a) SEMIANNUAL REPORT.—The Chairman of the Joints Chiefs of Staff shall submit to the congressional defense committees a semiannual report on the activities of the Joint Requirements Oversight Council. The prin-

cipal purpose of the report is to inform the committees of the progress made in the reforming and refocusing of the Joint Requirements Oversight Council process during the period covered by the report.

(b) CONTENT.—The report for a half of a fiscal year shall include the following:

(1) A listing and justification for each of the distinct capability areas selected by the Chairman of the Joints Chiefs of Staff as being within the principal domain of the Joint Requirements Oversight Council.

(2) A listing of the joint requirements developed, considered, or approved within each of the capability areas.

(3) A listing and explanation of the decisions made by the Joint Requirements Oversight Council, together with a delineation of each decision that was made in disagreement with a position advocated by the Commander in Chief, United States Joint Forces Command, as the chief proponent of the requirements identified by the commanders of the unified and specified combatant commands.

(4) An assessment of the progress made in elevating the Joint Requirements Oversight Council to a more strategic focus on future war fighting re-

quirements, integration of requirements, and development of overarching common architectures.

(5) A summation and assessment of the role and impact of joint experimentation on the processes and decisions for defining joint requirements, for defining requirements of each of the Armed Forces individually, for managing acquisitions by Defense Agencies, and for managing acquisitions by the military departments.

(6) A description of any procedural actions that have been taken to improve the Joint Requirements Oversight Council.

(7) Any recommendations for legislation or for providing additional resources that the Chairman considers necessary in order fully to refocus and reform the processes of the Joint Requirements Oversight Council.

(c) DATES FOR SUBMISSION.—(1) The semiannual report for the half of a fiscal year ending on March 31 of a year shall be submitted not later than August 31 of that year.

(2) The semiannual report for the half of a fiscal year ending on September 30 of a year shall be submitted not later than February 28 of the following year.

(3) The first semiannual report shall be submitted not later than February 28, 2001, and shall cover the last half of fiscal year 2000.

SEC. 1023. PREPAREDNESS OF MILITARY INSTALLATION FIRST RESPONDERS FOR INCIDENTS INVOLVING WEAPONS OF MASS DESTRUCTION.

(a) REQUIREMENT FOR REPORT.—Not later than 90 days after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report on the program of the Department of Defense to ensure the preparedness of the first responders of the Department of Defense for incidents involving weapons of mass destruction on installations of the Department of Defense.

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

(1) A detailed description of the overall preparedness program.

(2) The schedule and costs associated with the implementation of the program.

(3) The Department's plan for coordinating the preparedness program with responders in the communities in the localities of the installations.

(4) The Department's plan for promoting the interoperability of the equipment used by the installation first responders referred to in subsection (a)

with the equipment used by the first responders in those communities.

(c) DEFINITIONS.—In this section:

(1) The term ''first responder'' means an organization responsible for responding to an incident involving a weapon of mass destruction.

(2) The term ''weapon of mass destruction'' has the meaning given that term in section 1403(1) of the Defense Against Weapons of Mass Destruction Act of 1996 (50 U.S.C. 2302(1)).

SEC. 1024. DATE OF SUBMITTAL OF REPORTS ON SHORTFALLS IN EQUIPMENT PROCUREMENT AND MILITARY CONSTRUCTION FOR THE RESERVE COMPONENTS IN FUTURE-YEARS DEFENSE PROGRAMS.

Section 10543(c) of title 10, United States Code, is amended by adding at the end the following new paragraph:

''(3) A report required under paragraph (1) for a fiscal year shall be submitted not later than 15 days after the date on which the President submits to Congress the budget for such fiscal year under section 1105(a) of title 31.''.

SEC. 1025. MANAGEMENT REVIEW OF DEFENSE LOGISTICS AGENCY.

(a) COMPTROLLER GENERAL REVIEW REQUIRED.—The Comptroller General shall review each operation of the Defense Logistics Agency—

(1) to assess—

(A) the efficiency of the operation;

(B) the effectiveness of the operation in meeting customer requirements; and

(C) the flexibility of the operation to adopt best business practices; and

(2) to identify alternative approaches for improving the operations of the agency.

(b) REPORT.—Not later than February 1, 2002, the Comptroller General shall submit to the Committees on Armed Services of the Senate and the House of Representatives 1 or more reports setting forth the Comptroller General's findings resulting from the review.

SEC. 1026. MANAGEMENT REVIEW OF DEFENSE INFORMATION SYSTEMS AGENCY.

(a) COMPTROLLER GENERAL REVIEW REQUIRED.—The Comptroller General shall review each operation of the Defense Information Systems Agency—

(1) to assess—

(A) the efficiency of the operation;

(B) the effectiveness of the operation in meeting customer requirements; and

(C) the flexibility of the operation to adopt best business practices; and

(2) to identify alternative approaches for improving the information systems of the Department of Defense.

(b) REPORT.—Not later than February 1, 2002, the Comptroller General shall submit to the Committees on Armed Services of the Senate and the House of Representatives one or more reports setting forth the Comptroller General's findings resulting from the review.

SEC. 1027. REPORT ON SPARE PARTS AND REPAIR PARTS PROGRAM OF THE AIR FORCE FOR THE C–5 AIRCRAFT.

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

(1) There exists a significant shortfall in the Nation's current strategic airlift requirement, even though strategic airlift remains critical to the national security strategy of the United States.

(2) This shortfall results from the slow phase-out of C–141 aircraft and their replacement with C–17 aircraft and from lower than optimal reliability rates for the C–5 aircraft.

(3) One of the primary causes of these reliability rates for C–5 aircraft, and especially for operational unit aircraft, is the shortage of spare repair parts. Over the past 5 years, this shortage has been particularly evident in the C–5 fleet.

(4) NMCS (Not Mission Capable for Supply) rates for C–5 aircraft have increased significantly in the period between 1997 and 1999. At Dover Air Force Base, Delaware, an average of 7 to 9 C–5 aircraft were not available during that period because of a lack of parts.

(5) Average rates of cannibalization of C–5 aircraft per 100 sorties of such aircraft have also increased during that period and are well above the Air Mobility Command standard. In any given month, this means devoting additional manhours to cannibalizations of C–5 aircraft. At Dover Air Force Base, an average of 800 to 1,000 additional manhours were required for cannibalizations of C–5 aircraft during that period. Cannibalizations are often required for aircraft that transit through a base such as Dover Air Force Base, as well as those that are based there.

(6) High cannibalization rates indicate a significant problem in delivering spare parts in a timely

manner and systemic problems within the repair and maintenance process, and also demoralize overworked maintenance crews.

(7) The C–5 aircraft remains an absolutely critical asset in air mobility and airlifting heavy equipment and personnel to both military contingencies and humanitarian relief efforts around the world.

(8) Despite increased funding for spare and repair parts and other efforts by the Air Force to mitigate the parts shortage problem, Congress continues to receive reports of significant cannibalizations to airworthy C–5 aircraft and parts backlogs.

(b) REPORTS.—Not later than January 1, 2001, and September 30, 2001, the Secretary of the Air Force shall submit to the congressional defense committees a report on the overall status of the spare and repair parts program of the Air Force for the C–5 aircraft. The report shall include the following—

(1) a statement of the funds currently allocated to parts for the C–5 aircraft and the adequacy of such funds to meet current and future parts and maintenance requirements for that aircraft;

(2) a description of current efforts to address shortfalls in parts for such aircraft, including an as-

sessment of potential short-term and long-term effects of such efforts;

(3) an assessment of the effects of such shortfalls on readiness and reliability ratings for C–5 aircraft;

(4) a description of cannibalization rates for C–5 aircraft and the manhours devoted to cannibalizations of such aircraft; and

(5) an assessment of the effects of parts shortfalls and cannibalizations with respect to C–5 aircraft on readiness and retention.

SEC. 1028. REPORT ON THE STATUS OF DOMESTIC PREPAREDNESS AGAINST THE THREAT OF BIOLOGICAL TERRORISM.

(a) REPORT REQUIRED.—Not later than March 31, 2001, the President shall submit to the Speaker of the House of Representatives and the President Pro Tempore of the Senate a report on domestic preparedness against the threat of biological terrorism.

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

(1) The current state of United States preparedness to defend against a biologic attack.

(2) The roles that various Federal agencies currently play, and should play, in preparing for, and defending against, such an attack.

(3) The roles that State and local agencies and public health facilities currently play, and should play, in preparing for, and defending against, such an attack.

(4) The advisability of establishing an intergovernmental task force to assist in preparations for such an attack.

(5) The potential role of advanced communications systems in aiding domestic preparedness against such an attack.

(6) The potential for additional research and development in biotechnology to aid domestic preparedness against such an attack.

(7) Other measures that should be taken to aid domestic preparedness against such an attack.

(8) The financial resources necessary to support efforts for domestic preparedness against such an attack.

(9) The beneficial consequences of such efforts on—

(A) the treatment of naturally occurring infectious disease;

(B) the efficiency of the United States health care system;

(C) the maintenance in the United States of a competitive edge in biotechnology; and

(D) the United States economy.

SEC. 1029. REPORT ON GLOBAL MISSILE LAUNCH EARLY WARNING CENTER.

Not later than March 15, 2001, the Secretary of Defense shall submit to the congressional defense committees a report on the feasibility and advisability of establishing a center at which missile launch early warning data from the United States and other nations would be made available to representatives of nations concerned with the launch of ballistic missiles. The report shall include the Secretary's assessment of the advantages and disadvantages of such a center and any other matters regarding such a center that the Secretary considers appropriate.

SEC. 1030. MANAGEMENT REVIEW OF WORKING-CAPITAL FUND ACTIVITIES.

(a) COMPTROLLER GENERAL REVIEW REQUIRED.—The Comptroller General shall conduct a review of the working-capital fund activities of the Department of Defense to identify any potential changes in current management processes or policies that, if made, would result in

a more efficient and economical operation of those activities.

(b) REVIEW TO INCLUDE CARRYOVER POLICY.—The review shall include a review of practices under the Department of Defense policy that authorizes funds available for working-capital fund activities for one fiscal year to be obligated for work to be performed at such activities within the first 90 days of the next fiscal year (known as ''carryover''). On the basis of the review, the Comptroller General shall determine the following:

(1) The extent to which the working-capital fund activities of the Department of Defense have complied with the 90-day carryover policy.

(2) The reasons for the carryover authority under the policy to apply to as much as a 90-day quantity of work.

(3) Whether applying the carryover authority to not more than a 30-day quantity of work would be sufficient to ensure uninterrupted operations at the working-capital fund activities early in a fiscal year.

(4) What, if any, savings could be achieved by restricting the carryover authority so as to apply to a 30-day quantity of work.

SEC. 1031. REPORT ON SUBMARINE RESCUE SUPPORT VESSELS.

(a) REQUIREMENT.—The Secretary of the Navy shall submit to Congress, together with the submission of the budget of the President for fiscal year 2002 under section 1105 of title 31, United States Code, a report on the plan of the Navy for providing for submarine rescue support vessels through fiscal year 2007.

(b) CONTENT.—The report shall include a discussion of the following:

(1) The requirement for submarine rescue support vessels through fiscal year 2007, including experience in changing from the provision of such vessels from dedicated platforms to the provision of such vessels through vessel of opportunity services and charter vessels.

(2) The resources required, the risks to submariners, and the operational impacts of the following:

(A) Chartering submarine rescue support vessels for terms of up to five years, with options to extend the charters for two additional five-year periods.

(B) Providing submarine rescue support vessels using vessel of opportunity services.

(C) Providing submarine rescue support services through other means considered by the Navy.

SEC. 1032. REPORTS ON FEDERAL GOVERNMENT PROGRESS IN DEVELOPING INFORMATION ASSURANCE STRATEGIES.

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

(1) The protection of our Nation's critical infrastructure is of paramount importance to the security of the United States.

(2) The vulnerability of our Nation's critical sectors—such as financial services, transportation, communications, and energy and water supply—has increased dramatically in recent years as our economy and society have become ever more dependent on interconnected computer systems.

(3) Threats to our Nation's critical infrastructure will continue to grow as foreign governments, terrorist groups, and cyber-criminals increasingly focus on information warfare as a method of achieving their aims.

(4) Addressing the computer-based risks to our Nation's critical infrastructure requires extensive co-

ordination and cooperation within and between Federal agencies and the private sector.

(5) Presidential Decision Directive No. 63 (PDD–63) identifies 12 areas critical to the functioning of the United States and requires certain Federal agencies, and encourages private sector industries, to develop and comply with strategies intended to enhance the Nation's ability to protect its critical infrastructure.

(6) PDD–63 requires lead Federal agencies to work with their counterparts in the private sector to create early warning information sharing systems and other cyber-security strategies.

(7) PDD–63 further requires that key Federal agencies develop their own internal information assurance plans, and that these plans be fully operational not later than May 2003.

(b) REPORT REQUIREMENTS.—(1) Not later than July 1, 2001, the President shall submit to Congress a comprehensive report detailing the specific steps taken by the Federal Government as of the date of the report to develop infrastructure assurance strategies as outlined by Presidential Decision Directive No. 63 (PDD–63). The report shall include the following:

(A) A detailed summary of the progress of each Federal agency in developing an internal information assurance plan.

(B) The progress of Federal agencies in establishing partnerships with relevant private sector industries.

(2) Not later than 120 days after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a detailed report on the roles and responsibilities of the Department of Defense in defending against attacks on critical infrastructure and critical information-based systems. The report shall include the following:

(A) A description of the current role of the Department of Defense in implementing Presidential Decision Directive No. 63 (PDD–63).

(B) A description of the manner in which the Department is integrating its various capabilities and assets (including the Army Land Information Warfare Activity (LIWA), the Joint Task Force on Computer Network Defense (JTF-CND), and the National Communications System) into an indications and warning architecture.

(C) A description of Department work with the intelligence community to identify, detect, and counter the threat of information warfare programs

by potentially hostile foreign national governments and sub-national groups.

(D) A definitions of the terms ''nationally significant cyber event'' and ''cyber reconstitution''.

(E) A description of the organization of Department to protect its foreign-based infrastructure and networks.

(F) An identification of the elements of a defense against an information warfare attack, including the integration of the Computer Network Attack Capability of the United States Space Command into the overall cyber-defense of the United States.

Subtitle E—Information Security

SEC. 1041. INSTITUTE FOR DEFENSE COMPUTER SECURITY AND INFORMATION PROTECTION.

(a) ESTABLISHMENT.—The Secretary of Defense shall establish an Institute for Defense Computer Security and Information Protection.

(b) MISSION.—The Secretary shall require the institute—

(1) to conduct research and technology development that is relevant to foreseeable computer and network security requirements and information assurance requirements of the Department of Defense with a principal focus on areas not being carried out

by other organizations in the private or public sector; and

(2) to facilitate the exchange of information regarding cyberthreats, technology, tools, and other relevant issues between government and nongovernment organizations and entities.

(c) CONTRACTOR OPERATION.—The Secretary shall enter into a contract with a not-for-profit entity or consortium of not-for-profit entities to organize and operate the institute. The Secretary shall use competitive procedures for the selection of the contractor to the extent determined necessary by the Secretary.

(d) FUNDING.—Of the amounts authorized to be appropriated under section 301(5), $10,000,000 shall be available for the Institute for Defense Computer Security and Information Protection.

(e) REPORT.—Not later than April 1, 2001, the Secretary shall submit to the congressional defense committees the Secretary's plan for implementing this section.

SEC. 1042. INFORMATION SECURITY SCHOLARSHIP PROGRAM.

(a) ESTABLISHMENT OF PROGRAM.—(1) Part III of subtitle A of title 10, United States Code, is amended by adding at the end the following:

"CHAPTER 112—INFORMATION SECURITY SCHOLARSHIP PROGRAM

"Sec.
"2200. Programs; purpose.
"2200a. Scholarship program.
"2200b. Grant program.
"2200c. Centers of Academic Excellence in Information Assurance Education.
"2200d. Regulations.
"2200e. Definitions.
"2200f. Inapplicability to Coast Guard.

"§ 2200. Programs; purpose

"(a) IN GENERAL.—To encourage the recruitment and retention of Department of Defense personnel who have the computer and network security skills necessary to meet Department of Defense information assurance requirements, the Secretary of Defense may carry out programs in accordance with this chapter to provide financial support for education in disciplines relevant to those requirements at institutions of higher education.

"(b) TYPES OF PROGRAMS.—The programs authorized under this chapter are as follows:

"(1) Scholarships for pursuit of programs of education in information assurance at institutions of higher education.

"(2) Grants to institutions of higher education.

"§ 2200a. Scholarship program

"(a) AUTHORITY.—The Secretary of Defense may, subject to subsection (g), provide financial assistance in accordance with this section to a person pursuing a bacca-

laureate or advanced degree in an information assurance discipline referred to in section 2200(a) of this title at an institution of higher education who enters into an agreement with the Secretary as described in subsection (b).

"(b) SERVICE AGREEMENT FOR SCHOLARSHIP RECIPIENTS.—(1) To receive financial assistance under this section—

"(A) a member of the armed forces shall enter into an agreement to serve on active duty in the member's armed force for the period of obligated service determined under paragraph (2);

"(B) an employee of the Department of Defense shall enter into an agreement to continue in the employment of the department for the period of obligated service determined under paragraph (2); and

"(C) a person not referred to in subparagraph (A) or (B) shall enter into an agreement—

"(i) to enlist or accept a commission in one of the armed forces and to serve on active duty in that armed force for the period of obligated service determined under paragraph (2); or

"(ii) to accept and continue employment in the Department of Defense for the period of obligated service determined under paragraph (2).

"(2) For the purposes of this subsection, the period of obligated service for a recipient of financial assistance under this section shall be the period determined by the Secretary of Defense as being appropriate to obtain adequate service in exchange for the financial assistance and otherwise to achieve the goals set forth in section 2200(a) of this title. In no event may the period of service required of a recipient be less than the period equal to ¾ of the total period of pursuit of a degree for which the Secretary agrees to provide the recipient with financial assistance under this section. The period of obligated service is in addition to any other period for which the recipient is obligated to serve on active duty or in the civil service, as the case may be.

"(3) An agreement entered into under this section by a person pursuing an academic degree shall include clauses that provide the following:

"(A) That the period of obligated service begins on a date after the award of the degree that is determined under the regulations prescribed under section 2200d of this title.

"(B) That the person will maintain satisfactory academic progress, as determined in accordance with those regulations, and that failure to maintain such progress constitutes grounds for termination of the

financial assistance for the person under this section.

"(C) Any other terms and conditions that the Secretary of Defense determines appropriate for carrying out this section.

"(c) AMOUNT OF ASSISTANCE.—The amount of the financial assistance provided for a person under this section shall be the amount determined by the Secretary of Defense as being necessary to pay all educational expenses incurred by that person, including tuition, fees, cost of books, laboratory expenses, and expenses of room and board. The expenses paid, however, shall be limited to those educational expenses normally incurred by students at the institution of higher education involved.

"(d) USE OF ASSISTANCE FOR SUPPORT OF INTERNSHIPS.—The financial assistance for a person under this section may also be provided to support internship activities of the person at the Department of Defense in periods between the academic years leading to the degree for which assistance is provided the person under this section.

"(e) REFUND FOR PERIOD OF UNSERVED OBLIGATED SERVICE.—(1) A person who voluntarily terminates service before the end of the period of obligated service required under an agreement entered into under subsection (b) shall refund to the United States an amount

determined by the Secretary of Defense as being appropriate to obtain adequate service in exchange for financial assistance and otherwise to achieve the goals set forth in section 2200(a) of this title.

"(2) An obligation to reimburse the United States imposed under paragraph (1) is for all purposes a debt owed to the United States.

"(3) The Secretary of Defense may waive, in whole or in part, a refund required under paragraph (1) if the Secretary determines that recovery would be against equity and good conscience or would be contrary to the best interests of the United States.

"(f) EFFECT OF DISCHARGE IN BANKRUPTCY.—A discharge in bankruptcy under title 11 that is entered less than 5 years after the termination of an agreement under this section does not discharge the person signing such agreement from a debt arising under such agreement or under subsection (e).

"(g) ALLOCATION OF FUNDING.—Not less than 50 percent of the amount available for financial assistance under this section for a fiscal year shall be available only for providing financial assistance for the pursuit of degrees referred to in subsection (a) at institutions of higher education that have established, improved, or are administering programs of education in information assurance

under the grant program established in section 2200b of this title, as determined by the Secretary of Defense.

"§ 2200b. Grant program

''(a) AUTHORITY.—The Secretary of Defense may provide grants of financial assistance to institutions of higher education to support the establishment, improvement, or administration of programs of education in information assurance disciplines referred to in section 2200(a) of this title.

''(b) PURPOSES.—The proceeds of grants under this section may be used by an institution of higher education for the following purposes:

''(1) Faculty development.

''(2) Curriculum development.

''(3) Laboratory improvements.

''(4) Faculty research in information security.

"§ 2200c. Centers of Academic Excellence in Information Assurance Education

''In the selection of a recipient for the award of a scholarship or grant under this chapter, consideration shall be given to whether—

''(1) in the case of a scholarship, the institution at which the recipient pursues a degree is a Center of Academic Excellence in Information Assurance Education; and

"(2) in the case of a grant, the recipient is a Center of Academic Excellence in Information Assurance Education.

"§ 2200d. Regulations

"The Secretary of Defense shall prescribe regulations for the administration of this chapter.

"§ 2200e. Definitions

"In this chapter:

"(1) The term 'information assurance' includes the following:

"(A) Computer security.

"(B) Network security.

"(C) Any other information technology that the Secretary of Defense considers related to information assurance.

"(2) The term 'institution of higher education' has the meaning given the term in section 101 of the Higher Education Act of 1965 (20 U.S.C. 1001).

"(3) The term 'Center of Academic Excellence in Information Assurance Education' means an institution of higher education that is designated as a Center of Academic Excellence in Information Assurance Education by the Director of the National Security Agency.

"§ 2200f. Inapplicability to Coast Guard

''This chapter does not apply to the Coast Guard when it is not operating as a service in the Navy.''.

(2) The tables of chapters at the beginning of subtitle A of title 10, United States Code, and the beginning of part III of such subtitle are amended by inserting after the item relating to chapter 111 the following:

''112. Information Security Scholarship Program ..... 2200''.

(b) FUNDING.—Of the amount authorized to be appropriated under section 301(5), $20,000,000 shall be available for carrying out chapter 112 of title 10, United States Code (as added by subsection (a)).

(c) REPORT.—Not later than April 1, 2001, the Secretary of Defense shall submit to the congressional defense committees a plan for implementing the programs under chapter 112 of title 10, United States Code.

SEC. 1043. PROCESS FOR PRIORITIZING BACKGROUND INVESTIGATIONS FOR SECURITY CLEARANCES FOR DEPARTMENT OF DEFENSE PERSONNEL.

(a) ESTABLISHMENT OF PROCESS.—Chapter 80 of title 10, United States Code, is amended by adding at the end the following:

"§ 1563. Security clearance investigations

''(a) EXPEDITED PROCESS.—The Secretary of Defense shall prescribe a process for expediting the completion of the background investigations necessary for grant-

ing security clearances for Department of Defense personnel who are engaged in sensitive duties that are critical to the national security.

"(b) REQUIRED FEATURES.—The process developed under subsection (a) shall provide for the following:

"(1) Quantification of the requirements for background investigations necessary for grants of security clearances for Department of Defense personnel.

"(2) Categorization of personnel on the basis of the degree of sensitivity of their duties and the extent to which those duties are critical to the national security.

"(3) Prioritization of the processing of background investigations on the basis of the categories of personnel.

"(c) ANNUAL REVIEW.—The Secretary shall review, each year, the process prescribed under subsection (a) and shall revise it as determined necessary in relation to ongoing Department of Defense missions.

"(d) CONSULTATION REQUIREMENT.—The Secretary shall consult with the Secretaries of the military departments and the heads of Defense Agencies in carrying out this section.

"(e) SENSITIVE DUTIES.—For the purposes of this section, it is not necessary for the performance of duties to involve classified activities or classified matters in order for the duties to be considered sensitive and critical to the national security.".

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

"1563. Security clearance investigations.".

SEC. 1044. AUTHORITY TO WITHHOLD CERTAIN SENSITIVE INFORMATION FROM PUBLIC DISCLOSURE.

(a) IN GENERAL.—Chapter 3 of title 10, United States Code, is amended by inserting after section 130b the following new section:

"§ 130c. Nondisclosure of information: certain sensitive information of foreign governments and international organizations

"(a) EXEMPTION FROM DISCLOSURE.—The national security official concerned (as defined in subsection (g)) may withhold from public disclosure otherwise required by law sensitive information of foreign governments in accordance with this section.

"(b) INFORMATION ELIGIBLE FOR EXEMPTION.—For the purposes of this section, information is sensitive information of a foreign government only if the national

security official concerned makes each of the following determinations with respect to the information:

"(1) That the information was provided by, otherwise made available by, or produced in cooperation with, a foreign government or international organization.

"(2) That the foreign government or international organization is withholding the information from public disclosure (relying for that determination on the written representation of the foreign government or international organization to that effect).

"(3) That any of the following conditions are met:

"(A) The foreign government or international organization requests, in writing, that the information be withheld.

"(B) The information was provided or made available to the United States Government on the condition that it not be released to the public.

"(C) The information is an item of information, or is in a category of information, that the national security official concerned has specified in regulations prescribed under subsection (f) as being information the release of

which would have an adverse effect on the ability of the United States Government to obtain the same or similar information in the future.

"(c) INFORMATION OF OTHER AGENCIES.—If the national security official concerned provides to the head of another agency sensitive information of a foreign government, as determined by that national security official under subsection (b), and informs the head of the other agency of that determination, then the head of the other agency shall withhold the information from any public disclosure unless that national security official specifically authorizes the disclosure.

"(d) LIMITATIONS.—(1) If a request for disclosure covers any sensitive information of a foreign government (as described in subsection (b)) that came into the possession or under the control of the United States Government before the date of the enactment of the National Defense Authorization Act for Fiscal Year 2001 and more than 25 years before the request is received by an agency, the information may be withheld only as set forth in paragraph (3).

"(2)(A) If a request for disclosure covers any sensitive information of a foreign government (as described in subsection (b)) that came into the possession or under the control of the United States Government on or after

the date referred to in paragraph (1), the authority to withhold the information under this section is subject to the provisions of subparagraphs (B) and (C).

"(B) Information referred to in subparagraph (A) may not be withheld under this section after—

"(i) the date that is specified by a foreign government or international organization in a request or expression of a condition described in paragraph (1) or (2) of subsection (b) that is made by the foreign government or international organization concerning the information; or

"(ii) if there are more than one such foreign governments or international organizations, the latest date so specified by any of them.

"(C) If no date is applicable under subparagraph (B) to a request referred to in subparagraph (A) and the information referred to in that subparagraph came into possession or under the control of the United States more than 10 years before the date on which the request is received by an agency, the information may be withheld under this section only as set forth in paragraph (3).

"(3) Information referred to in paragraph (1) or (2)(C) may be withheld under this section in the case of a request for disclosure only if, upon the notification of each foreign government and international organization

concerned in accordance with the regulations prescribed under subsection (g)(2), any such government or organization requests in writing that the information not be disclosed for an additional period stated in the request of that government or organization. After the national security official concerned considers the request of the foreign government or international organization, the official shall designate a later date as the date after which the information is not to be withheld under this section. The later date may be extended in accordance with a later request of any such foreign government or international organization under this paragraph.

''(e) INFORMATION PROTECTED UNDER OTHER AUTHORITY.—This section does not apply to information or matters that are specifically required in the interest of national defense or foreign policy to be protected against unauthorized disclosure under criteria established by an Executive order and are classified, properly, at the confidential, secret, or top secret level pursuant to such Executive order.

''(f) DISCLOSURES NOT AFFECTED.—Nothing in this section shall be construed to authorize any official to withhold, or to authorize the withholding of, information from the following:

''(1) Congress.

"(2) The Comptroller General, unless the information relates to activities that the President designates as foreign intelligence or counterintelligence activities.

"(g) REGULATIONS.—(1) The national security officials referred to in subsection (h)(1) shall each prescribe regulations to carry out this section. The regulations shall include criteria for making the determinations required under subsection (b). The regulations may provide for controls on access to and use of, and special markings and specific safeguards for, a category or categories of information subject to this section.

"(2) The regulations shall include procedures for notifying and consulting with each foreign government or international organization concerned about requests for disclosure of information to which this section applies.

"(h) DEFINITIONS.—In this section:

"(1) The term 'national security official concerned' means the following:

"(A) The Secretary of Defense, with respect to information of concern to the Department of Defense, as determined by the Secretary.

"(B) The Secretary of Transportation, with respect to information of concern to the

Coast Guard, as determined by the Secretary, but only while the Coast Guard is not operating as a service in the Navy.

"(C) The Secretary of Energy, with respect to information concerning the national security programs of the Department of Energy, as determined by the Secretary.

"(2) The term 'agency' has the meaning given that term in section 552(f) of title 5.

"(3) The term 'international organization' means the following:

"(A) A public international organization designated pursuant to section 1 of the International Organizations Immunities Act (59 Stat. 669; 22 U.S.C. 288) as being entitled to enjoy the privileges, exemptions, and immunities provided in such Act.

"(B) A public international organization created pursuant to a treaty or other international agreement as an instrument through or by which two or more foreign governments engage in some aspect of their conduct of international affairs.

"(C) An official mission, except a United States mission, to a public international organization referred to in subparagraph (A) or (B).".

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 130b the following new item:

"130c. Nondisclosure of information: certain sensitive information of foreign governments and international organizations.".

SEC. 1045. PROTECTION OF OPERATIONAL FILES OF THE DEFENSE INTELLIGENCE AGENCY.

(a) AUTHORITY.—Subchapter I of chapter 21 of title 10, United States Code, is amended by adding at the end the following:

"§ 426. Protection of sensitive information: operational files of the Defense Intelligence Agency

"(a) AUTHORITY TO WITHHOLD OPERATIONAL FILES.—The Secretary of Defense may withhold from public disclosure operational files described in subsection (b) to the same extent that operational files may be withheld under section 701 of the National Security Act of 1947 (50 U.S.C. 431), subject to judicial review under the same circumstances and to the same extent as is provided in subsection (f) of such section.

"(b) DECENNIAL REVIEW OF EXEMPTED OPERATIONAL FILES.—Section 702 of the National Security Act of 1947 (50 U.S.C. 432), setting forth requirements for decennial review of exemptions from public disclosure and related provisions for judicial review shall apply with respect to the exemptions from public disclosure that are in force under subsection (a), subject to the following requirements:

"(1) The Secretary of Defense shall conduct the decennial review under this subsection.

"(2) In the application of the judicial review provisions under subsection (c) of such section 702—

"(A) the references to the Central Intelligence Agency shall be deemed to refer to the Secretary of Defense; and

"(B) the reference in paragraph (1) of that subsection to the period for the first review shall be deemed to refer to the 10-year period beginning on the day after the date of the enactment of the National Defense Authorization Act for Fiscal Year 2001.

"(c) OPERATIONAL FILES DEFINED.—In this section, the term 'operational files' has the meaning given that term in section 701(b) of the National Security Act

of 1947 (50 U.S.C. 431(b)), except that the references to elements of the Central Intelligence Agency do not apply.''.

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

''426. Protection of sensitive information: operational files of the Defense Intelligence Agency.''.

Subtitle F—Other Matters

SEC. 1051. COMMEMORATION OF THE FIFTIETH ANNIVERSARY OF THE UNIFORM CODE OF MILITARY JUSTICE.

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

(1) The American military justice system predates the United States itself, having had a continuous existence since the enactment of the first American Articles of War by the Continental Congress in 1775.

(2) Pursuant to article I of the Constitution, which explicitly empowers Congress ''To make Rules for the Government and Regulation of the land and naval Forces'', Congress enacted the Articles of War and an Act to Govern the Navy, which were revised on several occasions between the ratification of the Constitution and the end of World War II.

(3) Dissatisfaction with the administration of military justice in World War I and World War II led both to significant statutory reforms in the Articles of War and to the convening of a committee, under Department of Defense auspices, to draft a uniform code of military justice applicable to all of the Armed Forces.

(4) The committee, chaired by Professor Edmund M. Morgan of Harvard Law School, made recommendations that formed the basis of bills introduced in Congress to establish such a uniform code of military justice.

(5) After lengthy hearings and debate on the congressional proposals, the Uniform Code of Military Justice was enacted into law on May 5, 1950, when President Harry S. Truman signed the legislation.

(6) President Truman then issued a revised Manual for Courts-Martial implementing the new code, and the code became effective on May 31, 1951.

(7) One of the greatest innovations of the Uniform Code of Military Justice was the establishment of a civilian court of appeals within the military justice system. That court, the United States Court of

Military Appeals (now the United States Court of Appeals for the Armed Forces), held its first session on July 25, 1951.

(8) Congress enacted major revisions of the Uniform Code of Military Justice in 1968 and 1983 and, in addition, has amended the code from time to time over the years as practice under the code indicated a need for updating the substance or procedure of the law of military justice.

(9) The evolution of the system of military justice under the Uniform Code of Military Justice may be traced in the decisions of the Courts of Criminal Appeals of each of the Armed Forces and the decisions of the United States Court of Appeals for the Armed Forces. These courts have produced a unique body of jurisprudence upon which commanders and judge advocates rely in the performance of their duties.

(10) It is altogether fitting that the fiftieth anniversary of the Uniform Code of Military Justice be duly commemorated.

(b) COMMEMORATION.—The Congress—

(1) requests the President to issue a proclamation commemorating the fiftieth anniversary of the Uniform Code of Military Justice; and

(2) calls upon the Department of Defense, the Armed Forces, and the United States Court of Appeals for the Armed Forces to commemorate the occasion with ceremonies and activities befitting its importance.

SEC. 1052. TECHNICAL CORRECTIONS.

(a) THRESHOLD DATE FOR EFFECTIVENESS OF AGREEMENTS TO MAKE AN SBP ELECTION.—(1) Section 657(a)(1)(A) of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 668; 10 U.S.C. 1450 note) is amended by striking ''August 21, 1983'' and inserting ''August 19, 1983''.

(2) The amendment made by paragraph (1) shall take effect as of October 5, 1999, and shall apply as if included in section 657(a)(1)(A) of Public Law 106–65 on that date.

(b) STATE OF INCORPORATION OF FLEET RESERVE ASSOCIATION.—Sections 70102(a) and 70108(a) of title 36, United States Code, are amended by striking ''Delaware'' and inserting ''Pennsylvania''.

SEC. 1053. ELIGIBILITY OF DEPENDENTS OF AMERICAN RED CROSS EMPLOYEES FOR ENROLLMENT IN DEPARTMENT OF DEFENSE DOMESTIC DEPENDENT SCHOOLS IN PUERTO RICO.

Section 2164 of title 10, United States Code, is amended by adding at the end the following:

''(i) AMERICAN RED CROSS EMPLOYEE DEPENDENTS IN PUERTO RICO.—(1) The Secretary of Defense may authorize a dependent of an employee of the American Red Cross performing armed forces emergency services in Puerto Rico to enroll in an educational program provided by the Secretary pursuant to subsection (a) in Puerto Rico.

''(2) In determining the dependency status of any person for the purposes of paragraph (1), the Secretary shall apply the same definitions as apply to the determination of such status with respect to Federal employees in the administration of this section.

''(3) The Secretary shall be paid for the educational services and related items provided to a student under paragraph (1). To determine the amount for educational services, the Secretary shall allocate to the student a share, considered appropriate by the Secretary, of the costs of providing the educational program in which the student is enrolled. The Secretary shall enter into such agreements or take such other actions as the Secretary

determines necessary to ensure that the payments required under this paragraph are made.''.

SEC. 1054. GRANTS TO AMERICAN RED CROSS FOR ARMED FORCES EMERGENCY SERVICES.

(a) GRANTS AUTHORIZED.—The Secretary of Defense may, subject to subsection (b), make a grant to the American Red Cross of up to $9,400,000 in each of fiscal years 2001, 2002, and 2003 for the support of the Armed Forces Emergency Services program of the American Red Cross.

(b) MATCHING REQUIREMENT.—A grant may not be made for a fiscal year under subsection (a) until the Secretary receives from the American Red Cross a certification providing assurances satisfactory to the Secretary that the American Red Cross will expend for the Armed Forces Emergency Services program for that fiscal year funds, derived from sources other than the Federal Government, in a total amount that equals or exceeds the amount of the grant.

(c) FUNDING.—Of the amount authorized to be appropriated by section 301 for operation and maintenance for Defense-wide activities, $9,400,000 shall be available for grants made under this section.

SEC. 1055. TRANSIT PASS PROGRAM FOR CERTAIN DEPARTMENT OF DEFENSE PERSONNEL.

(a) ESTABLISHMENT OF PROGRAM.—To encourage Department of Defense personnel in areas described in subsection (b) to use means other than single-occupancy motor vehicles to commute to or from work, the Secretary of Defense shall exercise the authority provided in section 7905 of title 5, United States Code, to establish a program to provide the personnel in such areas with a transit pass benefit under subsection (b)(2)(A) of such section.

(b) COVERED AREAS.—The Secretary shall establish the program required by subsection (a) in the areas which do not meet the revised national ambient air quality standards under section 109 of the Clean Air Act (42 U.S.C. 7409).

(c) TIME FOR IMPLEMENTATION.—The Secretary shall prescribe the effective date for the program required under subsection (a). The effective date so prescribed may not be later than the first day of the first month that begins on or after the date that is 180 days after the date of the enactment of this Act.

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 from the United States Army Military History Institute that is requested by that person.

''(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.—A fee charged for providing information under this section 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 the terms 'officer' and 'employee', respectively, 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 from the United States Naval Historical Center or the Marine Corps Historical Center that is requested by that person.

"(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.—A fee charged for providing information under this section 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 providing 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 the terms 'officer' and 'employee', respectively, in sections 2104 and 2105, respectively, of title 5.".

(2) The heading of such chapter is amended by striking "**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 from the United States Air Force Military History Institute that is requested by that person.

"(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.—A fee charged for providing information under this section 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 the terms 'officer' and 'employee', respectively, 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 new item:

"9594. Air Force Military History Institute: fee for providing historical information to the public.".

SEC. 1057. ACCESS TO CRIMINAL HISTORY RECORD INFORMATION FOR NATIONAL SECURITY PURPOSES.

(a) CONDITIONS FOR AVAILABILITY OF INFORMATION.—Subsection (b) of section 9101 of title 5, United States Code, is amended—

(1) by striking paragraph (3);

(2) by redesignating paragraph (2) as paragraph (4);

(3) in paragraph (1)—

(A) in the first sentence—

(i) by inserting "the Department of Transportation," after "the Department of State,"; and

(ii) by inserting ''the following:'' after ''eligibility for''; and

(B) by striking ''(A) access to classified information'' and all that follows through the end of the paragraph and inserting the following:

''(A) Access to classified information.

''(B) Assignment to or retention in sensitive national security duties.

''(C) Acceptance or retention in the armed forces.

''(D) Appointment, retention, or assignment to a position of public trust or a critical or sensitive position while either employed by the Federal Government or performing a Federal Government contract.

''(2) If the criminal justice agency possesses the capability to provide automated criminal history record information based on a search of its records by name and other common identifiers, the agency shall provide the requester with full criminal history record information for individuals who meet the matching criteria.

''(3) Fees, if any, charged for providing criminal history record information pursuant to this subsection may not exceed the reasonable cost of providing such information through an automated name search.''; and

(4) by adding at the end the following:

"(5) A criminal justice agency may not require, as a condition for the release of criminal history record information under this subsection, that any official of a department or agency named in paragraph (1) enter into an agreement with a State or local government to indemnify and hold harmless the State or locality for damages, costs, or other monetary loss arising from the disclosure or use by that department or agency of criminal history record information obtained from the State or local government pursuant to this subsection.".

(b) USE OF AUTOMATED INFORMATION DELIVERY SYSTEMS.—Such section is further amended—

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

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

"(e)(1) Automated information delivery systems shall be used to provide criminal history record information a department or agency under subsection (b) whenever available.

"(2) Fees, if any, charged for automated access through such systems may not exceed the reasonable cost of providing such access.

"(3) The criminal justice agency providing the criminal history record information through such systems may

not limit disclosure on the basis that the repository is accessed from outside the State.

"(4) Information provided through such systems shall be the full and complete criminal history record.

"(5) Criminal justice agencies shall accept and respond to requests for criminal history record information through such systems with printed or photocopied records when requested.".

SEC. 1058. SENSE OF CONGRESS ON THE NAMING OF THE CVN–77 AIRCRAFT CARRIER.

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

(1) Over the last three decades Congress has authorized and appropriated funds for a total of 10 "NIMITZ" class aircraft carriers.

(2) The last vessel in the "NIMITZ" class of aircraft carriers, CVN–77, is currently under construction and will be delivered in 2008.

(3) The first nine vessels in this class bear the following proud names:

(A) U.S.S. Nimitz (CVN–68).

(B) U.S.S. Dwight D. Eisenhower (CVN–69).

(C) U.S.S. Carl Vinson (CVN–70).

(D) U.S.S. Theodore Roosevelt (CVN–71).

(E) U.S.S. Abraham Lincoln (CVN–72).

(F) U.S.S. George Washington (CVN–73).

(G) U.S.S. John C. Stennis (CVN–74).

(H) U.S.S. Harry S. Truman (CVN–75).

(I) U.S.S. Ronald Reagan (CVN–76).

(4) It is appropriate for Congress to recommend to the President, as Commander in Chief of the Armed Forces, an appropriate name for the final vessel in the ''NIMITZ'' class of aircraft carriers.

(5) Over the last 25 years the vessels in the ''NIMITZ'' class of aircraft carriers have served as one of the principal means of United States diplomacy and as one of the principal means for the defense of the United States and our allies around the world.

(6) The name bestowed upon aircraft carrier CVN–77 should embody the American spirit and provide a lasting symbol of the American commitment to freedom.

(7) The name ''Lexington' has been a symbol of freedom from the first battle of the American Revolution.

(8) The two aircraft carriers previously named U.S.S. Lexington (the CV–2 and the CV–16) served

our Nation for 64 years, served in World War II, and earned 13 battle stars.

(9) One of those honored vessels, the CV–2, was lost after having given gallant fight at the Battle of Coral Sea in 1942.

(b) SENSE OF CONGRESS.—It is the sense of Congress that the CVN–77 aircraft carrier should be named the ''U.S.S. Lexington''—

(1) in order to honor the men and women who served in the Armed Forces of the United States during World War II, and the incalculable number of United States citizens on the home front during that war, who mobilized in the name of freedom, and who are today respectfully referred to as the ''Greatest Generation''; and

(2) as a special tribute to the 16,000,000 veterans of the Armed Forces who served on land, sea, and air during World War II (of whom less than 6,000,000 remain alive today) and a lasting symbol of their commitment to freedom as they pass on having proudly taken their place in history.

SEC. 1059. DONATION OF CIVIL WAR CANNON.

(a) AUTHORITY.—The Secretary of the Army shall convey all right, title, and interest of the United States in and to the Civil War era cannon described in subsection

(b) to the Edward Dorr Tracey, Jr. Camp 18 of the Sons of the Confederate Veterans.

(b) PROPERTY TO BE CONVEYED.—The cannon referred to in subsection (a) is a 12-pounder Napoleon cannon bearing the following markings:

(1) On the top: ''CS''.

(2) On the face of the muzzle: ''Macon Arsenal, 1864/No.41/1164 ET''.

(3) On the right trunnion: ''Macon Arsenal GEO/1864/No.41/WT.1164/E.T.''.

(c) CONSIDERATION.—No consideration may be required by the Secretary for the conveyance of the cannon under this section.

(d) ADDITIONAL TERMS AND CONDITIONS.—The Secretary 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.

(e) RELATIONSHIP TO OTHER LAW.—The conveyance required under this section may be carried out without regard to the Act entitled ''An Act for the preservation of American antiquities'', approved June 8, 1906 (34 Stat. 225; 16 U.S.C. 431 et seq.), popularly referred to as the ''Antiquities Act of 1906''.

SEC. 1060. MAXIMUM SIZE OF PARCEL POST PACKAGES TRANSPORTED OVERSEAS FOR ARMED FORCES POST OFFICES.

Section 3401(b) of title 39, United States Code, is amended by striking ''100 inches in length and girth combined'' in paragraphs (2) and (3) and inserting ''the maximum size allowed by the Postal Service for fourth class parcel post (known as 'Standard Mail (B)' ''.

SEC. 1061. AEROSPACE INDUSTRY BLUE RIBBON COMMISSION.

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

(1) The United States aerospace industry, composed of manufacturers of commercial, military, and business aircraft, helicopters, aircraft engines, missiles, spacecraft, materials, and related components and equipment, has a unique role in the economic and national security of our Nation.

(2) In 1999, the aerospace industry continued to produce, at $37,000,000,000, the largest trade surplus of any industry in the United States economy.

(3) The United States aerospace industry employs 800,000 Americans in highly skilled positions associated with manufacturing aerospace products.

(4) United States aerospace technology is preeminent in the global marketplace for both defense and commercial products.

(5) History since World War I has demonstrated that a superior aerospace capability usually determines victory in military operations and that a robust, technically innovative aerospace capability will be essential for maintaining United States military superiority in the 21st century.

(6) Federal Government policies concerning investment in aerospace research and development and procurement, controls on the export of services and goods containing advanced technologies, and other aspects of the Government-industry relationship will have a critical impact on the ability of the United States aerospace industry to retain its position of global leadership.

(7) Recent trends in investment in aerospace research and development, in changes in global aerospace market share, and in the development of competitive, non-United States aerospace industries could undermine the future role of the United States aerospace industry in the national economy and in the security of the Nation.

(8) Because the United States aerospace industry stands at an historical crossroads, it is advisable for the President and Congress to appoint a blue ribbon commission to assess the future of the industry and to make recommendations for Federal Government actions to ensure United States preeminence in aerospace in the 21st century.

(b) ESTABLISHMENT.—There is established a Blue Ribbon Commission on the Future of the United States Aerospace Industry.

(c) MEMBERSHIP.—(1) The Commission shall be composed of 12 members appointed, not later than March 1, 2001, as follows:

(A) Up to 6 members appointed by the President.

(B) Two members appointed by the Majority 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 Senate.

(E) One member appointed by the Minority Leader of the House of Representatives.

(2) The members of the Commission shall be appointed from among—

(A) persons with extensive experience and national reputations in aerospace manufacturing, economics, finance, national security, international trade or foreign policy; and

(B) persons who are representative of labor organizations associated with the aerospace industry.

(3) Members shall be appointed for the life of the Commission. Any vacancy in the Commission shall not affect its powers, but shall be filled in the same manner as the original appointment.

(4) The President shall designate one member of the Commission to serve as the Chairman.

(5) The Commission shall meet at the call of the Chairman. A majority of the members shall constitute a quorum, but a lesser number may hold hearings for the Commission.

(d) DUTIES.—(1) The Commission shall—

(A) study the issues associated with the future of the United States aerospace industry in the global economy, particularly in relationship to United States national security; and

(B) assess the future importance of the domestic aerospace industry for the economic and national security of the United States.

(2) In order to fulfill its responsibilities, the Commission shall study the following:

(A) The budget process of the Federal Government, particularly with a view to assessing the adequacy of projected budgets of the Federal Government agencies for aerospace research and development and procurement.

(B) The acquisition process of the Federal Government, particularly with a view to assessing—

(i) the adequacy of the current acquisition process of Federal agencies; and

(ii) the procedures for developing and fielding aerospace systems incorporating new technologies in a timely fashion.

(C) The policies, procedures, and methods for the financing and payment of government contracts.

(D) Statutes and regulations governing international trade and the export of technology, particularly with a view to assessing—

(i) the extent to which the current system for controlling the export of aerospace goods, services, and technologies reflects an adequate balance between the need to protect national security and the need to ensure unhindered access to the global marketplace; and

(ii) the adequacy of United States and multilateral trade laws and policies for maintaining the international competitiveness of the United States aerospace industry.

(E) Policies governing taxation, particularly with a view to assessing the impact of current tax laws and practices on the international competitiveness of the aerospace industry.

(F) Programs for the maintenance of the national space launch infrastructure, particularly with a view to assessing the adequacy of current and projected programs for maintaining the national space launch infrastructure.

(G) Programs for the support of science and engineering education, including current programs for supporting aerospace science and engineering efforts at institutions of higher learning, with a view to determining the adequacy of those programs.

(e) REPORT.—(1) Not later than March 1, 2002, the Commission shall submit a report on its activities to the President and Congress.

(2) The report shall include the following:

(A) The Commission's findings and conclusions.

(B) Recommendations for actions by Federal Government agencies to support the maintenance of

a robust aerospace industry in the United States in the 21st century.

(C) A discussion of the appropriate means for implementing the recommendations.

(f) IMPLEMENTATION OF RECOMMENDATIONS.—The heads of the executive agencies of the Federal Government having responsibility for matters covered by recommendations of the Commission shall consider the implementation of those recommendations in accordance with regular administrative procedures. The Director of the Office of Management and Budget shall coordinate the consideration of the recommendations among the heads of those agencies.

(g) ADMINISTRATIVE REQUIREMENTS AND AUTHORITIES.—(1) The Director of the Office of Management and Budget shall ensure that the Commission is provided such administrative services, facilities, staff, and other support services as may be necessary. Any expenses of the Commission shall be paid from funds available to the Director.

(2) The Commission may hold hearings, sit and act at times and places, take testimony, and receive evidence that the Commission considers advisable to carry out the purposes of this Act.

(3) The Commission may secure directly from any department or agency of the Federal Government any infor-

mation that the Commission considers necessary to carry out the provisions of this Act. Upon the request of the Chairman of the Commission, the head of such department or agency shall furnish such information to the Commission.

(4) The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the Federal Government.

(5) The Commission is an advisory committee for the purposes of the Federal Advisory Committee Act (5 U.S.C. App. 2).

(h) COMMISSION PERSONNEL MATTERS.—(1) Members of the Commission shall serve without additional compensation for their service on the Commission, except that members appointed from among private citizens may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by law for persons serving intermittently in government service under subchapter I of chapter 57 of title 5, United States Code, while away from their homes and places of business in the performance of services for the Commission.

(2) The Chairman of the Commission may, without regard to the civil service laws and regulations, appoint and terminate any staff that may be necessary to enable

the Commission to perform its duties. The employment of a head of staff shall be subject to confirmation by the Commission. The Chairman may fix the compensation of the staff 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 rates of pay fixed by the Chairman shall be in compliance with the guidelines prescribed under section 7(d) of the Federal Advisory Committee Act.

(3) Any Federal Government employee may be detailed to the Commission without reimbursement. Any such detail shall be without interruption or loss of civil status or privilege.

(4) The Chairman may procure temporary and intermittent services under section 3109(b) of title 5, United States Code, at rates for individuals that do not exceed the daily equivalent of the annual rate of basic pay prescribed for level V of the Executive Schedule under section 5316 of such title.

(i) TERMINATION.—The Commission shall terminate 30 days after the submission of the report under subsection (e).

SEC. 1062. REPORT TO CONGRESS REGARDING EXTENT AND SEVERITY OF CHILD POVERTY.

(a) IN GENERAL.—Not later than June 1, 2001 and prior to any reauthorization of the temporary assistance to needy families program under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) for any fiscal year after fiscal year 2002, the Secretary of Health and Human Services (in this section referred to as the ''Secretary'') shall report to Congress on the extent and severity of child poverty in the United States. Such report shall, at a minimum—

(1) determine for the period since the enactment of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104–193; 110 Stat. 2105)—

(A) whether the rate of child poverty in the United States has increased;

(B) whether the children who live in poverty in the United States have gotten poorer; and

(C) how changes in the availability of cash and non-cash benefits to poor families have affected child poverty in the United States;

(2) identify alternative methods for defining child poverty that are based on consideration of factors other than family income and resources, includ-

ing consideration of a family's work-related expenses; and

(3) contain multiple measures of child poverty in the United States that may include the child poverty gap and the extreme poverty rate.

(b) LEGISLATIVE PROPOSAL.—If the Secretary determines that during the period since the enactment of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104–193; 110 Stat. 2105) the extent or severity of child poverty in the United States has increased to any extent, the Secretary shall include with the report to Congress required under subsection (a) a legislative proposal addressing the factors that led to such increase.

SEC. 1063. IMPROVING PROPERTY MANAGEMENT.

(a) IN GENERAL.—Section 203(p)(1)(B)(ii) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 484(p)(1)(B)(ii)) is amended by striking ''July 31, 2000'' and inserting ''December 31, 2002''.

(b) CONFORMING AMENDMENT.—Section 233 of Appendix E of Public Law 106–113 (113 Stat. 1501A–301) is repealed.

SEC. 1064. SENSE OF THE SENATE REGARDING TAX TREATMENT OF MEMBERS RECEIVING SPECIAL PAY.

It is the sense of the Senate that members of the Armed Forces who receive special pay for duty subject to hostile fire or imminent danger (37 U.S.C. 310) should receive the same tax treatment as members serving in combat zones.

SEC. 1065. DEPARTMENT OF DEFENSE PROCESS FOR DECISIONMAKING IN CASES OF FALSE CLAIMS.

Not later than February 1, 2001, the Secretary of Defense shall submit to Congress a report describing the policies and procedures for Department of Defense decisionmaking on issues arising under sections 3729 through 3733 of title 31, United States Code, in cases of claims submitted to the Department of Defense that are suspected or alleged to be false. The report shall include a discussion of any changes that have been made in the policies and procedures since January 1, 2000.

SEC. 1066. SENSE OF THE SENATE CONCERNING LONG-TERM ECONOMIC DEVELOPMENT AID FOR COMMUNITIES REBUILDING FROM HURRICANE FLOYD.

(a) FINDINGS.—The Senate finds that—

(1) during September 1999, Hurricane Floyd ran a path of destruction along the entire eastern seaboard from Florida to Maine;

(2) Hurricane Floyd was the most destructive natural disaster in the history of the State of North Carolina and most costly natural disaster in the history of the State of New Jersey;

(3) the Federal Emergency Management Agency declared Hurricane Floyd the eighth worst natural disaster of the past decade;

(4) although the Federal Emergency Management Agency coordinates the Federal response to natural disasters that exceed the capabilities of State and local governments and assists communities to recover from those disasters, the Federal Emergency Management Agency is not equipped to provide long-term economic recovery assistance;

(5) it has been 9 months since Hurricane Floyd and the Nation has hundreds of communities that have yet to recover from the devastation caused by that disaster;

(6) in the past, Congress has responded to natural disasters by providing additional economic community development assistance to communities recovering from those disasters, including

$250,000,000 for Hurricane Georges in 1998, $552,000,000 for Red River Valley floods in North Dakota in 1997, $25,000,000 for Hurricanes Fran and Hortense in 1996, and $725,000,000 for the Northridge Earthquake in California in 1994;

(7) additional assistance provided by Congress to communities recovering from natural disasters has been in the form of community development block grants administered by the Department of Housing and Urban Development;

(8) communities affected by Hurricane Floyd are facing similar recovery needs as have victims of other natural disasters and will need long-term economic recovery plans to make them strong again; and

(9) on April 7, 2000, the Senate passed amendment number 3001 to S. Con. Res. 101, which amendment would allocate $250,000,000 in long-term economic development aid to assist communities rebuilding from Hurricane Floyd, including $150,000,000 in community development block grant funding and $50,000,000 in rural facilities grant funding.

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

(1) communities devastated by Hurricane Floyd should know that, in the past, Congress has responded to natural disasters by demonstrating a commitment to helping affected States and communities to recover;

(2) the Federal response to natural disasters has traditionally been quick, supportive, and appropriate;

(3) recognizing that communities devastated by Hurricane Floyd are facing tremendous challenges as they begin their recovery, the Federal agencies that administer community and regional development programs should expect an increase in applications and other requests from these communities;

(4) community development block grants administered by the Department of Housing and Urban Development, grant programs administered by the Economic Development Administration, and the Community Facilities Grant Program administered by the Department of Agriculture are resources that communities have used to accomplish revitalization and economic development following natural disasters; and

(5) additional community and regional development funding, as provided for in amendment number

3001 to S. Con. Res. 101, as passed by the Senate on April 7, 2000, should be appropriated to assist communities in need of long-term economic development aid as a result of damage suffered by Hurricane Floyd.

SEC. 1067. AUTHORITY TO PROVIDE HEADSTONES OR MARKERS FOR MARKED GRAVES OR OTHERWISE COMMEMORATE CERTAIN INDIVIDUALS.

(a) IN GENERAL.—Section 2306 of title 38, United States Code, is amended—

(1) in subsections (a) and (e)(1), by striking ''the unmarked graves of''; and

(2) by adding at the end the following:

''(f) A headstone or marker furnished under subsection (a) shall be furnished, upon request, for the marked grave or unmarked grave of the individual or at another area appropriate for the purpose of commemorating the individual.''.

(b) APPLICABILITY.—(1) Except as provided in paragraph (2), the amendment to subsection (a) of section 2306 of title 38, United States Code, made by subsection (a) of this section, and subsection (f) of such section 2306, as added by subsection (a) of this section, shall apply with respect to burials occurring before, on, or after the date of the enactment of this Act.

(2) The amendments referred to in paragraph (1) shall not apply in the case of the grave for any individual who died before November 1, 1990, for which the Administrator of Veterans' Affairs provided reimbursement in lieu of furnishing a headstone or marker under subsection (d) of section 906 of title 38, United States Code, as such subsection was in effect after September 30, 1978, and before November 1, 1990.

SEC. 1068. COMPREHENSIVE STUDY AND SUPPORT FOR CRIMINAL INVESTIGATIONS AND PROSECUTIONS BY STATE AND LOCAL LAW ENFORCEMENT OFFICIALS.

(a) STUDIES.—

(1) COLLECTION OF DATA.—

(A) DEFINITION OF RELEVANT OFFENSE.—In this paragraph, the term ''relevant offense'' means a crime described in subsection (b)(1) of the first section of Public Law 101–275 (28 U.S.C. 534 note) and a crime that manifests evidence of prejudice based on gender or age.

(B) COLLECTION FROM CROSS-SECTION OF STATES.—Not later than 120 days after the date of enactment of this Act, the Comptroller General of the United States, in consultation

with the National Governors' Association, shall select 10 jurisdictions with laws classifying certain types of offenses as relevant offenses and 10 jurisdictions without such laws from which to collect the data described in subparagraph (C) over a 12-month period.

(C) DATA TO BE COLLECTED.—The data described in this paragraph are—

(i) the number of relevant offenses that are reported and investigated in the jurisdiction;

(ii) the percentage of relevant offenses that are prosecuted and the percentage that result in conviction;

(iii) the duration of the sentences imposed for crimes classified as relevant offenses in the jurisdiction, compared with the length of sentences imposed for similar crimes committed in jurisdictions with no laws relating to relevant offenses; and

(iv) references to and descriptions of the laws under which the offenders were punished.

(D) COSTS.—Participating jurisdictions shall be reimbursed for the reasonable and nec-

essary costs of compiling data collected under this paragraph.

(2) STUDY OF RELEVANT OFFENSE ACTIVITY.—

(A) IN GENERAL.—Not later than 18 months after the date of enactment of this Act, the Comptroller General of the United States shall complete a study and submit to Congress a report that analyzes the data collected under paragraph (1) and under section 534 of title 28, United States Code, to determine the extent of relevant offense activity throughout the United States and the success of State and local officials in combating that activity.

(B) IDENTIFICATION OF TRENDS.—In the study conducted under subparagraph (A), the Comptroller General of the United States shall identify any trends in the commission of relevant offenses specifically by—

(i) geographic region;

(ii) type of crime committed; and

(iii) the number and percentage of relevant offenses that are prosecuted and the number for which convictions are obtained.

(b) ASSISTANCE OTHER THAN FINANCIAL ASSISTANCE.—At the request of a law enforcement official of a

State or a political subdivision of a State, the Attorney General, acting through the Director of the Federal Bureau of Investigation and in cases where the Attorney General determines special circumstances exist, may provide technical, forensic, prosecutorial, or any other assistance in the criminal investigation or prosecution of any crime that—

(1) constitutes a crime of violence (as defined in section 16 of title 18, United States Code);

(2) constitutes a felony under the laws of the State; and

(3) is motivated by animus against the victim by reason of the membership of the victim in a particular class or group.

(c) GRANTS.—

(1) IN GENERAL.—The Attorney General may, in cases where the Attorney General determines special circumstances exist, make grants to States and local subdivisions of States to assist those entities in the investigation and prosecution of crimes motivated by animus against the victim by reason of the membership of the victim in a particular class or group.

(2) ELIGIBILITY.—A State or political subdivision of a State applying for assistance under this subsection shall—

(A) describe the purposes for which the grant is needed; and

(B) certify that the State or political subdivision lacks the resources necessary to investigate or prosecute a crime motivated by animus against the victim by reason of the membership of the victim in a particular class or group.

(3) DEADLINE.—An application for a grant under this subsection shall be approved or disapproved by the Attorney General not later than 10 days after the application is submitted.

(4) GRANT AMOUNT.—A grant under this subsection shall not exceed $100,000 for any single case.

(5) REPORT AND AUDIT.—Not later than December 31, 2001, the Attorney General, in consultation with the National Governors' Association, shall—

(A) submit to Congress a report describing the applications made for grants under this

subsection, the award of such grants, and the effectiveness of the grant funds awarded; and

(B) conduct an audit of the grants awarded under this subsection to ensure that such grants are used for the purposes provided in this subsection.

(6) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated $5,000,000 for each of the fiscal years 2001 and 2002 to carry out this section.

SEC. 1069. STUDENT LOAN REPAYMENT PROGRAMS.

(a) STUDENT LOANS.—Section 5379(a)(1)(B) of title 5, United States Code, is amended—

(1) in clause (i), by inserting ''(20 U.S.C. 1071 et seq.)'' before the semicolon;

(2) in clause (ii), by striking ''part E of title IV of the Higher Education Act of 1965'' and inserting ''part D or E of title IV of the Higher Education Act of 1965 (20 U.S.C. 1087a et seq., 1087aa et seq.)''; and

(3) in clause (iii), by striking ''part C of title VII of Public Health Service Act or under part B of title VIII of such Act'' and inserting ''part A of title VII of the Public Health Service Act (42 U.S.C.

292 et seq.) or under part E of title VIII of such Act (42 U.S.C. 297a et seq.)''.

(b) PERSONNEL COVERED.—

(1) INELIGIBLE PERSONNEL.—Section 5379(a)(2) of title 5, United States Code, is amended to read as follows:

''(2) An employee shall be ineligible for benefits under this section if the employee occupies a position that is excepted from the competitive service because of its confidential, policy-determining, policy-making, or policy-advocating character.''.

(2) PERSONNEL RECRUITED OR RETAINED.—Section 5379(b)(1) of title 5, United States Code, is amended by striking ''professional, technical, or administrative''.

(c) REGULATIONS.—

(1) PROPOSED REGULATIONS.—Not later than 60 days after the date of enactment of this Act, the Director of the Office of Personnel Management (referred to in this section as the ''Director'') shall issue proposed regulations under section 5379(g) of title 5, United States Code. The Director shall provide for a period of not less than 60 days for public comment on the regulations.

(2) FINAL REGULATIONS.—Not later than 240 days after the date of enactment of this Act, the Director shall issue final regulations described in paragraph (1).

(d) ANNUAL REPORTS.—Section 5379 of title 5, United States Code, is amended by adding at the end the following:

''(h)(1) Each head of an agency shall maintain, and annually submit to the Director of the Office of Personnel Management, information with respect to the agency on—

''(A) the number of Federal employees selected to receive benefits under this section;

''(B) the job classifications for the recipients; and

''(C) the cost to the Federal Government of providing the benefits.

''(2) The Director of the Office of Personnel Management shall prepare, and annually submit to Congress, a report containing the information submitted under paragraph (1), and information identifying the agencies that have provided the benefits described in paragraph (1).''.

SEC. 1070. SENSE OF THE SENATE ON THE MODERNIZATION OF AIR NATIONAL GUARD F–16A UNITS.

(a) FINDINGS.—Congress finds that:

(1) Certain United States Air Force Air National Guard fighter units are flying some of the world's oldest and least capable F–16A aircraft which are approaching the end of their service lives.

(2) The aircraft are generally incompatible with those flown by the active force and therefore cannot be effectively deployed to theaters of operation to support contingencies and to relieve the high operations tempo of active duty units.

(3) The Air Force has specified no plans to replace these obsolescent aircraft before the year 2007 at the earliest.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that in light of these findings the Air Force should, by February 1, 2001, provide the Congress with a plan to modernize and upgrade the combat capabilities of those Air National Guard units that are now flying F–16As so they can deploy as part of Air Expeditionary Forces and assist in relieving the high operations tempo of active duty units.

SEC. 1071. TWO-YEAR EXTENSION OF AUTHORITY TO ENGAGE IN COMMERCIAL ACTIVITIES AS SECURITY FOR INTELLIGENCE COLLECTION ACTIVITIES.

Section 431(a) of title 10, United States Code, is amended in the second sentence by striking ''December 31, 2000'' and inserting ''December 31, 2002''.

SEC. 1072. FIREFIGHTER INVESTMENT AND RESPONSE ENHANCEMENT.

The Federal Fire Prevention and Control Act of 1974 (15 U.S.C. 2201 et seq.) is amended by adding at the end the following:

''SEC. 33. FIREFIGHTER INVESTMENT AND RESPONSE ENHANCEMENT.

''(a) DEFINITION OF FIREFIGHTING PERSONNEL.—In this section, the term 'firefighting personnel' means individuals, including volunteers, who are firefighters, officers of fire departments, or emergency medical service personnel of fire departments.

''(b) ASSISTANCE PROGRAM.—

''(1) AUTHORITY.—In accordance with this section, the Director may—

''(A) make grants on a competitive basis to fire departments for the purpose of protecting the health and safety of the public and fire-

fighting personnel against fire and fire-related hazards; and

"(B) provide assistance for fire prevention programs in accordance with paragraph (4).

"(2) ESTABLISHMENT OF OFFICE FOR ADMINISTRATION OF ASSISTANCE.—Before providing assistance under paragraph (1), the Director shall establish an office in the Federal Emergency Management Agency that shall have the duties of establishing specific criteria for the selection of recipients of the assistance, and administering the assistance, under this section.

"(3) USE OF FIRE DEPARTMENT GRANT FUNDS.—The Director may make a grant under paragraph (1)(A) only if the applicant for the grant agrees to use the grant funds—

"(A) to hire additional firefighting personnel;

"(B) to train firefighting personnel in firefighting, emergency response, arson prevention and detection, or the handling of hazardous materials, or to train firefighting personnel to provide any of the training described in this subparagraph;

"(C) to fund the creation of rapid intervention teams to protect firefighting personnel at the scenes of fires and other emergencies;

"(D) to certify fire inspectors;

"(E) to establish wellness and fitness programs for firefighting personnel to ensure that the firefighting personnel can carry out their duties;

"(F) to fund emergency medical services provided by fire departments;

"(G) to acquire additional firefighting vehicles, including fire trucks;

"(H) to acquire additional firefighting equipment, including equipment for communications and monitoring;

"(I) to acquire personal protective equipment required for firefighting personnel by the Occupational Safety and Health Administration, and other personal protective equipment for firefighting personnel;

"(J) to modify fire stations, fire training facilities, and other facilities to protect the health and safety of firefighting personnel;

"(K) to enforce fire codes;

"(L) to fund fire prevention programs; or

"(M) to educate the public about arson prevention and detection.

"(4) FIRE PREVENTION PROGRAMS.—

"(A) IN GENERAL.—For each fiscal year, the Director shall use not less than 10 percent of the funds made available under subsection (c)—

"(i) to make grants to fire departments for the purpose described in paragraph (3)(L); and

"(ii) to make grants to, or enter into contracts or cooperative agreements with, national, State, local, or community organizations that are recognized for their experience and expertise with respect to fire prevention or fire safety programs and activities, for the purpose of carrying out fire prevention programs.

"(B) PRIORITY.—In selecting organizations described in subparagraph (A)(ii) to receive assistance under this paragraph, the Director shall give priority to organizations that focus on prevention of injuries to children from fire.

"(5) APPLICATION.—The Director may provide assistance to a fire department or organization under this subsection only if the fire department or organization seeking the assistance submits to the Director an application in such form and containing such information as the Director may require.

"(6) MATCHING REQUIREMENT.—The Director may provide assistance under this subsection only if the applicant for the assistance agrees to match with an equal amount of non-Federal funds 10 percent of the assistance received under this subsection for any fiscal year.

"(7) MAINTENANCE OF EXPENDITURES—The Director may provide assistance under this subsection only if the applicant for the assistance agrees to maintain in the fiscal year for which the assistance will be received the applicant's aggregate expenditures for the uses described in paragraph (3) or (4) at or above the average level of such expenditures in the 2 fiscal years preceding the fiscal year for which the assistance will be received.

"(8) REPORT TO THE DIRECTOR.—The Director may provide assistance under this subsection only if the applicant for the assistance agrees to submit to the Director a report, including a description

of how the assistance was used, with respect to each fiscal year for which the assistance was received.

"(9) VARIETY OF FIRE DEPARTMENT GRANT RECIPIENTS.—The Director shall ensure that grants under paragraph (1)(A) for a fiscal year are made to a variety of fire departments, including, to the extent that there are eligible applicants—

"(A) paid, volunteer, and combination fire departments;

"(B) fire departments located in communities of varying sizes; and

"(C) fire departments located in urban, suburban, and rural communities.

"(10) LIMITATION ON EXPENDITURES FOR FIREFIGHTING VEHICLES.—The Director shall ensure that not more than 25 percent of the assistance made available under this subsection for a fiscal year is used for the use described in paragraph (3)(G).

"(c) AUTHORIZATION OF APPROPRIATIONS.—

"(1) IN GENERAL.—There are authorized to be appropriated to the Director—

"(A) $100,000,000 for fiscal year 2001;

"(B) $200,000,000 for fiscal year 2002;

"(C) $400,000,000 for fiscal year 2003;

"(D) $600,000,000 for fiscal year 2004;

"(E) $800,000,000 for fiscal year 2005; and

"(F) $1,000,000,000 for fiscal year 2006.

"(2) LIMITATION ON ADMINISTRATIVE COSTS.—Of the amounts made available under paragraph (1) for a fiscal year, the Director may use not more than 10 percent for the administrative costs of carrying out this section.".

SEC. 1073. BREAST CANCER STAMP EXTENSION.

Section 414(g) of title 39, United States Code, is amended by striking "2-year" and inserting "4-year".

SEC. 1074. PERSONNEL SECURITY POLICIES.

No officer or employee of the Department of Defense or any contractor thereof, and no member of the Armed Forces shall be granted a security clearance if that person—

(1) has been convicted in any court within the United States of a crime and sentenced to imprisonment for a term exceeding 1 year;

(2) is an unlawful user of or addicted to any controlled substance (as defined in section 102 of the Controlled Substances Act);

(3) is currently mentally incompetent; or

(4) has been discharged from the Armed Forces under dishonorable conditions.

SEC. 1075. ADDITIONAL MATTERS FOR ANNUAL REPORT ON TRANSFERS OF MILITARILY SENSITIVE TECHNOLOGY TO COUNTRIES AND ENTITIES OF CONCERN.

Section 1402(b) of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 798) is amended by adding at the end the following:

''(4) The status of the implementation or other disposition of recommendations included in reports of audits by Inspectors General that have been set forth in previous annual reports under this section.''.

SEC. 1076. NATIONAL SECURITY IMPLICATIONS OF UNITED STATES-CHINA TRADE RELATIONSHIP.

(a) IN GENERAL.—

(1) NAME OF COMMISSION.—Section 127(c)(1) of the Trade Deficit Review Commission Act (19 U.S.C. 2213 note) is amended by striking ''Trade Deficit Review Commission'' and inserting ''United States-China Security Review Commission''.

(2) QUALIFICATIONS OF MEMBERS.—Section 127(c)(3)(B)(i)(I) of such Act (19 U.S.C. 2213 note) is amended by inserting ''national security

matters and United States-China relations,'' after ''expertise in''.

(3) PERIOD OF APPOINTMENT.—Section 127(c)(3)(A) of such Act (19 U.S.C. 2213 note) is amended to read as follows:

''(A) IN GENERAL.—

''(i) APPOINTMENT BEGINNING WITH 107th CONGRESS.—Beginning with the 107th Congress and each new Congress thereafter, members shall be appointed not later than 30 days after the date on which Congress convenes. Members may be reappointed for additional terms of service.

''(ii) TRANSITION.—Members serving on the Commission shall continue to serve until such time as new members are appointed.''.

(b) PURPOSE.—Section 127(k) of the Trade Deficit Review Commission Act (19 U.S.C. 2213 note) is amended to read as follows:

''(k) UNITED STATES-CHINA NATIONAL SECURITY IMPLICATIONS.—

''(1) IN GENERAL.—Upon submission of the report described in subsection (e), the Commission shall—

"(A) wind up the functions of the Trade Deficit Review Commission; and

"(B) monitor, investigate, and report to Congress on the national security implications of the bilateral trade and economic relationship between the United States and the People's Republic of China.

"(2) ANNUAL REPORT.—Not later than March 1, 2002, and annually thereafter, the Commission shall submit a report to Congress, in both unclassified and classified form, regarding the national security implications and impact of the bilateral trade and economic relationship between the United States and the People's Republic of China. The report shall include a full analysis, along with conclusions and recommendations for legislative and administrative actions, of the national security implications for the United States of the trade and current balances with the People's Republic of China in goods and services, financial transactions, and technology transfers. The Commission shall also take into account patterns of trade and transfers through third countries to the extent practicable.

"(3) CONTENTS OF REPORT.—The report described in paragraph (2) shall include, at a minimum, a full discussion of the following:

"(A) The portion of trade in goods and services with the United States that the People's Republic of China dedicates to military systems or systems of a dual nature that could be used for military purposes.

"(B) The acquisition by the Government of the People's Republic of China and entities controlled by the Government of advanced military technologies through United States trade and technology transfers.

"(C) Any transfers, other than those identified under subparagraph (B), to the military systems of the People's Republic of China made by United States firms and United States-based multinational corporations.

"(D) An analysis of the statements and writing of the People's Republic of China officials and officially-sanctioned writings that bear on the intentions of the Government of the People's Republic of China regarding the pursuit of military competition with, and leverage over,

the United States and the Asian allies of the United States.

"(E) The military actions taken by the Government of the People's Republic of China during the preceding year that bear on the national security of the United States and the regional stability of the Asian allies of the United States.

"(F) The effects to the national security interests of the United States of the use by the People's Republic of China of financial transactions, capital flow, and currency manipulations.

"(G) Any action taken by the Government of the People's Republic of China in the context of the World Trade Organization that is adverse to the United States national security interests.

"(H) Patterns of trade and investment between the People's Republic of China and its major trading partners, other than the United States, that appear to be substantively different from trade and investment patterns with the United States and whether the differences con-

stitute a security problem for the United States.

"(I) The extent to which the trade surplus of the People's Republic of China with the United States enhances the military budget of the People's Republic of China.

"(J) An overall assessment of the state of the security challenges presented by the People's Republic of China to the United States and whether the security challenges are increasing or decreasing from previous years.

"(4) RECOMMENDATIONS OF REPORT.—The report described in paragraph (2) shall include recommendations for action by Congress or the President, or both, including specific recommendations for the United States to invoke Article XXI (relating to security exceptions) of the General Agreement on Tariffs and Trade 1994 with respect to the People's Republic of China, as a result of any adverse impact on the national security interests of the United States.".

(c) CONFORMING AMENDMENTS.—

(1) HEARINGS.—Section 127(f)(1) of such Act (19 U.S.C. 2213 note) is amended to read as follows:

"(1) HEARINGS.—

"(A) IN GENERAL.—The Commission or, at its direction, any panel or member of the Commission, may for the purpose of carrying out the provisions of this Act, 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.

"(B) INFORMATION.—The Commission may secure directly from the Department of Defense, the Central Intelligence Agency, and any other Federal department or agency information that the Commission considers necessary to enable the Commission to carry out its responsibilities under this Act, except the provision of intelligence information to the Commission shall be made with due regard for the protection from unauthorized disclosure of classified information relating to sensitive intelligence sources and methods or other exceptionally sensitive matters, under procedures approved by the Director of Central Intelligence.

"(C) SECURITY.—The Office of Senate Security shall—

"(i) provide classified storage and meeting and hearing spaces, when necessary, for the Commission; and

"(ii) assist members and staff of the Commission in obtaining security clearances.

"(D) SECURITY CLEARANCES.—All members of the Commission and appropriate staff shall be sworn and hold appropriate security clearances.".

(2) CHAIRMAN.—

(A) Section 127(c)(6) of such Act (19 U.S.C. 2213 note) is amended by striking "Chairperson" and inserting "Chairman".

(B) Section 127(g) of such Act (19 U.S.C. 2213 note) is amended by striking "Chairperson" each place it appears and inserting "Chairman".

(3) CHAIRMAN AND VICE CHAIRMAN.—Section 127(c)(7) of such Act (19 U.S.C. 2213 note) is amended—

(A) by striking "CHAIRPERSON AND VICE CHAIRPERSON" in the heading and inserting "CHAIRMAN AND VICE CHAIRMAN";

(B) by striking ''chairperson'' and ''vice chairperson'' in the text and inserting ''Chairman'' and ''Vice Chairman''; and

(C) by inserting ''at the beginning of each new Congress'' before the end period.

(d) APPROPRIATIONS.—Section 127(i) of such Act (19 U.S.C. 2213 note) is amended to read as follows:

''(i) AUTHORIZATION.—

''(1) IN GENERAL.—There are authorized to be appropriated to the Commission for fiscal year 2001, and each fiscal year thereafter, such sums as may be necessary to enable it to carry out its functions. Appropriations to the Commission are authorized to remain available until expended. Unobligated balances of appropriations made to the Trade Deficit Review Commission before the effective date of this subsection shall remain available to the Commission on and after such date.

''(2) FOREIGN TRAVEL FOR OFFICIAL PURPOSES.—Foreign travel for official purposes by members and staff of the Commission may be authorized by either the Chairman or the Vice Chairman.''.

(e) EFFECTIVE DATE.—The amendments made by this section shall take effect on the first day of the 107th Congress.

SEC. 1077. SECRECY POLICIES AND WORKER HEALTH.

(a) REVIEW OF SECRECY POLICIES.—The Secretary of Defense in consultation with the Secretary of Energy shall review classification and security policies and, within appropriate national security constraints, ensure that such policies do not prevent or discourage employees at former nuclear weapons facilities who may have been exposed to radioactive or other hazardous substances associated with nuclear weapons from discussing such exposures with appropriate health care providers and with other appropriate officials. The policies reviewed should include the policy to neither confirm nor deny the presence of nuclear weapons as it is applied to former United States nuclear weapons facilities that no longer contain nuclear weapons or materials.

(b) NOTIFICATION OF AFFECTED EMPLOYEES.—(1) The Secretary of Defense in consultation with the Secretary of Energy shall seek to identify individuals who are or were employed at Department of Defense sites that no longer store, assemble, disassemble, or maintain nuclear weapons.

(2) Upon determination that such employees may have been exposed to radioactive or hazardous substances associated with nuclear weapons at such sites, such employees shall be notified of any such exposures to radiation, or hazardous substances associated with nuclear weapons.

(3) Such notification shall include an explanation of how such employees can discuss any such exposures with health care providers who do not possess security clearances without violating security or classification procedures or, if necessary, provide guidance to facilitate the ability of such individuals to contact health care providers with appropriate security clearances or discuss such exposures with other officials who are determined by the Secretary of Defense to be appropriate.

(c) The Secretary of Defense in consultation with the Secretary of Energy shall, no later than May 1, 2001, submit a report to the Congressional Defense Committees setting forth—

(1) the results of the review in paragraph (a) including any changes made or recommendations for legislation; and

(2) the status of the notification in paragraph (b) and an anticipated date on which such notification will be completed.

TITLE XI—DEPARTMENT OF DEFENSE CIVILIAN PERSONNEL POLICY

SEC. 1101. COMPUTER/ELECTRONIC ACCOMMODATIONS PROGRAM.

(a) AUTHORITY TO EXPAND PROGRAM.—(1) Chapter 81 of title 10, United States Code, is amended by inserting after section 1581 the following:

"§ 1582. Assistive technology, assistive technology devices, and assistive technology services

''(a) AUTHORITY.—The Secretary of Defense may provide assistive technology, assistive technology devices, and assistive technology services to the following:

''(1) Department of Defense employees with disabilities.

''(2) Organizations within the department that have requirements to make programs or facilities accessible to and usable by persons with disabilities.

''(3) Any other department or agency of the Federal Government, upon the request of the head of that department or agency, for its employees with disabilities or for satisfying a requirement to make its programs or facilities accessible to and usable by persons with disabilities.

"(b) DEFINITIONS.—In this section, the terms 'assistive technology', 'assistive technology device', 'assistive technology service', and 'disability' have the meanings given the terms in section 3 of the Assistive Technology Act of 1998 (29 U.S.C. 3002).".

(2) The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 1581 the following:

"1582. Assistive technology, assistive technology devices, and assistive technology services.".

(b) FUNDING.—Of the amount authorized to be appropriated under section 301(5) for operation and maintenance for Defense-wide activities, not more than $2,000,000 is available for the purpose of expanding and administering the Computer/Electronic Accommodation Program of the Department of Defense to provide under section 1582 of title 10, United States Code (as added by subsection (a)), the technology, devices, and services described in that section.

SEC. 1102. ADDITIONAL SPECIAL PAY FOR FOREIGN LANGUAGE PROFICIENCY BENEFICIAL FOR UNITED STATES NATIONAL SECURITY INTERESTS.

(a) IN GENERAL.—Chapter 81 of title 10, United States Code, is amended by inserting after section 1596 the following new section:

"§ 1596a. Foreign language proficiency: special pay for proficiency beneficial for other national security interests

''(a) AUTHORITY.—The Secretary of Defense may pay special pay under this section to an employee of the Department of Defense who—

''(1) has been certified by the Secretary to be proficient in a foreign language identified by the Secretary as being a language in which proficiency by civilian personnel of the department is necessary because of national security interests;

''(2) is assigned duties requiring proficiency in that foreign language; and

''(3) is not receiving special pay under section 1596 of this title.

''(b) RATE.—The rate of special pay for an employee under this section shall be prescribed by the Secretary, but may not exceed five percent of the employee's rate of basic pay.

''(c) RELATIONSHIP TO OTHER PAY AND ALLOWANCES.—Special pay under this section is in addition to any other pay or allowances to which the employee is entitled.

''(d) REGULATIONS.—The Secretary of Defense shall prescribe regulations to carry out this section.''.

(b) AMENDMENT TO DISTINGUISH OTHER FOREIGN LANGUAGE PROFICIENCY SPECIAL PAY.—The heading for section 1596 of title 10, United States Code, is amended to read as follows:

"§ 1596. Foreign language proficiency: special pay for proficiency beneficial for intelligence interests".

(c) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 81 of such title is amended by striking the item relating to section 1596 and inserting the following:

"1596. Foreign language proficiency: special pay for proficiency beneficial for intelligence interests.
"1596a. Foreign language proficiency: special pay for proficiency beneficial for other national security interests.".

SEC. 1103. INCREASED NUMBER OF POSITIONS AUTHORIZED FOR THE DEFENSE INTELLIGENCE SENIOR EXECUTIVE SERVICE.

Section 1606(a) of title 10, United States Code, is amended by striking "492" and inserting "517".

SEC. 1104. EXTENSION OF AUTHORITY FOR TUITION REIMBURSEMENT AND TRAINING FOR CIVILIAN EMPLOYEES IN THE DEFENSE ACQUISITION WORKFORCE.

Section 1745(a) of title 10, United States Code, is amended by striking "September 30, 2001" in the second sentence and inserting "September 30, 2010".

SEC. 1105. WORK SAFETY DEMONSTRATION PROGRAM.

(a) ESTABLISHMENT.—The Secretary of Defense shall carry out a defense employees work safety demonstration program.

(b) PRIVATE SECTOR WORK SAFETY MODELS.—Under the demonstration program, the Secretary shall—

(1) adopt for use in the workplace of employees of the Department of Defense such work safety models used by employers in the private sector that the Secretary considers as being representative of the best work safety practices in use by private sector employers; and

(2) determine whether the use of those practices in the Department of Defense improves the work safety record of Department of Defense employees.

(c) SITES.—(1) The Secretary shall carry out the demonstration program—

(A) at not fewer than two installations of each of the Armed Forces (other than the Coast Guard), for employees of the military department concerned; and

(B) in at least two Defense Agencies (as defined in section 101(a)(11) of title 10, United States Code).

(2) The Secretary shall select the installations and Defense Agencies from among the installations and Defense Agencies listed in the Federal Worker 2000 Presidential Initiative.

(d) PERIOD FOR PROGRAM.—The demonstration program shall begin not later than 180 days after the date of the enactment of this Act and shall terminate on September 30, 2002.

(e) REPORTS.—(1) The Secretary of Defense shall submit an interim report on the demonstration program to the Committees on Armed Services of the Senate and the House of Representatives not later than December 1, 2001. The interim report shall contain, at a minimum, for each site of the demonstration program the following:

(A) A baseline assessment of the lost workday injury rate.

(B) A comparison of the lost workday injury rate for fiscal year 2000 with the lost workday injury rate for fiscal year 1999.

(C) The direct and indirect costs associated with all lost workday injuries.

(2) The Secretary of Defense shall submit a final report on the demonstration program to the Committees on Armed Services of the Senate and the House of Representatives not later than December 1, 2002. The final report

shall contain, at a minimum, for each site of the demonstration program the following:

(A) The Secretary's determination on the issue stated in subsection (b)(2).

(B) A comparison of the lost workday injury rate under the program with the baseline assessment of the lost workday injury rate.

(C) The lost workday injury rate for fiscal year 2002.

(D) A comparison of the direct and indirect costs associated with all lost workday injuries for fiscal year 2002 with the direct and indirect costs associated with all lost workday injuries for fiscal year 2001.

(f) FUNDING.—Of the amount authorized to be appropriated under section 301(5), $5,000,000 shall be available for the demonstration program under this section.

SEC. 1106. EMPLOYMENT AND COMPENSATION OF EMPLOYEES FOR TEMPORARY ORGANIZATIONS ESTABLISHED BY LAW OR EXECUTIVE ORDER.

(a) IN GENERAL.—Chapter 31 of title 5, United States Code, is amended by adding at the end the following new subchapter:

"SUBCHAPTER IV—TEMPORARY ORGANIZATIONS ESTABLISHED BY LAW OR EXECUTIVE ORDER

"§ 3161. Employment and compensation of employees

"(a) DEFINITION OF TEMPORARY ORGANIZATION.—For the purposes of this subchapter, the term 'temporary organization' means a commission, committee, board, or other organization that—

"(1) is established by law or Executive order for a specific period not in excess of 3 years for the purpose of performing a specific study or other project; and

"(2) is terminated upon the completion of the study or project or upon the occurrence of a condition related to the completion of the study or project.

"(b) EMPLOYMENT AUTHORITY.—(1) Notwithstanding the provisions of chapter 51 of this title, the head of an Executive agency may appoint persons to positions of employment in a temporary organization in such numbers and with such skills as are necessary for the performance of the functions required of a temporary organization.

"(2) The period of an appointment under paragraph (1) may not exceed three years, except that under regula-

tions prescribed by the Office of Personnel Management the period of appointment may be extended for up to an additional two years.

"(3) The positions of employment in a temporary organization are in the excepted service of the civil service.

"(c) DETAIL AUTHORITY.—Upon the request of the head of a temporary organization, the head of any department or agency of the Government may detail, on a nonreimbursable basis, any personnel of the department or agency to that organization to assist in carrying out its duties.

"(d) COMPENSATION.—(1) The rate of basic pay for an employee appointed under subsection (b) shall be established under regulations prescribed by the Office of Personnel Management without regard to the provisions of chapter 51 and subchapter III of chapter 53 of this title.

"(2) The rate of basic pay for the chairman, a member, an executive director, a staff director, or another executive level position of a temporary organization may not exceed the maximum rate of basic pay established for the Senior Executive Service under section 5382 of this title.

"(3) Except as provided in paragraph (4), the rate of basic pay for other positions in a temporary organization may not exceed the maximum rate of basic pay for

grade GS–15 of the General Schedule under section 5332 of this title.

"(4) The rate of basic pay for a senior staff position of a temporary organization may, in a case determined by the head of the temporary organization as exceptional, exceed the maximum rate of basic pay authorized under paragraph (3), but may not exceed the maximum rate of basic pay authorized for an executive level position under paragraph (2).

"(5) In this subsection, the term 'basic pay' includes locality pay provided for under section 5304 of this title.

"(e) TRAVEL EXPENSES.—An employee of a temporary organization, whether employed on a full-time or part-time basis, may be allowed travel and transportation expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of this title, while traveling away from the employee's regular place of business in the performance of services for the temporary organization.

"(f) BENEFITS.—(1) An employee appointed under subsection (b) shall be afforded the same benefits and entitlements as are provided other employees under subpart G of part III of this title, except that a full-time employee shall be eligible for life insurance under chapter 87 of this title and health benefits under chapter 89 of this title im-

mediately upon appointment to the position of full-time employment without regard to the duration of the temporary organization or of the appointment to that position of the temporary organization.

"(2) Until an employee of a temporary organization has completed one year of continuous service in the civil service, there shall be withheld from the employee's pay the following:

"(A) In the case of an employee insured pursuant to paragraph (1) by an insurance policy purchased by the Office under chapter 87 of this title, the amount equal to the amount of the Government contribution under section 8708 of this title, as well as the amount required to be withheld from the pay of the employee under section 8707 of this title, all of which shall be deposited in the Treasury of the United States to the credit of the Employees' Life Insurance Fund referred to in section 8714 of this title.

"(B) In the case of an employee participating pursuant to paragraph (1) in a Federal Employees Health Benefits plan under chapter 89 of this title, the amount equal to the amount of the Government contribution under section 8906 of this title, as well as the amount required to be withheld from the pay

of the employee under section 8906 of this title, all of which shall be paid into the Employees Health Benefits Fund referred to in section 8909 of this title.

"(3) No contribution shall be made by the United States for an employee under section 8708 or 8906 of this title for any period for which subparagraph (A) or (B), respectively, of paragraph (2) applies to the employee.

"(g) RETURN RIGHTS.—An employee serving under a career or career conditional appointment or the equivalent in an agency who transfers to or converts to an appointment in a temporary organization with the consent of the head of the agency is entitled to be returned to the employee's former position or a position of like seniority, status, and pay without grade or pay retention in the agency if the employee—

"(1) is being separated from the temporary organization for reasons other than misconduct, neglect of duty, or malfeasance; and

"(2) applies for return not later than 30 days before the earlier of—

"(A) the date of the termination of the employment in the temporary organization; or

"(B) the date of the termination of the temporary organization.

"(h) TEMPORARY AND INTERMITTENT SERVICES.—The head of a temporary organization may procure for the organization temporary and intermittent services under section 3109(b) of this title.

"(i) ACCEPTANCE OF VOLUNTEER SERVICES.—(1) The head of a temporary organization may accept volunteer services appropriate to the duties of the organization without regard to section 1342 of title 31.

"(2) Donors of voluntary services accepted for a temporary organization under this subsection may include the following:

"(A) Advisors.

"(B) Experts.

"(C) Members of the commission, committee, board, or other temporary organization, as the case may be.

"(D) A person performing services in any other capacity determined appropriate by the head of the temporary organization.

"(3) The head of the temporary organization—

"(A) shall ensure that each person performing voluntary services accepted under this subsection is notified of the scope of the voluntary services accepted;

"(B) shall supervise the volunteer to the same extent as employees receiving compensation for similar services; and

"(C) shall ensure that the volunteer has appropriate credentials or is otherwise qualified to perform in each capacity for which the volunteer's services are accepted.

"(4) A person providing volunteer services accepted under this subsection shall be considered an employee of the Federal Government in the performance of those services for the purposes of the following provisions of law:

"(A) Chapter 81 of this title, relating to compensation for work-related injuries.

"(B) Chapter 171 of title 28, relating to tort claims.

"(C) Chapter 11 of title 18, relating to conflicts of interest.".

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

"SUBCHAPTER IV—TEMPORARY ORGANIZATIONS ESTABLISHED BY LAW OR EXECUTIVE ORDER

"Sec.
"3161. Employment and compensation of employees.".

SEC. 1107. EXTENSION OF AUTHORITY FOR VOLUNTARY SEPARATIONS IN REDUCTIONS IN FORCE.

Section 3502(f)(5) of title 5, United States Code, is amended by striking ''September 30, 2001'' and inserting ''September 30, 2005''.

SEC. 1108. ELECTRONIC MAINTENANCE OF PERFORMANCE APPRAISAL SYSTEMS.

Section 4302 of title 5, United States Code, is amended by adding at the end the following:

''(c) The head of an agency may administer and maintain its performance appraisal systems electronically in accordance with regulations which the Office shall prescribe.''.

SEC. 1109. APPROVAL AUTHORITY FOR CASH AWARDS IN EXCESS OF $10,000.

Section 4502 of title 5, United States Code, is amended by adding at the end the following:

''(f) The Secretary of Defense may grant a cash award under subsection (b) of this section without regard to the requirements for certification and approval provided in that subsection.''.

SEC. 1110. LEAVE FOR CREWS OF CERTAIN VESSELS.

Section 6305(c)(2) of title 5, United States Code, is amended to read as follows:

''(2) may not be made the basis for a lump-sum payment, except that civil service mariners of the

Military Sealift Command on temporary promotion aboard ship may be paid the difference between their temporary and permanent rates of pay for leave accrued and not otherwise used during the temporary promotion upon the expiration or termination of the temporary promotion; and''.

SEC. 1111. LIFE INSURANCE FOR EMERGENCY ESSENTIAL DEPARTMENT OF DEFENSE EMPLOYEES.

Section 8702 of title 5, United States Code, is amended by adding at the end the following new subsection:

''(c) Notwithstanding a notice previously given under subsection (b), an employee of the Department of Defense who is designated as an emergency essential employee under section 1580 of title 10 shall be insured if the employee, within 60 days after the date of the designation, elects to be insured under a policy of insurance under this chapter. An election under the preceding sentence shall be effective when provided to the Office in writing, in the form prescribed by the Office, within such 60-day period.''.

SEC. 1112. CIVILIAN PERSONNEL SERVICES PUBLIC-PRIVATE COMPETITION PILOT PROGRAM.

(a) PROGRAM REQUIRED.—The Secretary of Defense shall establish a pilot program to assess the extent to

which the effectiveness and efficiency of the performance of civilian personnel services for the Department of Defense could be increased by conducting competitions for the performance of such services between the public and private sectors. The pilot program under this section shall be known as the ''Civilian Personnel Services Public-Private Competition Program''.

(b) CIVILIAN PERSONNEL REGIONS TO BE INCLUDED.—(1) The pilot program shall be carried out in four civilian personnel regions, as follows:

(A) In one region, for the civilian personnel services for the Department of the Army.

(B) In two regions, for the civilian personnel services for the Department of the Navy.

(C) In one region, for the civilian personnel services for any military department or for any organization within the Department of Defense that is not within a military department.

(2) The Secretary shall designate the regions to participate in the pilot program. The Secretary shall select the regions for designation from among the regions where the conduct of civilian personnel operations are most conducive to public-private competition. In making the selections, the Secretary shall consult with the Secretary of the

Army, the Secretary of the Navy, and the Director of Washington Headquarters Services.

(c) RIGHT OF FIRST REFUSAL FOR DISPLACE FEDERAL EMPLOYEES.—The Secretary of Defense shall take the actions necessary to ensure that, in the case of a conversion to private sector performance under the pilot program, employees of the United States who are displaced by the conversion have the right of first refusal for jobs for which they are qualified that are created by the conversion.

(d) DURATION AND COVERAGE OF THE PROGRAM.—The pilot program shall be carried out during the period beginning on October 1, 2000, and ending on December 31, 2004.

(e) AUTHORITY TO EXPAND PROGRAM.—The Secretary may expand the pilot program to include other regions.

(f) REPORT.—Not later than February 1, 2005, the Secretary shall submit a report on the pilot program to the Committees on Armed Services of the Senate and the House of Representatives. The report shall include the following:

(1) The Secretary's assessment of the value of the actions taken in the administration of the pilot program for increasing the effectiveness and effi-

ciency of the performance of civilian personnel services for the Department of Defense in the regions covered by the pilot program, as compared to the performance of civilian personnel services for the department in regions not included in the pilot program.

(2) Any recommendations for legislation or other action that the Secretary considers appropriate to increase the effectiveness and efficiency of the performance of civilian personnel services for the Department of Defense in all regions.

SEC. 1113. EXTENSION, EXPANSION, AND REVISION OF AUTHORITY FOR EXPERIMENTAL PERSONNEL PROGRAM FOR SCIENTIFIC AND TECHNICAL PERSONNEL.

(a) EXTENSION OF PROGRAM.—Section 1101 of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (Public Law 105–261; 112 Stat. 2139; 5 U.S.C. 3104 note) is amended—

(1) in subsection (a), by striking ''the 5-year period beginning on the date of the enactment of this Act'' and inserting ''the program period specified in subsection (e)(1)'';

(2) in subsection (e), by striking paragraph (1) and inserting the following:

"(1) The period for carrying out the program authorized under this section begins on October 17, 1998, and ends on October 16, 2005."; and

(3) in subsection (f), by striking "on the day before the termination of the program" and inserting "on the last day of the program period specified in subsection (e)(1)".

(b) EXPANSION OF SCOPE.—Subsection (a) of such section, as amended by subsection (a)(1) of this section, is further amended by inserting before the period at the end the following: "and research and development projects administered by laboratories designated for the program by the Secretary from among the laboratories of each of the military departments".

(c) LIMITATION ON NUMBER OF APPOINTMENTS.—Subsection (b)(1) of such section is amended to read as follows:

"(1) without regard to any provision of title 5, United States Code, governing the appointment of employees in the civil service, appoint scientists and engineers from outside the civil service and uniformed services (as such terms are defined in section 2101 of such title) to—

"(A) not more than 40 scientific and engineering positions in the Defense Advanced Research Projects Agency;

"(B) not more than 40 scientific and engineering positions in the designated laboratories of each of the military services; and

"(C) not more than a total of 10 scientific and engineering positions in the National Imagery and Mapping Agency and the National Security Agency.".

(d) RATES OF PAY FOR APPOINTEES.—Subsection (b)(2) of such section is amended by inserting after "United States Code," the following: "as increased by locality-based comparability payments under section 5304 of such title,".

(e) COMMENSURATE EXTENSION OF REQUIREMENT FOR ANNUAL REPORT.—Subsection (g) of such section is amended by striking "2004" and inserting "2006".

(f) AMENDMENT OF SECTION HEADING.—The heading for such section is amended to read as follows:

"SEC. 1101. EXPERIMENTAL PERSONNEL PROGRAM FOR SCIENTIFIC AND TECHNICAL PERSONNEL.".

SEC. 1114. CLARIFICATION OF PERSONNEL MANAGEMENT AUTHORITY UNDER A PERSONNEL DEMONSTRATION PROJECT.

Section 342(b) of the National Defense Authorization Act for Fiscal Year 1995 is amended—

(1) by striking the last sentence of paragraph (4); and

(2) by adding at the end the following:

''(5) The employees of a laboratory covered by a personnel demonstration project under this section shall be managed by the director of the laboratory subject to the supervision of the Under Secretary of Defense for Acquisition, Technology, and Logistics. Notwithstanding any other provision of law, the director of the laboratory is authorized to appoint individuals to positions in the laboratory, and to fix the compensation of such individuals for service in those positions, under the demonstration project without the review or approval of any official or agency other than the Under Secretary.''.

SEC. 1115. EXTENSION OF AUTHORITY FOR VOLUNTARY SEPARATIONS IN REDUCTIONS IN FORCE.

Section 3502(f)(5) of title 5, United States Code, is amended by striking ''September 30, 2001'' and inserting ''September 30, 2005''.

SEC. 1116. EXTENSION, REVISION, AND EXPANSION OF AUTHORITIES FOR USE OF VOLUNTARY SEPARATION INCENTIVE PAY AND VOLUNTARY EARLY RETIREMENT.

(a) EXTENSION OF AUTHORITY.—Subsection (e) of section 5597 of title 5, United States Code, is amended by striking ''September 30, 2003'' and inserting ''September 30, 2005''.

(b) REVISION AND ADDITION OF PURPOSES FOR DEPARTMENT OF DEFENSE VSIP.—Subsection (b) of such section is amended by inserting after ''transfer of function,'' the following: ''restructuring of the workforce (to meet mission needs, achieve one or more strength reductions, correct skill imbalances, or reduce the number of high-grade, managerial, or supervisory positions in accordance with the strategic plan required under section 1118 of the National Defense Authorization Act for Fiscal Year 2001),''.

(c) ELIGIBILITY.—Subsection (c) of such section is amended—

(1) in paragraph (2), by inserting ''objective and nonpersonal'' after ''similar''; and

(2) by adding at the end the following:

''A determination of which employees are within the scope of an offer of separation pay shall be made only on the

basis of consistent and well-documented application of the relevant criteria.''.

(d) INSTALLMENT PAYMENTS.—Subsection (d) of such section is amended—

(1) by striking paragraph (1) and inserting the following:

''(1) shall be paid in a lump-sum or in installments;'';

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

(3) by striking the period at the end of paragraph (4) and inserting ''; and''; and

(4) by adding at the end the following:

''(5) if paid in installments, shall cease to be paid upon the recipient's acceptance of employment by the Federal Government, or commencement of work under a personal services contract, as described in subsection (g)(1).''.

(e) APPLICABILITY OF REPAYMENT REQUIREMENT TO REEMPLOYMENT UNDER PERSONAL SERVICES CONTRACTS.—Subsection (g)(1) of such section is amended by inserting after ''employment with the Government of the United States'' the following: '', or who commences work for an agency of the United States through a personal services contract with the United States,''.

SEC. 1117. 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, before October 1, 2005, is separated from the service after completing 25 years of service or after becoming 50 years of age and completing 20 years of service is entitled to an immediate annuity under this subchapter if the employee is eligible for the annuity under paragraph (2) or (3).

''(2)(A) An employee referred to in paragraph (1) is eligible for an immediate annuity under this paragraph if the employee—

''(i) is separated from the service involuntarily other than for cause; and

''(ii) has not declined a reasonable offer of another position in the Department of Defense for which the employee is qualified, which is not lower than 2 grades (or pay levels) below the employee's grade (or pay level), and which is within the employee's commuting area.

"(B) For the purposes of paragraph (2)(A)(i), a separation for failure to accept a directed reassignment to a position outside the commuting area of the employee concerned or to accompany a position outside of such area pursuant to a transfer of function may not be considered to be a removal for cause.

"(3) An employee referred to in paragraph (1) is eligible for an immediate annuity under this paragraph if the employee satisfies all of the following conditions:

"(A) The employee is separated from the service voluntarily during a period in which the organization within the Department of Defense in which the employee is serving is undergoing a major organizational adjustment.

"(B) The employee has been employed continuously by the Department of Defense for more than 30 days before the date on which the head of the employee's organization requests the determinations required under subparagraph (A).

"(C) The employee is serving under an appointment that is not limited by time.

"(D) The employee is not in receipt of a decision notice of involuntary separation for misconduct or unacceptable performance.

"(E) The employee is within the scope of an offer of voluntary early retirement, as defined on the basis of one or more of the following objective criteria:

"(i) One or more organizational units.

"(ii) One or more occupational groups, series, or levels.

"(iii) One or more geographical locations.

"(iv) Any other similar objective and nonpersonal criteria that the Office of Personnel Management determines appropriate.

"(4) Under regulations prescribed by the Office of Personnel Management, the determinations of whether an employee meets—

"(A) the requirements of subparagraph (A) of paragraph (3) shall be made by the Office, upon the request of the Secretary of Defense; and

"(B) the requirements of subparagraph (E) of such paragraph shall be made by the Secretary of Defense.

"(5) A determination of which employees are within the scope of an offer of early retirement shall be made only on the basis of consistent and well-documented application of the relevant criteria.

"(6) In this subsection, the term 'major organizational adjustment' means any of the following:

"(A) A major reorganization.

"(B) A major reduction in force.

"(C) A major transfer of function.

"(D) A workforce restructuring—

"(i) to meet mission needs;

"(ii) to achieve one or more reductions in strength;

"(iii) to correct skill imbalances; or

"(iv) to reduce the number of high-grade, managerial, supervisory, or similar positions.".

(b) FEDERAL EMPLOYEES' RETIREMENT SYSTEM.—Section 8414 of such title is amended—

(1) in subsection (b)(1)(B), by 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, before October 1, 2005, is separated from the service after completing 25 years of service or after becoming 50 years of age and completing 20 years of service is entitled to an immediate annuity under this subchapter if the employee is eligible for the annuity under paragraph (2) or (3).

"(2)(A) An employee referred to in paragraph (1) is eligible for an immediate annuity under this paragraph if the employee—

"(i) is separated from the service involuntarily other than for cause; and

"(ii) has not declined a reasonable offer of another position in the Department of Defense for which the employee is qualified, which is not lower than 2 grades (or pay levels) below the employee's grade (or pay level), and which is within the employee's commuting area.

"(B) For the purposes of paragraph (2)(A)(i), a separation for failure to accept a directed reassignment to a position outside the commuting area of the employee concerned or to accompany a position outside of such area pursuant to a transfer of function may not be considered to be a removal for cause.

"(3) An employee referred to in paragraph (1) is eligible for an immediate annuity under this paragraph if the employee satisfies all of the following conditions:

"(A) The employee is separated from the service voluntarily during a period in which the organization within the Department of Defense in which the employee is serving is undergoing a major organizational adjustment.

"(B) The employee has been employed continuously by the Department of Defense for more than 30 days before the date on which the head of the employee's organization requests the determinations required under subparagraph (A).

"(C) The employee is serving under an appointment that is not limited by time.

"(D) The employee is not in receipt of a decision notice of involuntary separation for misconduct or unacceptable performance.

"(E) The employee is within the scope of an offer of voluntary early retirement, as defined on the basis of one or more of the following objective criteria:

"(i) One or more organizational units.

"(ii) One or more occupational groups, series, or levels.

"(iii) One or more geographical locations.

"(iv) Any other similar objective and nonpersonal criteria that the Office of Personnel Management determines appropriate.

"(4) Under regulations prescribed by the Office of Personnel Management, the determinations of whether an employee meets—

"(A) the requirements of subparagraph (A) of paragraph (3) shall be made by the Office upon the request of the Secretary of Defense; and

"(B) the requirements of subparagraph (E) of such paragraph shall be made by the Secretary of Defense.

"(5) A determination of which employees are within the scope of an offer of early retirement shall be made only on the basis of consistent and well-documented application of the relevant criteria.

"(6) In this subsection, the term 'major organizational adjustment' means any of the following:

"(A) A major reorganization.

"(B) A major reduction in force.

"(C) A major transfer of function.

"(D) A workforce restructuring—

"(i) to meet mission needs;

"(ii) to achieve one or more reductions in strength;

"(iii) to correct skill imbalances; or

"(iv) to reduce the number of high-grade, managerial, supervisory, or similar positions.".

(c) CONFORMING AMENDMENTS.—(1) Section 8339(h) of such title is amended by striking out "or (j)" in the first sentence and inserting "(j), or (o)".

(2) Section 8464(a)(1)(A)(i) of such title is amended by striking out ''or (b)(1)(B)'' and '', (b)(1)(B), or (d)''.

(d) EFFECTIVE DATE; APPLICABILITY.—The amendments made by this section—

(1) shall take effect on October 1, 2000; and

(2) shall apply with respect to an approval for voluntary early retirement made on or after that date.

SEC. 1118. RESTRICTIONS ON PAYMENTS FOR ACADEMIC TRAINING.

(a) SOURCES OF POSTSECONDARY EDUCATION.—Subsection (a) of section 4107 of title 5, United States Code, is amended—

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

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

(3) by adding at the end the following:

''(3) any course of postsecondary education that is administered or conducted by an institution not accredited by a national or regional accrediting body (except in the case of a course or institution for which standards for accrediting do not exist or are determined by the head of the employee's agency as being inappropriate), regardless of whether the

course is provided by means of classroom instruction, electronic instruction, or otherwise.''.

(b) WAIVER OF RESTRICTION ON DEGREE TRAINING.—Subsection (b)(1) of such section is amended by striking ''if necessary'' and all that follows through the end and inserting ''if the training provides an opportunity for an employee of the agency to obtain an academic degree pursuant to a planned, systematic, and coordinated program of professional development approved by the head of the agency.''.

(c) CONFORMING AND CLERICAL AMENDMENTS.—The heading for such section is amended to read as follows:

''§ 4107. Restrictions''.

(3) The item relating to such section in the table of sections at the beginning of chapter 41 of title 5, United States Code, is amended to read as follows:

''4107. Restrictions.''.

SEC. 1119. STRATEGIC PLAN.

(a) REQUIREMENT FOR PLAN.—Not later than six months after the date of the enactment of this Act, and before exercising any of the authorities provided or extended by the amendments made by sections 1115 through 1117, the Secretary of Defense shall submit to the appropriate committees of Congress a strategic plan for the exercise of such authorities. The plan shall include an esti-

mate of the number of Department of Defense employees that would be affected by the uses of authorities as described in the plan.

(b) CONSISTENCY WITH DOD PERFORMANCE AND REVIEW STRATEGIC PLAN.—The strategic plan submitted under subsection (a) shall be consistent with the strategic plan of the Department of Defense that is in effect under section 306 of title 5, United States Code.

(c) APPROPRIATE COMMITTEES.—For the purposes of this section, the appropriate committees of Congress are as follows:

(1) The Committee on Armed Services and the Committee on Governmental Affairs of the Senate.

(2) The Committee on Armed Services and the Committee on Government Reform of the House of Representatives.

TITLE XII—MATTERS RELATING TO OTHER NATIONS

SEC. 1201. AUTHORITY TO TRANSFER NAVAL VESSELS TO CERTAIN FOREIGN COUNTRIES.

(a) AUTHORITY TO TRANSFER.—

(1) AUSTRALIA.—The Secretary of the Navy is authorized to transfer to the Government of Australia the ''KIDD'' class guided missile destroyers KIDD (DDG 993), CALLAGHAN (DDG 994),

SCOTT (DDG 995), and CHANDLER (DDG 996). Each such transfer shall be on a combined lease-sale basis under sections 61 and 21 of the Arms Export Control Act (22 U.S.C. 2796 and 2761).

(2) BRAZIL.—The Secretary of the Navy is authorized to transfer to the Government of Brazil the ''THOMASTON'' class dock landing ships ALAMO (LSD 33) and HERMITAGE (LSD 34), and the ''GARCIA'' class frigates BRADLEY (FF 1041), DAVIDSON (FF 1045), SAMPLE (FF 1048) and ALBERT DAVID (FF 1050). Each such transfer shall be on a grant basis under section 516 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j).

(3) CHILE.—The Secretary of the Navy is authorized to transfer to the Government of Chile the ''OLIVER HAZARD PERRY'' class guided missile frigates WADSWORTH (FFG 9), and ESTOCIN (FFG 15). Each such transfer shall be on a combined lease-sale basis under sections 61 and 21 of the Arms Export Control Act (22 U.S.C. 2796 and 2761).

(4) EGYPT.—The Secretary of the Navy is authorized to transfer to the Government of Egypt the ''DIXIE'' class destroyer tender YOSEMITE (AD 19). The transfer shall be on a grant basis under

section 516 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j).

(5) GREECE.—The Secretary of the Navy is authorized to transfer to the Government of Greece the ''KNOX'' class frigates VREELAND (FF 1068) and TRIPPE (FF 1075). Each such transfer shall be on a grant basis under section 516 of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j).

(6) TURKEY.—(A) The Secretary of the Navy is authorized to transfer to the Government of Turkey the ''OLIVER HAZARD PERRY'' class guided missile frigates JOHN A. MOORE (FFG 19) and FLATLEY (FFG 21). Each transfer under the authority of this subsection shall be on a combined lease-sale basis under sections 61 and 21 of the Arms Export Control Act (22 U.S.C. 2796 and 2761).

(B) The authority provided under subparagraph (A) is in addition to the authority provided under section 1018(a)(9) of Public Law 106–65 (113 Stat. 745) for the Secretary of the Navy to transfer such vessels to the Government of Turkey on a sale basis under section 21 of the Arms Export Control Act (22 U.S.C. 2761).

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

(c) COSTS OF TRANSFERS.—Any expense incurred by the United States in connection with a transfer authorized by this section shall be charged to the recipient (notwithstanding section 516(e)(1) of the Foreign Assistance Act of 1961 (22 U.S.C. 2321j(e)(1)) in the case of a transfer authorized to be made on a grant basis under subsection (a)).

(d) REPAIR AND REFURBISHMENT IN UNITED STATES SHIPYARDS.—To the maximum extent practicable, 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.

(e) CONDITIONS RELATING TO COMBINED LEASE-SALE TRANSFERS.—A transfer of a vessel on a combined lease-sale basis authorized by subsection (a) shall be made in accordance with the following requirements:

(1) The Secretary of the Navy may initially transfer the vessel by lease, with lease payments suspended for the term of the lease, if the country entering into the lease for the vessel simultaneously enters into a foreign military sales agreement for the transfer of title to the vessel.

(2) The Secretary may not deliver to the purchasing country title to the vessel until the purchase price of the vessel under such a foreign military sales agreement is paid in full.

(3) Upon payment of the purchase price in full under such a sales agreement and delivery of title to the recipient country, the Secretary shall terminate the lease.

(4) If the purchasing country fails to make full payment of the purchase price in accordance with the sales agreement by the date required under the sales agreement—

(A) the sales agreement shall be immediately terminated;

(B) the suspension of lease payments under the lease shall be vacated; and

(C) the United States shall be entitled to 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.

(5) If a sales agreement is terminated pursuant to paragraph (4), the United States shall not be required to pay any interest to the recipient country on any amount paid to the United States by the recipient country under the sales agreement and not retained by the United States under the lease.

(f) AUTHORIZATION OF APPROPRIATIONS FOR COSTS OF LEASE-SALE TRANSFERS.—There is hereby authorized to be appropriated into the Defense Vessels Transfer Program Account such sums as may be necessary for paying the costs (as defined in section 502 of the Congressional Budget Act of 1974 (2 U.S.C. 661a)) of the lease-sale transfers authorized by subsection (a). Amounts so appropriated shall be available only for the purpose of paying those costs.

(g) EXPIRATION OF AUTHORITY.—The authority provided under subsection (a) shall expire at the end of the

two-year period beginning on the date of the enactment of this Act.

SEC. 1202. SUPPORT OF UNITED NATIONS-SPONSORED EFFORTS TO INSPECT AND MONITOR IRAQI WEAPONS ACTIVITIES.

(a) LIMITATION ON AMOUNT OF ASSISTANCE IN FISCAL YEAR 2001.—The total amount of the assistance for fiscal year 2001 that is provided by the Secretary of Defense under section 1505 of the Weapons of Mass Destruction Control Act of 1992 (22 U.S.C. 5859a) as activities of the Department of Defense in support of activities under that Act may not exceed $15,000,000.

(b) EXTENSION OF AUTHORITY TO PROVIDE ASSISTANCE.—Subsection (f) of section 1505 of the Weapons of Mass Destruction Control Act of 1992 (22 U.S.C. 5859a) is amended by striking ''2000'' and inserting ''2001''.

SEC. 1203. REPEAL OF RESTRICTION PREVENTING COOPERATIVE AIRLIFT SUPPORT THROUGH ACQUISITION AND CROSS-SERVICING AGREEMENTS.

Section 2350c of title 10, United States Code, is amended—

(1) by striking subsection (d); and

(2) by redesignating subsection (e) as subsection (d).

SEC. 1204. WESTERN HEMISPHERE INSTITUTE FOR PROFESSIONAL EDUCATION AND TRAINING.

(a) IN GENERAL.—Chapter 108 of title 10, United States Code, is amended by adding at the end the following:

"§ 2166. Western Hemisphere Institute for Professional Education and Training

''(a) ESTABLISHMENT AND ADMINISTRATION.—(1) The Secretary of Defense may operate an education and training facility for the purpose set forth in subsection (b). The facility may be called the Western Hemisphere Institute for Professional Education and Training.

''(2) The Secretary may designate the Secretary of a military department as the Department of Defense executive agent for carrying out the responsibilities of the Secretary of Defense under this section.

''(b) PURPOSE.—The purpose of the Institute is to provide professional education and training to eligible personnel of the Western Hemisphere within the context of the democratic principles set forth in the Charter of the Organization of American States and supporting agreements, while fostering mutual knowledge, transparency, confidence, and cooperation among the participating nations and promoting democratic values, respect for human rights, and knowledge and understanding of United States customs and traditions.

"(c) ELIGIBLE PERSONNEL.—(1) Subject to paragraph (2), personnel of the Western Hemisphere are eligible for education and training at the Institute as follows:

"(A) Military personnel.

"(B) Law enforcement personnel.

"(C) Civilians, whether or not employed by a government of the Western Hemisphere.

"(2) The selection of foreign personnel for education or training at the Institute is subject to the approval of the Secretary of State.

"(d) CURRICULUM.—(1) The curriculum of the Institute shall include mandatory instruction for each student, for at least 8 hours, on human rights, the rule of law, due process, civilian control of the military, and the role of the military in a democratic society.

"(2) The curriculum may include instruction and other educational and training activities on the following:

"(A) Leadership development.

"(B) Counterdrug operations.

"(C) Peace support operations.

"(D) Disaster relief.

"(E) Any other matters that the Secretary determines appropriate.

"(e) BOARD OF VISITORS.—(1) There shall be a Board of Visitors for the Institute. The Board shall be composed of the following:

"(A) Two members of the Senate designated by the President pro tempore of the Senate.

"(B) Two members of the House of Representatives designated by the Speaker of the House of Representatives.

"(C) Six persons designated by the Secretary of Defense including, to the extent practicable, at least one member from academia, one member from the religious community, and one member from the human rights community.

"(D) One person designated by the Secretary of State.

"(E) For each of the armed forces, the senior military officer responsible for training and doctrine or a designee of that officer.

"(F) The Commander in Chief of the United States Southern Command or a designee of that officer.

"(2) The members of the Board shall serve for 2 years except for the members referred to in subparagraphs (A) and (B) of paragraph (1) who may serve until a successor is designated.

"(3) A vacancy in a position of membership on the Board shall be filled in the same manner as the position was originally filled.

"(4) The Board shall meet at least once each year.

"(5)(A) The Board shall inquire into the curriculum, instruction, physical equipment, fiscal affairs, academic methods, and other matters relating to the Institute that the Board decides to consider.

"(B) The Board shall review the curriculum of the Institute to determine whether—

"(i) the curriculum complies with applicable United States laws and regulations;

"(ii) the curriculum is consistent with United States policy goals toward Latin America and the Caribbean;

"(iii) the curriculum adheres to current United States doctrine; and

"(iv) the instruction under the curriculum appropriately emphasizes the matters described in subsection (d)(1).

"(6) Not later than 60 days after its annual meeting, the Board shall submit to the Secretary of Defense a written report of its action and of its views and recommendations pertaining to the Institute.

"(7) Members of the Board may not be compensated for service on the Board. In the case of officers or employees of the United States serving on the Board as part of their official duties, compensation paid to the members as officers or employees of the United States shall not be considered compensation for service on the Board.

"(8) With the approval of the Secretary of Defense, the Board may accept and use the services of voluntary and noncompensated advisers appropriate to the duties of the Board without regard to section 1342 of title 31.

"(9) Members of the Board and advisers whose services are accepted under paragraph (8) shall be allowed travel and transportation expenses, including per diem in lieu of subsistence, while away from their homes or regular places of business in the performance of services for the Board. Allowances under this paragraph shall be computed—

"(A) in the case of members of the Board who are officers or employees of the United States, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5; and

"(B) in the case of other members of the Board and advisers, as authorized under section 5703 of title 5 for employees serving without pay.

"(10) The Federal Advisory Committee Act (5 U.S.C. App. 2), other than section 14 (relating to termination after two years), shall apply to the Board.

"(f) FIXED COSTS.—The fixed costs of operating and maintaining the Institute—

"(1) may be paid from funds available to the Army for operation and maintenance; and

"(2) may not be paid out of the proceeds of tuition fees charged for professional education and training at the Institute.

"(g) ANNUAL REPORT.—Not later than March 15 of each year, the Secretary of Defense shall submit to Congress a detailed report on the activities of the Institute during the preceding year. The Secretary shall coordinate the preparation of the report with the heads of department and agencies of the United States that have official interests in the activities of the Institute, as determined by the Secretary.".

(b) REPEAL OF AUTHORITY FOR UNITED STATES ARMY SCHOOL OF THE AMERICAS.—Section 4415 of title 10, United States Code, is repealed.

(c) CLERICAL AMENDMENTS.—(1) The table of sections at the beginning of chapter 108 of title 10, United States Code, is amended by inserting after the item relating to section 2165 the following:

"2166. Western Hemisphere Institute for Professional Education and Training.".

(2) The table of sections at the beginning of chapter 407 of such title is amended by striking the item relating to section 4415.

SEC. 1205. BIANNUAL REPORT ON KOSOVO PEACEKEEPING.

(a) REQUIREMENT FOR PERIODIC REPORT.—Beginning on December 1, 2000, and every six months thereafter, the President shall submit to the congressional defense committees, the Committee on Foreign Relations of the Senate, and the Committee on International Relations of the House of Representatives a report on the contributions of European nations and organizations to the peacekeeping operations in Kosovo.

(b) CONTENT OF REPORT.—Each report shall contain detailed information on the following:

(1) The commitments and pledges made by the European Commission, the member nations of the European Union, and the European member nations of the North Atlantic Treaty Organization for reconstruction assistance in Kosovo, humanitarian assistance in Kosovo, the Kosovo Consolidated Budget, police (including special police) for the United Nations international police force for Kosovo, and military personnel for peacekeeping operations in Kosovo.

(2) The amount of the assistance that has been provided in each category, and the number of police and military personnel that have been deployed to Kosovo, by each such organization or nation.

(3) The full range of commitments and responsibilities that have been undertaken for Kosovo by the United Nations, the European Union, and the Organization for Security and Cooperation in Europe (OSCE), the progress made by those organizations in fulfilling those commitments and responsibilities, an assessment of the tasks that remain to be accomplished, and an anticipated schedule for completing those tasks.

SEC. 1206. MUTUAL ASSISTANCE FOR MONITORING TEST EXPLOSIONS OF NUCLEAR DEVICES.

(a) AUTHORITY.—Subchapter II of chapter 138 of title 10, United States Code, is amended by adding at the end the following new section:

"§ 2350l. Mutual assistance for monitoring test explosions of nuclear devices

''(a) ACCEPTANCE OF CONTRIBUTIONS.—(1) The Secretary of Defense may accept funds, services, or property from a foreign government, an international organization, or any other entity for a purpose described in paragraph (2).

"(2) Contributions accepted under paragraph (1) may be used only for the development, procurement, installation, operation, repair, or maintenance of equipment for monitoring test explosions of nuclear devices, or for communications relating to the operation of such equipment. The equipment may be installed and used on United States territory, foreign territory (including Antarctica), or in international waters.

"(3) Any funds accepted under paragraph (1) shall be deposited in an account established by the Secretary for use for the purposes described in paragraph (2), and shall be available, without fiscal year limitation, for use by Department of Defense officials authorized by the Secretary of Defense for contracts, grants, or other forms of acquisition for such purposes.

"(b) AUTHORITY TO PROVIDE MONITORING ASSISTANCE.—(1) To satisfy obligations of the United States to monitor test explosions of nuclear devices, the Secretary of Defense may provide a foreign government with assistance for the monitoring of such tests, but only in accordance with an agreement satisfying the requirements of paragraph (3).

"(2) The assistance authorized under paragraph (1) is as follows:

"(A) A loan or conveyance of—

"(i) equipment for monitoring test explosions of nuclear devices; and

"(ii) associated equipment.

"(B) The installation of such equipment on foreign territory or in international waters.

"(3) Assistance for a foreign government under this subsection shall be subject to an agreement entered into between the United States and the foreign government that ensures the following:

"(A) That the Secretary has timely access to data that is produced, collected, or generated by equipment loaned or conveyed to the foreign government under the agreement.

"(B) That the Secretary—

"(i) has access to that equipment for purposes of inspecting, testing, maintaining, repairing, or replacing the equipment; and

"(ii) may take such actions as are necessary to meet United States obligations to inspect, test, maintain, repair, or replace the equipment.

"(c) DELEGATION.—The Secretary may delegate authority to carry out subsection (a) or (b) only to the Under Secretary of Defense for Acquisition, Technology, and Lo-

gistics or the Secretary of the Air Force. Authority so delegated may be further delegated.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of subchapter II of such chapter is amended by inserting after the item relating to section 2350k the following new item:

''2350l. Mutual assistance for monitoring test explosions of nuclear devices.''.

SEC. 1207. ANNUAL REPORT ON ACTIVITIES AND ASSISTANCE UNDER COOPERATIVE THREAT REDUCTION PROGRAMS.

(a) ANNUAL REPORT CONSOLIDATING DISPARATE REPORT REQUIREMENTS.—(1) Chapter 23 of title 10, United States Code, is amended by adding at the end the following new section:

''§ 488. Annual report on activities and assistance under Cooperative Threat Reduction programs

''(a) ANNUAL REPORT.—In any year in which the budget of the President under section 1105 of title 31 for the fiscal year beginning in such year requests funds for the Department of Defense for assistance or activities under Cooperative Threat Reduction programs with the states of the former Soviet Union, the Secretary of Defense shall submit to Congress a report on activities and assistance during the preceding fiscal year under Coopera-

tive Threat Reduction programs setting forth the matters in subsection (c).

"(b) DEADLINE FOR REPORT.—The report under subsection (a) shall be submitted not later than the first Monday in February of a year.

"(c) MATTERS TO BE INCLUDED.—The report under subsection (a) in a year shall set forth the following:

"(1) An estimate of the total amount that will be required to be expended by the United States in order to achieve the objectives of the Cooperative Threat Reduction programs.

"(2) A five-year plan setting forth the amount of funds and other resources proposed to be provided by the United States for Cooperative Threat Reduction programs over the term of the plan, including the purpose for which such funds and resources will be used, and to provide guidance for the preparation of annual budget submissions with respect to Cooperative Threat Reduction programs.

"(3) A description of the Cooperative Threat Reduction activities carried out during the fiscal year ending in the year preceding the year of the report, including—

"(A) the amounts notified, obligated, and expended for such activities and the purposes

for which such amounts were notified, obligated, and expended for such fiscal year and cumulatively for Cooperative Threat Reduction programs;

''(B) a description of the participation, if any, of each department and agency of the United States Government in such activities;

''(C) a description of such activities, including the forms of assistance provided;

''(D) a description of the United States private sector participation in the portion of such activities that were supported by the obligation and expenditure of funds for Cooperative Threat Reduction programs; and

''(E) such other information as the Secretary of Defense considers appropriate to inform Congress fully of the operation of Cooperative Threat Reduction programs and activities, including with respect to proposed demilitarization or conversion projects, information on the progress toward demilitarization of facilities and the conversion of the demilitarized facilities to civilian activities.

''(4) A description of the audits, examinations, and other efforts, such as on-site inspections, con-

ducted by the United States during the fiscal year ending in the year preceding the year of the report to ensure that assistance provided under Cooperative Threat Reduction programs is fully accounted for and that such assistance is being used for its intended purpose, including a description of—

"(A) if such assistance consisted of equipment, a description of the current location of such equipment and the current condition of such equipment;

"(B) if such assistance consisted of contracts or other services, a description of the status of such contracts or services and the methods used to ensure that such contracts and services are being used for their intended purpose;

"(C) a determination whether the assistance described in subparagraphs (A) and (B) has been used for its intended purpose; and

"(D) a description of the audits, examinations, and other efforts planned to be carried out during the fiscal year beginning in the year of the report to ensure that Cooperative Threat Reduction assistance provided during such fis-

cal year is fully accounted for and is used for its intended purpose.

"(5) A current description of the tactical nuclear weapons arsenal of Russia, including—

"(A) an estimate of the current types, numbers, yields, viability, locations, and deployment status of the nuclear warheads in that arsenal;

"(B) an assessment of the strategic relevance of such warheads;

"(C) an assessment of the current and projected threat of theft, sale, or unauthorized use of such warheads; and

"(D) a summary of past, current, and planned United States efforts to work cooperatively with Russia to account for, secure, and reduce Russia's stockpile of tactical nuclear warheads and associated fissile materials.

"(d) INPUT OF DCI.—The Director of Central Intelligence shall submit to the Secretary of Defense the views of the Director on any matters covered by subsection (b)(5) in a report under this section. Such views shall be included in such report as a classified annex to such report.

"(e) COMPTROLLER GENERAL ASSESSMENT.—Not later than 60 days after the date on which a report is submitted to Congress under subsection (a), the Comptroller General shall submit to Congress a report setting forth the Comptroller General's assessment of the report under subsection (a), including any recommendations regarding the report under subsection (a) that the Comptroller General considers appropriate.".

(2) The table of sections at the beginning of chapter 23 of such title is amended by adding at the end the following new item:

"488. Annual report on activities and assistance under Cooperative Threat Reduction programs.".

(b) FIRST REPORT.—The first report submitted under section 488 of title 10, United States Code, as added by subsection (a), shall be submitted in 2002.

(c) REPEAL OF SUPERSEDED REPORTING REQUIREMENTS.—(1) The following provisions of law are repealed:

(A) Section 1207 of the Cooperative Threat Reduction Act of 1994 (title XII of Public Law 103–160; 107 Stat. 1782; 22 U.S.C. 5956), relating to semiannual reports on Cooperative Threat Reduction.

(B) Section 1203 of the National Defense Authorization Act for Fiscal Year 1995 (Public Law 103–337; 108 Stat. 2882), relating to a report ac-

counting for United States for Cooperative Threat Reduction.

(C) Section 1205 of the National Defense Authorization Act for Fiscal Year 1995 (108 Stat. 2883; 10 U.S.C. 5952 note), relating to multiyear planning and Allied support for Cooperative Threat Reduction.

(D) Section 1206 of the National Defense Authorization Act for Fiscal Year 1996 (Public Law 104–106; 22 U.S.C. 5955 note), relating to accounting for United States assistance for Cooperative Threat Reduction.

(E) Section 1307 of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 795), relating to a limitation on use of funds for Cooperative Threat Reduction pending submittal of a multiyear plan.

(2) Section 1312 of the National Defense Authorization Act for Fiscal Year 2000 (113 Stat. 796; 22 U.S.C. 5955 note), relating to Russian nonstrategic nuclear arms, is amended—

(A) by striking "(a) SENSE OF CONGRESS.—"; and

(B) by striking subsections (b) and (c).

SEC. 1208. LIMITATION ON USE OF FUNDS FOR CONSTRUCTION OF A RUSSIAN FACILITY FOR THE DESTRUCTION OF CHEMICAL WEAPONS.

Section 1305 of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 794; 22 U.S.C. 5952 note) is amended to read as follows:

"SEC. 1305. LIMITATION ON USE OF FUNDS FOR CHEMICAL WEAPONS DESTRUCTION.

"(a) LIMITATION.—No fiscal year 2000 Cooperative Threat Reduction funds, and no funds appropriated for Cooperative Threat Reduction programs after the date of the enactment of this Act, may be obligated or expended for any fiscal year for the purpose of the construction of the Shchuch'ye chemical weapons destruction facility in Russia before the date that is 30 days after the Secretary of Defense certifies in writing to the Committees on Armed Services of the Senate and the House of Representatives for that fiscal year that each of the following conditions has been met:

"(1) That the government of the Russian Federation has agreed to provide at least $25,000,000 annually for the construction support and operation of the facility to destroy chemical weapons and for the support and maintenance of the facility for that purpose for each year of the entire operating lifecycle of the facility.

"(2) That the government of the Russian Federation has agreed to utilize the facility to destroy the remaining four stockpiles of nerve agents, which are located at Kisner, Pochep, Leonidovka, and Maradykovsky.

"(3) That the United States has obtained multiyear commitments from governments of other countries to donate funds for the support of essential social infrastructure projects for Shchuch'ye in sufficient amounts to ensure that the projects are adequately maintained during the entire operating life-cycle of the facility.

"(4) That Russia has agreed to destroy its chemical weapons production facilities at Volgograd and Novocheboksark.

"(b) TIMING OF CERTIFICATIONS.—The certification under subsection (a) for any fiscal year shall be submitted prior to the obligation of funds in such fiscal year for the purpose specified in that subsection.".

SEC. 1209. LIMITATION ON USE OF FUNDS FOR ELIMINATION OF WEAPONS GRADE PLUTONIUM PROGRAM.

Of the amounts authorized to be appropriated by this Act for fiscal year 2001 for the Elimination of Weapons Grade Plutonium Program, not more than 50 percent of

such amounts may be obligated or expended for the program in fiscal year 2001 until 30 days after the date on which the Secretary of Defense submits to the Committees on Armed Services of the Senate and House of Representatives a report on an agreement between the United States Government and the Government of the Russian Federation regarding a new option selected for the shut down or conversion of the reactors of the Russian Federation that produce weapons grade plutonium, including—

(1) the new date on which such reactors will cease production of weapons grade plutonium under such agreement by reason of the shut down or conversion of such reactors; and

(2) any cost-sharing arrangements between the United States Government and the Government of the Russian Federation in undertaking activities under such agreement.

SEC. 1210. SENSE OF CONGRESS REGARDING THE USE OF CHILDREN AS SOLDIERS.

(a) FINDINGS.—Congress finds that—

(1) in the year 2000 approximately 300,000 individuals under the age of 18 are participating in armed conflict in more than 30 countries worldwide;

(2) many of these children are forcibly conscripted through kidnapping or coercion, while oth-

ers join military units due to economic necessity, to avenge the loss of a family member, or for their own personal safety;

(3) many military commanders frequently force child soldiers to commit gruesome acts of ritual killings or torture against their enemies, including against other children;

(4) many military commanders separate children from their families in order to foster dependence on military units and leaders, leaving children vulnerable to manipulation, deep traumatization, and in need of psychological counseling and rehabilitation;

(5) child soldiers are exposed to hazardous conditions and risk physical injuries, sexually transmitted diseases, malnutrition, deformed backs and shoulders from carrying overweight loads, and respiratory and skin infections;

(6) many young female soldiers face the additional psychological and physical horrors of rape and sexual abuse, being enslaved for sexual purposes by militia commanders, and forced to endure severe social stigma should they return home;

(7) children in northern Uganda continue to be kidnapped by the Lords Resistance Army (LRA),

which is supported and funded by the Government of Sudan and which has committed and continues to commit gross human rights violations in Uganda;

(8) children in Sri Lanka have been forcibly recruited by the opposition Tamil Tigers movement and forced to kill or be killed in the armed conflict in that country;

(9) an estimated 7,000 child soldiers have been involved in the conflict in Sierra Leone, some as young as age 10, with many being forced to commit extrajudicial executions, torture, rape, and amputations for the rebel Revolutionary United Front;

(10) on January 21, 2000, in Geneva, a United Nations Working Group, including representatives from more than 80 governments including the United States, reached consensus on an optional protocol on the use of child soldiers;

(11) this optional protocol will raise the international minimum age for conscription and direct participation in armed conflict to age eighteen, prohibit the recruitment and use in armed conflict of persons under the age of eighteen by non-governmental armed forces, encourage governments to raise the minimum legal age for voluntary recruits above the current standard of 15 and, commits gov-

ernments to support the demobilization and rehabilitation of child soldiers, and when possible, to allocate resources to this purpose;

(12) on October 29, 1998, United Nations Secretary General Kofi Annan set minimum age requirements for United Nations peacekeeping personnel that are made available by member nations of the United Nations;

(13) United Nations Under-Secretary General for Peace-keeping, Bernard Miyet, announced in the Fourth Committee of the General Assembly that contributing governments of member nations were asked not to send civilian police and military observers under the age of 25, and that troops in national contingents should preferably be at least 21 years of age but in no case should they be younger than 18 years of age;

(14) on August 25, 1999, the United Nations Security Council unanimously passed Resolution 1261 (1999) condemning the use of children in armed conflicts;

(15) in addressing the Security Council, the Special Representative of the Secretary General for Children and Armed Conflict, Olara Otunnu, urged the adoption of a global three-pronged approach to

combat the use of children in armed conflict, first to raise the age limit for recruitment and participation in armed conflict from the present age of 15 to the age of 18, second, to increase international pressure on armed groups which currently abuse children, and third to address the political, social, and economic factors which create an environment where children are induced by appeal of ideology or by socio-economic collapse to become child soldiers;

(16) the United States delegation to the United Nations working group relating to child soldiers, which included representatives from the Department of Defense, supported the Geneva agreement on the optional protocol;

(17) on May 25, 2000, the United Nations General Assembly unanimously adopted the optional protocol on the use of child soldiers;

(18) the optional protocol was opened for signature on June 5, 2000; and

(17) President Clinton has publicly announced his support of the optional protocol and a speedy process of review and signature.

(b) SENSE OF CONGRESS.—(1) Congress joins the international community in—

(A) condemning the use of children as soldiers by governmental and nongovernmental armed forces worldwide; and

(B) welcoming the optional protocol as a critical first step in ending the use of children as soldiers.

(2) It is the sense of Congress that—

(A) it is essential that the President consult closely with the Senate with the objective of building support for this protocol, and the Senate move forward as expeditiously as possible.

(B) the President and Congress should work together to enact a law that establishes a fund for the rehabilitation and reintegration into society of child soldiers; and

(C) the Departments of State and Defense should undertake all possible efforts to persuade and encourage other governments to ratify and endorse the new optional protocol on the use of child soldiers.

SEC. 1211. SUPPORT OF CONSULTATIONS ON ARAB AND ISRAELI ARMS CONTROL AND REGIONAL SECURITY ISSUES.

Of the amount authorized to be appropriated by section 301(5), up to $1,000,000 is available for the support of programs to promote informal region-wide consultations

among Arab, Israeli, and United States officials and experts on arms control and security issues concerning the Middle East region.

SEC. 1212. AUTHORITY TO CONSENT TO RETRANSFER OF ALTERNATIVE FORMER NAVAL VESSEL BY GOVERNMENT OF GREECE.

Section 1012 of the National Defense Authorization Act for Fiscal Year 2000 (Public Law 106–65; 113 Stat. 740) is amended—

(1) in subsection (a), by inserting after ''HS Rodos (ex-USS BOWMAN COUNTY (LST 391))'' the following: '', LST 325, or any other former United States LST that is excess to the needs of that government''; and

(2) in subsection (b)(1), by inserting ''retransferred under subsection (a)'' after ''the vessel''.

SEC. 1213. UNITED STATES-RUSSIAN FEDERATION JOINT DATA EXCHANGE CENTER ON EARLY WARNING SYSTEMS AND NOTIFICATION OF MISSILE LAUNCHES.

(a) AUTHORITY.—The Secretary of Defense is authorized to establish, in conjunction with the Government of the Russian Federation, a United States-Russian Federation joint center for the exchange of data from early warning systems and for notification of missile launches.

(b) SPECIFIC ACTIONS.—The actions that the Secretary jointly undertakes for the establishment of the center may include the renovation of a mutually agreed upon facility to be made available by the Russian Federation and the provision of such equipment and supplies as may be necessary to commence the operation of the center.

SEC. 1214. ADJUSTMENT OF COMPOSITE THEORETICAL PERFORMANCE LEVELS OF HIGH PERFORMANCE COMPUTERS.

(a) LAYOVER PERIOD FOR NEW PERFORMANCE LEVELS.—Section 1211 of the National Defense Authorization Act for Fiscal Year 1998 (50 U.S.C. App. 2404 note) is amended—

(1) in the second sentence of subsection (d), by striking ''180'' and inserting ''60''; and

(2) by adding at the end the following:

''(g) CALCULATION OF 60-DAY PERIOD.—The 60-day period referred to in subsection (d) shall be calculated by excluding the days on which either House of Congress is not in session because of an adjournment of the Congress sine die.''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to any new composite theoretical performance level established for purposes of section 1211(a) of the National Defense Authorization Act for

Fiscal Year 1998 that is submitted by the President pursuant to section 1211(d) of that Act on or after the date of the enactment of this Act.

TITLE XIII—NAVY ACTIVITIES ON THE ISLAND OF VIEQUES, PUERTO RICO

SEC. 1301. ASSISTANCE FOR ECONOMIC GROWTH ON VIEQUES.

(a) AUTHORITY.—The President may provide economic assistance under this section for the people and communities of the island of Vieques.

(b) MAXIMUM AMOUNT.—The total amount of economic assistance provided under this section may, subject to section 1303(b), be any amount up to $40,000,000.

SEC. 1302. REQUIREMENT FOR REFERENDUM ON CONTINUATION OF NAVY TRAINING.

(a) REFERENDUM.—

(1) REQUIREMENT.—The President shall, except as provided in paragraph (2), provide for a referendum to be conducted on the island of Vieques to determine by a majority of the votes cast in the referendum by the Vieques electorate whether the people of Vieques approve or disapprove of the continuation of the conduct of live-fire training, and any other types of training, by the Armed Forces at the

Navy's training sites on the island on the conditions described in subsection (d).

(2) EXCEPTION.—If the Chief of Naval Operations and the Commandant of the Marine Corps jointly submit to the congressional defense committees, after the date of the enactment of this Act and before the date set forth in subsection (c), their certification that the Vieques Naval Training Range is no longer needed for training by the Navy and the Marine Corps, then the requirement for a referendum under paragraph (1) shall cease to be effective on the date on which the certification is submitted.

(b) PROHIBITION OF OTHER PROPOSITIONS.—In a referendum under this section, no proposition or option may be presented as an alternative to the propositions of approval and of disapproval of the continuation of the conduct of training as described in subsection (a)(1).

(c) TIME FOR REFERENDUM.—A referendum required under this section shall be held on May 1, 2001, or within 270 days before such date or 270 days after such date. The Secretary of the Navy shall publicize the date set for the referendum 90 days before that date.

(d) REQUIRED TRAINING CONDITIONS.—For the purposes of a referendum under this section, the condi-

tions for the continuation of the conduct of training are those that are proposed by the Secretary of the Navy and publicized on the island of Vieques in connection with, and for a reasonable period in advance of, the referendum. The conditions shall include the following:

(1) LIVE-FIRE TRAINING.—A condition that the training may include live-fire training.

(2) MAXIMUM ANNUAL DAYS OF USE.—A condition that the training may be conducted on not more than 90 days each year.

(e) PROCLAMATION OF OUTCOME.—Promptly after a referendum is completed under this section, the President shall determine, and issue a proclamation declaring, the outcome of the referendum. The President's determination shall be final.

(f) VIEQUES ELECTORATE DEFINED.—In this section, the term ''Vieques electorate'', with respect to a referendum under this section, means the residents of the island of Vieques, Puerto Rico, who, as of the date that is 180 days before the date of the referendum, have an electoral domicile on, and are duly registered to vote on, the island of Vieques under the laws of the Commonwealth of Puerto Rico.

SEC. 1303. ACTIONS IF TRAINING IS APPROVED.

(a) CONDITION FOR EFFECTIVENESS.—This section shall take effect on the date on which the President issues a proclamation under subsection (e) of section 1302 declaring that the continuation of the conduct of training (including live-fire training) by the Armed Forces at the Navy's training sites on the island of Vieques on the conditions described in subsection (d) of that section is approved in a referendum conducted under that section.

(b) ADDITIONAL ECONOMIC ASSISTANCE.—The President may provide economic assistance for the people and communities of the island of Vieques in a total amount up to $50,000,000 in addition to the total amount of economic assistance authorized to be provided under section 1301.

SEC. 1304. REQUIREMENTS IF TRAINING IS NOT APPROVED OR MANDATE FOR REFERENDUM IS VITIATED.

(a) CONDITIONS FOR EFFECTIVENESS.—This section shall take effect on the date on which either of the following occurs:

(1) The President issues a proclamation under subsection (e) of section 1302 declaring that the continuation of the conduct of training (including live-fire training) by the Armed Forces at the Navy's training sites on the island of Vieques on the condi-

tions described in subsection (d) of that section is not approved in the referendum conducted under that section.

(2) The requirement for a referendum under section 1302 ceases to be effective under subsection (a)(2) of that section.

(b) ACTIONS REQUIRED OF SECRETARY OF DEFENSE.—The Secretary of Defense—

(1) shall, not later than May 1, 2003—

(A) terminate all Navy and Marine Corps training operations on the island of Vieques; and

(B) terminate all Navy and Marine Corps operations at Roosevelt Roads, Puerto Rico, that are related to the use of the training range on the island of Vieques by the Navy and the Marine Corps.

(2) may relocate the units of the Armed Forces (other than those of the reserve components) and activities of the Department of Defense (including nonappropriated fund activities) at Fort Buchanan, Puerto Rico, to Roosevelt Roads, Puerto Rico, to ensure maximum utilization of capacity;

(3) shall close the Department of Defense installations and facilities on the island of Vieques

(other than properties exempt from transfer under section 1305); and

(4) shall, except as provided in section 1305, transfer to the Secretary of the Interior—

(A) the Live Impact Area on the island of Vieques;

(B) all Department of Defense real properties on the eastern side of that island that are identified as conservation zones; and

(C) all other Department of Defense real properties on the eastern side of that island.

(c) ACTIONS REQUIRED OF SECRETARY OF THE INTERIOR.—The Secretary of the Interior shall retain, and may not dispose of any of, the properties transferred under subsection (b)(4) pending the enactment of a law that addresses the disposition of those properties.

(d) GAO REVIEW.—

(1) REQUIREMENT FOR REVIEW.—The Comptroller General shall review the requirement for the continued use of Fort Buchanan by active Army forces and shall submit to the congressional defense committees a report on the review. The report shall contain the following:

(A) FINDINGS.—The findings resulting from the review.

(B) RECOMMENDATIONS.—Recommendations regarding the closure of Fort Buchanan and the consolidation of United States military forces to Roosevelt Roads, Puerto Rico.

(2) TIME FOR SUBMITTAL OF REPORT.—The Comptroller General shall submit the report under paragraph (1) not later than one year after the date of the referendum conducted under section 1302 or the date on which a certification is submitted to the congressional defense committees under section 1302(a)(2), as the case may be.

SEC. 1305. EXEMPT PROPERTY.

(a) IN GENERAL.—The Department of Defense properties and property interests described in subsection (b) may not be transferred out of the Department of Defense under this title.

(b) PROPERTIES DESCRIBED.—The exemption under subsection (a) applies to the following Department of Defense properties and property interests on the island of Vieques:

(1) ROTHR SITE.—The site for relocatable over-the-horizon radar.

(2) TELECOMMUNICATIONS SITES.—The Mount Pirata telecommunications sites.

(3) ASSOCIATED INTERESTS.—Any easements, rights-of-way, and other interests in property that the Secretary of Defense determines necessary for—

(A) ensuring access to the properties referred to in paragraphs (1) and (2);

(B) providing utilities for such properties;

(C) ensuring the security of such properties; and

(D) ensuring effective maintenance and operations on the property.

SEC. 1306. MORATORIUM ON IMPROVEMENTS AT FORT BUCHANAN.

(a) IN GENERAL.—Except as provided in subsection (b), no acquisition, construction, conversion, rehabilitation, extension, or improvement of any facility at Fort Buchanan, Puerto Rico, may be initiated or continued on or after the date of the enactment of this Act.

(b) EXCEPTIONS.—The prohibition in subsection (a) does not apply to the following:

(1) Actions necessary to maintain the existing facilities (including utilities) at Fort Buchanan.

(2) The construction of reserve component facilities authorized before the date of the enactment of this Act.

(c) TERMINATION.—This subsection shall cease to be effective upon the issuance of a proclamation described in section 1303(a).

SEC. 1307. PROPERTY TRANSFERRED TO SECRETARY OF THE INTERIOR.

(a) TRANSFERS REQUIRED.—Not later than September 30, 2005, the Secretary of Defense shall, except as provided in section 1305, transfer to the Secretary of the Interior all Department of Defense real properties on the western part of the island of Vieques that are identified as conservation zones.

(b) ADMINISTRATION OF PROPERTIES AS WILDLIFE REFUGES.—The Secretary of the Interior shall administer as wildlife refuges under the National Wildlife Refuge System Administration Act of 1966 (16 U.S.C. 668dd et seq.) all properties transferred to the Secretary under this section.

SEC. 1308. LIVE IMPACT AREA.

(a) RESPONSIBILITY FOR LIVE IMPACT AREA.—Upon a termination of Navy and Marine Corps training operations on the island of Vieques under section 1304(b), and pending the enactment of a law that addresses the disposition of the Live Impact Area, the Secretary of the Interior shall assume responsibility for the administration

of the Live Impact Area and deny public access to the area.

(b) LIVE IMPACT AREA DEFINED.—In this title, the term ''Live Impact Area'' means the parcel of real property, consisting of approximately 900 acres (more or less), on the island of Vieques that is designated by the Secretary of the Navy for targeting by live ordnance in the training of forces of the Navy and Marine Corps.

TITLE XIV—GOVERNMENT INFORMATION SECURITY REFORM

SEC. 1401. SHORT TITLE.

This title may be cited as the ''Government Information Security Act''.

SEC. 1402. COORDINATION OF FEDERAL INFORMATION POLICY.

Chapter 35 of title 44, United States Code, is amended by inserting at the end the following:

''SUBCHAPTER II—INFORMATION SECURITY

''§ 3531. Purposes

''The purposes of this subchapter are to—

''(1) provide a comprehensive framework for establishing and ensuring the effectiveness of controls over information resources that support Federal operations and assets;

"(2)(A) recognize the highly networked nature of the Federal computing environment including the need for Federal Government interoperability and, in the implementation of improved security management measures, assure that opportunities for interoperability are not adversely affected; and

"(B) provide effective governmentwide management and oversight of the related information security risks, including coordination of information security efforts throughout the civilian, national security, and law enforcement communities;

"(3) provide for development and maintenance of minimum controls required to protect Federal information and information systems; and

"(4) provide a mechanism for improved oversight of Federal agency information security programs.

"§ 3532. Definitions

"(a) Except as provided under subsection (b), the definitions under section 3502 shall apply to this subchapter.

"(b) As used in this subchapter the term—

"(1) 'information technology' has the meaning given that term in section 5002 of the Clinger-Cohen Act of 1996 (40 U.S.C. 1401); and

"(2) 'mission critical system' means any telecommunications or information system used or operated by an agency or by a contractor of an agency, or other organization on behalf of an agency, that—

"(A) is defined as a national security system under section 5142 of the Clinger-Cohen Act of 1996 (40 U.S.C. 1452);

"(B) is protected at all times by procedures established for information which has been specifically authorized under criteria established by an Executive order or an Act of Congress to be classified in the interest of national defense or foreign policy; or

"(C) processes any information, the loss, misuse, disclosure, or unauthorized access to or modification of, would have a debilitating impact on the mission of an agency.

"§ 3533. Authority and functions of the Director

"(a)(1) The Director shall establish governmentwide policies for the management of programs that—

"(A) support the cost-effective security of Federal information systems by promoting security as an integral component of each agency's business operations; and

"(B) include information technology architectures as defined under section 5125 of the Clinger-Cohen Act of 1996 (40 U.S.C. 1425).

"(2) Policies under this subsection shall—

"(A) be founded on a continuing risk management cycle that recognizes the need to—

"(i) identify, assess, and understand risk; and

"(ii) determine security needs commensurate with the level of risk;

"(B) implement controls that adequately address the risk;

"(C) promote continuing awareness of information security risk; and

"(D) continually monitor and evaluate policy and control effectiveness of information security practices.

"(b) The authority under subsection (a) includes the authority to—

"(1) oversee and develop policies, principles, standards, and guidelines for the handling of Federal information and information resources to improve the efficiency and effectiveness of governmental operations, including principles, policies, and guidelines for the implementation of agency respon-

sibilities under applicable law for ensuring the privacy, confidentiality, and security of Federal information;

"(2) consistent with the standards and guidelines promulgated under section 5131 of the Clinger-Cohen Act of 1996 (40 U.S.C. 1441) and sections 5 and 6 of the Computer Security Act of 1987 (40 U.S.C. 1441 note; Public Law 100–235; 101 Stat. 1729), require Federal agencies to identify and afford security protections commensurate with the risk and magnitude of the harm resulting from the loss, misuse, or unauthorized access to or modification of information collected or maintained by or on behalf of an agency;

"(3) direct the heads of agencies to—

"(A) identify, use, and share best security practices;

"(B) develop an agency-wide information security plan;

"(C) incorporate information security principles and practices throughout the life cycles of the agency's information systems; and

"(D) ensure that the agency's information security plan is practiced throughout all life cycles of the agency's information systems;

"(4) oversee the development and implementation of standards and guidelines relating to security controls for Federal computer systems by the Secretary of Commerce through the National Institute of Standards and Technology under section 5131 of the Clinger-Cohen Act of 1996 (40 U.S.C. 1441) and section 20 of the National Institute of Standards and Technology Act (15 U.S.C. 278g–3);

"(5) oversee and coordinate compliance with this section in a manner consistent with—

"(A) sections 552 and 552a of title 5;

"(B) sections 20 and 21 of the National Institute of Standards and Technology Act (15 U.S.C. 278g–3 and 278g–4);

"(C) section 5131 of the Clinger-Cohen Act of 1996 (40 U.S.C. 1441);

"(D) sections 5 and 6 of the Computer Security Act of 1987 (40 U.S.C. 1441 note; Public Law 100–235; 101 Stat. 1729); and

"(E) related information management laws; and

"(6) take any authorized action under section 5113(b)(5) of the Clinger-Cohen Act of 1996 (40 U.S.C. 1413(b)(5)) that the Director considers appropriate, including any action involving the budg-

etary process or appropriations management process, to enforce accountability of the head of an agency for information resources management, including the requirements of this subchapter, and for the investments made by the agency in information technology, including—

"(A) recommending a reduction or an increase in any amount for information resources that the head of the agency proposes for the budget submitted to Congress under section 1105(a) of title 31;

"(B) reducing or otherwise adjusting apportionments and reapportionments of appropriations for information resources; and

"(C) using other authorized administrative controls over appropriations to restrict the availability of funds for information resources.

"(c) The authorities of the Director under this section may be delegated—

"(1) to the Secretary of Defense, the Director of Central Intelligence, and other agency head as designated by the President in the case of systems described under subparagraphs (A) and (B) of section 3532(b)(2); and

"(2) in the case of all other Federal information systems, only to the Deputy Director for Management of the Office of Management and Budget.

"§ 3534. Federal agency responsibilities

"(a) The head of each agency shall—

"(1) be responsible for—

"(A) adequately ensuring the integrity, confidentiality, authenticity, availability, and nonrepudiation of information and information systems supporting agency operations and assets;

"(B) developing and implementing information security policies, procedures, and control techniques sufficient to afford security protections commensurate with the risk and magnitude of the harm resulting from unauthorized disclosure, disruption, modification, or destruction of information collected or maintained by or for the agency; and

"(C) ensuring that the agency's information security plan is practiced throughout the life cycle of each agency system;

"(2) ensure that appropriate senior agency officials are responsible for—

"(A) assessing the information security risks associated with the operations and assets for programs and systems over which such officials have control;

"(B) determining the levels of information security appropriate to protect such operations and assets; and

"(C) periodically testing and evaluating information security controls and techniques;

"(3) delegate to the agency Chief Information Officer established under section 3506, or a comparable official in an agency not covered by such section, the authority to administer all functions under this subchapter including—

"(A) designating a senior agency information security official who shall report to the Chief Information Officer or a comparable official;

"(B) developing and maintaining an agencywide information security program as required under subsection (b);

"(C) ensuring that the agency effectively implements and maintains information security policies, procedures, and control techniques;

"(D) training and overseeing personnel with significant responsibilities for information security with respect to such responsibilities; and

"(E) assisting senior agency officials concerning responsibilities under paragraph (2);

"(4) ensure that the agency has trained personnel sufficient to assist the agency in complying with the requirements of this subchapter and related policies, procedures, standards, and guidelines; and

"(5) ensure that the agency Chief Information Officer, in coordination with senior agency officials, periodically—

"(A)(i) evaluates the effectiveness of the agency information security program, including testing control techniques; and

"(ii) implements appropriate remedial actions based on that evaluation; and

"(B) reports to the agency head on—

"(i) the results of such tests and evaluations; and

"(ii) the progress of remedial actions.

"(b)(1) Each agency shall develop and implement an agencywide information security program to provide information security for the operations and assets of the agen-

cy, including operations and assets provided or managed by another agency.

"(2) Each program under this subsection shall include—

"(A) periodic risk assessments that consider internal and external threats to—

"(i) the integrity, confidentiality, and availability of systems; and

"(ii) data supporting critical operations and assets;

"(B) policies and procedures that—

"(i) are based on the risk assessments required under subparagraph (A) that cost-effectively reduce information security risks to an acceptable level; and

"(ii) ensure compliance with—

"(I) the requirements of this subchapter;

"(II) policies and procedures as may be prescribed by the Director; and

"(III) any other applicable requirements;

"(C) security awareness training to inform personnel of—

"(i) information security risks associated with the activities of personnel; and

"(ii) responsibilities of personnel in complying with agency policies and procedures designed to reduce such risks;

"(D)(i) periodic management testing and evaluation of the effectiveness of information security policies and procedures; and

"(ii) a process for ensuring remedial action to address any significant deficiencies; and

"(E) procedures for detecting, reporting, and responding to security incidents, including—

"(i) mitigating risks associated with such incidents before substantial damage occurs;

"(ii) notifying and consulting with law enforcement officials and other offices and authorities;

"(iii) notifying and consulting with an office designated by the Administrator of General Services within the General Services Administration; and

"(iv) notifying and consulting with an office designated by the Secretary of Defense, the Director of Central Intelligence, and other agency head as designated by the President for

incidents involving systems described under subparagraphs (A) and (B) of section 3532(b)(2).

"(3) Each program under this subsection is subject to the approval of the Director and is required to be reviewed at least annually by agency program officials in consultation with the Chief Information Officer. In the case of systems described under subparagraphs (A) and (B) of section 3532(b)(2), the Director shall delegate approval authority under this paragraph to the Secretary of Defense, the Director of Central Intelligence, and other agency head as designated by the President.

"(c)(1) Each agency shall examine the adequacy and effectiveness of information security policies, procedures, and practices in plans and reports relating to—

"(A) annual agency budgets;

"(B) information resources management under the Paperwork Reduction Act of 1995 (44 U.S.C. 101 note);

"(C) performance and results based management under the Clinger-Cohen Act of 1996 (40 U.S.C. 1401 et seq.);

"(D) program performance under sections 1105 and 1115 through 1119 of title 31, and sections 2801 through 2805 of title 39; and

"(E) financial management under—

"(i) chapter 9 of title 31, United States Code, and the Chief Financial Officers Act of 1990 (31 U.S.C. 501 note; Public Law 101–576) (and the amendments made by that Act);

"(ii) the Federal Financial Management Improvement Act of 1996 (31 U.S.C. 3512 note) (and the amendments made by that Act); and

"(iii) the internal controls conducted under section 3512 of title 31.

"(2) Any significant deficiency in a policy, procedure, or practice identified under paragraph (1) shall be reported as a material weakness in reporting required under the applicable provision of law under paragraph (1).

"(d)(1) In addition to the requirements of subsection (c), each agency, in consultation with the Chief Information Officer, shall include as part of the performance plan required under section 1115 of title 31 a description of—

"(A) the time periods; and

"(B) the resources, including budget, staffing, and training,

which are necessary to implement the program required under subsection (b)(1).

"(2) The description under paragraph (1) shall be based on the risk assessment required under subsection (b)(2)(A).

"§ 3535. Annual independent evaluation

"(a)(1) Each year each agency shall have performed an independent evaluation of the information security program and practices of that agency.

"(2) Each evaluation under this section shall include—

"(A) an assessment of compliance with—

"(i) the requirements of this subchapter; and

"(ii) related information security policies, procedures, standards, and guidelines; and

"(B) tests of the effectiveness of information security control techniques.

"(3) The Inspector General or the independent evaluator performing an evaluation under this section including the Comptroller General may use any audit, evaluation, or report relating to programs or practices of the applicable agency.

"(b)(1)(A) Subject to subparagraph (B), for agencies with Inspectors General appointed under the Inspector General Act of 1978 (5 U.S.C. App.) or any other law, the annual evaluation required under this section or, in

the case of systems described under subparagraphs (A) and (B) of section 3532(b)(2), an audit of the annual evaluation required under this section, shall be performed by the Inspector General or by an independent evaluator, as determined by the Inspector General of the agency.

''(B) For systems described under subparagraphs (A) and (B) of section 3532(b)(2), the evaluation required under this section shall be performed only by an entity designated by the Secretary of Defense, the Director of Central Intelligence, or other agency head as designated by the President.

''(2) For any agency to which paragraph (1) does not apply, the head of the agency shall contract with an independent evaluator to perform the evaluation.

''(3) An evaluation of agency information security programs and practices performed by the Comptroller General may be in lieu of the evaluation required under this section.

''(c) Not later than 1 year after the date of enactment of this subchapter, and on that date every year thereafter, the applicable agency head shall submit to the Director—

''(1) the results of each evaluation required under this section, other than an evaluation of a system described under subparagraph (A) or (B) of section 3532(b)(2); and

"(2) the results of each audit of an evaluation required under this section of a system described under subparagraph (A) or (B) of section 3532(b)(2).

"(d)(1) Each year the Comptroller General shall review—

"(A) the evaluations required under this section (other than an evaluation of a system described under subparagraph (A) or (B) of section 3532(b)(2));

"(B) the results of each audit of an evaluation required under this section of a system described under subparagraph (A) or (B) of section 3532(b)(2); and

"(C) other information security evaluation results.

"(2) The Comptroller General shall report to Congress regarding the results of the review required under paragraph (1) and the adequacy of agency information programs and practices.

"(3) Evaluations and audits of evaluations of systems under the authority and control of the Director of Central Intelligence and evaluations and audits of evaluation of National Foreign Intelligence Programs systems under the authority and control of the Secretary of Defense—

"(A) shall not be provided to the Comptroller General under this subsection; and

"(B) shall be made available only to the appropriate oversight committees of Congress, in accordance with applicable laws.

"(e) Agencies and evaluators shall take appropriate actions to ensure the protection of information, the disclosure of which may adversely affect information security. Such protections shall be commensurate with the risk and comply with all applicable laws.".

SEC. 1403. RESPONSIBILITIES OF CERTAIN AGENCIES.

(a) DEPARTMENT OF COMMERCE.—Notwithstanding section 20 of the National Institute of Standards and Technology Act (15 U.S.C. 278g–3) and except as provided under subsection (b), the Secretary of Commerce, through the National Institute of Standards and Technology and with technical assistance from the National Security Agency, as required or when requested, shall—

(1) develop, issue, review, and update standards and guidance for the security of Federal information systems, including development of methods and techniques for security systems and validation programs;

(2) develop, issue, review, and update guidelines for training in computer security awareness and ac-

cepted computer security practices, with assistance from the Office of Personnel Management;

(3) provide agencies with guidance for security planning to assist in the development of applications and system security plans for such agencies;

(4) provide guidance and assistance to agencies concerning cost-effective controls when interconnecting with other systems; and

(5) evaluate information technologies to assess security vulnerabilities and alert Federal agencies of such vulnerabilities as soon as those vulnerabilities are known.

(b) DEPARTMENT OF DEFENSE AND THE INTELLIGENCE COMMUNITY.—

(1) IN GENERAL.—Notwithstanding section 3533 of title 44, United States Code (as added by section 1402 of this Act), the Secretary of Defense, the Director of Central Intelligence, and other agency head as designated by the President, shall, consistent with their respective authorities—

(A) develop and issue information security policies, standards, and guidelines for systems described under subparagraphs (A) and (B) of section 3532(b)(2) of title 44, United States Code (as added by section 1402 of this Act),

that provide more stringent protection than the policies, principles, standards, and guidelines required under section 3533 of such title; and

(B) ensure the implementation of the information security policies, principles, standards, and guidelines described under subparagraph (A).

(2) MEASURES ADDRESSED.—The policies, principles, standards, and guidelines developed by the Secretary of Defense and the Director of Central Intelligence under paragraph (1) shall address the full range of information assurance measures needed to protect and defend Federal information and information systems by ensuring their integrity, confidentiality, authenticity, availability, and nonrepudiation.

(c) DEPARTMENT OF JUSTICE.—The Department of Justice shall review and update guidance to agencies on—

(1) legal remedies regarding security incidents and ways to report to and work with law enforcement agencies concerning such incidents; and

(2) lawful uses of security techniques and technologies.

(d) GENERAL SERVICES ADMINISTRATION.—The General Services Administration shall—

(1) review and update General Services Administration guidance to agencies on addressing security considerations when acquiring information technology; and

(2) assist agencies in—

(A) fulfilling agency responsibilities under section 3534(b)(2)(E) of title 44, United States Code (as added by section 1402 of this Act); and

(B) the acquisition of cost-effective security products, services, and incident response capabilities.

(e) OFFICE OF PERSONNEL MANAGEMENT.—The Office of Personnel Management shall—

(1) review and update Office of Personnel Management regulations concerning computer security training for Federal civilian employees;

(2) assist the Department of Commerce in updating and maintaining guidelines for training in computer security awareness and computer security best practices; and

(3) work with the National Science Foundation and other agencies on personnel and training initiatives (including scholarships and fellowships, as au-

thorized by law) as necessary to ensure that the Federal Government—

(A) has adequate sources of continuing information security education and training available for employees; and

(B) has an adequate supply of qualified information security professionals to meet agency needs.

(f) INFORMATION SECURITY POLICIES, PRINCIPLES, STANDARDS, AND GUIDELINES.—

(1) IN GENERAL.—Notwithstanding any provision of this title (including any amendment made by this title)—

(A) the Secretary of Defense, the Director of Central Intelligence, and other agency head as designated by the President shall develop such policies, principles, standards, and guidelines for mission critical systems subject to their control;

(B) the policies, principles, standards, and guidelines developed by the Secretary of Defense, the Director of Central Intelligence, and other agency head as designated by the President may be adopted, to the extent that such policies are consistent with policies and guid-

ance developed by the Director of the Office of Management and Budget and the Secretary of Commerce—

(i) by the Director of the Office of Management and Budget, as appropriate, to the mission critical systems of all agencies; or

(ii) by an agency head, as appropriate, to the mission critical systems of that agency; and

(C) to the extent that such policies are consistent with policies and guidance developed by the Director of the Office of Management and Budget and the Secretary of Commerce, an agency may develop and implement information security policies, principles, standards, and guidelines that provide more stringent protection than those required under section 3533 of title 44, United States Code (as added by section 1402 of this Act), or subsection (a) of this section.

(2) MEASURES ADDRESSED.—The policies, principles, standards, and guidelines developed by the Secretary of Defense and the Director of Central Intelligence under paragraph (1) shall address the

full range of information assurance measures needed to protect and defend Federal information and information systems by ensuring their integrity, confidentiality, authenticity, availability, and nonrepudiation.

(g) ATOMIC ENERGY ACT OF 1954.—Nothing in this title (including any amendment made by this title) shall supersede any requirement made by or under the Atomic Energy Act of 1954 (42 U.S.C. 2011 et seq.). Restricted Data or Formerly Restricted Data shall be handled, protected, classified, downgraded, and declassified in conformity with the Atomic Energy Act of 1954 (42 U.S.C. 2011 et seq.).

SEC. 1404. TECHNICAL AND CONFORMING AMENDMENTS.

(a) IN GENERAL.—Chapter 35 of title 44, United States Code, is amended—

(1) in the table of sections—

(A) by inserting after the chapter heading the following:

"SUBCHAPTER I—FEDERAL INFORMATION POLICY";

and

(B) by inserting after the item relating to section 3520 the following:

"SUBCHAPTER II—INFORMATION SECURITY

"Sec.
"3531. Purposes.

''3532. Definitions.
''3533. Authority and functions of the Director.
''3534. Federal agency responsibilities.
''3535. Annual independent evaluation.'';

and

(2) by inserting before section 3501 the following:

''SUBCHAPTER I—FEDERAL INFORMATION POLICY''.

(b) REFERENCES TO CHAPTER 35.—Chapter 35 of title 44, United States Code, is amended—

(1) in section 3501—

(A) in the matter preceding paragraph (1), by striking ''chapter'' and inserting ''subchapter''; and

(B) in paragraph (11), by striking ''chapter'' and inserting ''subchapter'';

(2) in section 3502, in the matter preceding paragraph (1), by striking ''chapter'' and inserting ''subchapter'';

(3) in section 3503, in subsection (b), by striking ''chapter'' and inserting ''subchapter'';

(4) in section 3504—

(A) in subsection (a)(2), by striking ''chapter'' and inserting ''subchapter'';

(B) in subsection (d)(2), by striking ''chapter'' and inserting ''subchapter''; and

(C) in subsection (f)(1), by striking ''chapter'' and inserting ''subchapter'';

(5) in section 3505—

(A) in subsection (a), in the matter preceding paragraph (1), by striking ''chapter'' and inserting ''subchapter'';

(B) in subsection (a)(2), by striking ''chapter'' and inserting ''subchapter''; and

(C) in subsection (a)(3)(B)(iii), by striking ''chapter'' and inserting ''subchapter'';

(6) in section 3506—

(A) in subsection (a)(1)(B), by striking ''chapter'' and inserting ''subchapter'';

(B) in subsection (a)(2)(A), by striking ''chapter'' and inserting ''subchapter'';

(C) in subsection (a)(2)(B), by striking ''chapter'' and inserting ''subchapter'';

(D) in subsection (a)(3)—

(i) in the first sentence, by striking ''chapter'' and inserting ''subchapter''; and

(ii) in the second sentence, by striking ''chapter'' and inserting ''subchapter'';

(E) in subsection (b)(4), by striking ''chapter'' and inserting ''subchapter'';

(F) in subsection (c)(1), by striking ''chapter, to'' and inserting ''subchapter, to''; and

(G) in subsection (c)(1)(A), by striking ''chapter'' and inserting ''subchapter'';

(7) in section 3507—

(A) in subsection (e)(3)(B), by striking ''chapter'' and inserting ''subchapter'';

(B) in subsection (h)(2)(B), by striking ''chapter'' and inserting ''subchapter'';

(C) in subsection (h)(3), by striking ''chapter'' and inserting ''subchapter'';

(D) in subsection (j)(1)(A)(i), by striking ''chapter'' and inserting ''subchapter'';

(E) in subsection (j)(1)(B), by striking ''chapter'' and inserting ''subchapter''; and

(F) in subsection (j)(2), by striking ''chapter'' and inserting ''subchapter'';

(8) in section 3509, by striking ''chapter'' and inserting ''subchapter'';

(9) in section 3512—

(A) in subsection (a), by striking ''chapter if'' and inserting ''subchapter if''; and

(B) in subsection (a)(1), by striking ''chapter'' and inserting ''subchapter'';

(10) in section 3514—

(A) in subsection (a)(1)(A), by striking ''chapter'' and inserting ''subchapter''; and

(B) in subsection (a)(2)(A)(ii), by striking ''chapter'' and inserting ''subchapter'' each place it appears;

(11) in section 3515, by striking ''chapter'' and inserting ''subchapter'';

(12) in section 3516, by striking ''chapter'' and inserting ''subchapter'';

(13) in section 3517(b), by striking ''chapter'' and inserting ''subchapter'';

(14) in section 3518—

(A) in subsection (a), by striking ''chapter'' and inserting ''subchapter'' each place it appears;

(B) in subsection (b), by striking ''chapter'' and inserting ''subchapter'';

(C) in subsection (c)(1), by striking ''chapter'' and inserting ''subchapter'';

(D) in subsection (c)(2), by striking ''chapter'' and inserting ''subchapter'';

(E) in subsection (d), by striking ''chapter'' and inserting ''subchapter''; and

(F) in subsection (e), by striking ''chapter'' and inserting ''subchapter''; and

(15) in section 3520, by striking ''chapter'' and inserting ''subchapter''.

SEC. 1405. EFFECTIVE DATE.

This title and the amendments made by this title shall take effect 30 days after the date of enactment of this Act.

TITLE XV—LOCAL LAW ENFORCEMENT ENHANCEMENT ACT OF 2000

SEC. 1501. SHORT TITLE.

This title may be cited as the ''Local Law Enforcement Enhancement Act of 2000''.

SEC. 1502. FINDINGS.

Congress makes the following findings:

(1) The incidence of violence motivated by the actual or perceived race, color, religion, national origin, gender, sexual orientation, or disability of the victim poses a serious national problem.

(2) Such violence disrupts the tranquility and safety of communities and is deeply divisive.

(3) State and local authorities are now and will continue to be responsible for prosecuting the overwhelming majority of violent crimes in the United States, including violent crimes motivated by bias.

These authorities can carry out their responsibilities more effectively with greater Federal assistance.

(4) Existing Federal law is inadequate to address this problem.

(5) The prominent characteristic of a violent crime motivated by bias is that it devastates not just the actual victim and the victim's family and friends, but frequently savages the community sharing the traits that caused the victim to be selected.

(6) Such violence substantially affects interstate commerce in many ways, including—

(A) by impeding the movement of members of targeted groups and forcing such members to move across State lines to escape the incidence or risk of such violence; and

(B) by preventing members of targeted groups from purchasing goods and services, obtaining or sustaining employment or participating in other commercial activity.

(7) Perpetrators cross State lines to commit such violence.

(8) Channels, facilities, and instrumentalities of interstate commerce are used to facilitate the commission of such violence.

(9) Such violence is committed using articles that have traveled in interstate commerce.

(10) For generations, the institutions of slavery and involuntary servitude were defined by the race, color, and ancestry of those held in bondage. Slavery and involuntary servitude were enforced, both prior to and after the adoption of the 13th amendment to the Constitution of the United States, through widespread public and private violence directed at persons because of their race, color, or ancestry, or perceived race, color, or ancestry. Accordingly, eliminating racially motivated violence is an important means of eliminating, to the extent possible, the badges, incidents, and relics of slavery and involuntary servitude.

(11) Both at the time when the 13th, 14th, and 15th amendments to the Constitution of the United States were adopted, and continuing to date, members of certain religious and national origin groups were and are perceived to be distinct ''races''. Thus, in order to eliminate, to the extent possible, the badges, incidents, and relics of slavery, it is necessary to prohibit assaults on the basis of real or perceived religions or national origins, at least to the extent such religions or national origins were re-

garded as races at the time of the adoption of the 13th, 14th, and 15th amendments to the Constitution of the United States.

(12) Federal jurisdiction over certain violent crimes motivated by bias enables Federal, State, and local authorities to work together as partners in the investigation and prosecution of such crimes.

(13) The problem of crimes motivated by bias is sufficiently serious, widespread, and interstate in nature as to warrant Federal assistance to States and local jurisdictions.

SEC. 1503. DEFINITION OF HATE CRIME.

In this title, the term ''hate crime'' has the same meaning as in section 280003(a) of the Violent Crime Control and Law Enforcement Act of 1994 (28 U.S.C. 994 note).

SEC. 1504. SUPPORT FOR CRIMINAL INVESTIGATIONS AND PROSECUTIONS BY STATE AND LOCAL LAW ENFORCEMENT OFFICIALS.

(a) ASSISTANCE OTHER THAN FINANCIAL ASSISTANCE.—

(1) IN GENERAL.—At the request of a law enforcement official of a State or Indian tribe, the Attorney General may provide technical, forensic, prosecutorial, or any other form of assistance in the

criminal investigation or prosecution of any crime that—

(A) constitutes a crime of violence (as defined in section 16 of title 18, United States Code);

(B) constitutes a felony under the laws of the State or Indian tribe; and

(C) is motivated by prejudice based on the victim's race, color, religion, national origin, gender, sexual orientation, or disability or is a violation of the hate crime laws of the State or Indian tribe.

(2) PRIORITY.—In providing assistance under paragraph (1), the Attorney General shall give priority to crimes committed by offenders who have committed crimes in more than 1 State and to rural jurisdictions that have difficulty covering the extraordinary expenses relating to the investigation or prosecution of the crime.

(b) GRANTS.—

(1) IN GENERAL.—The Attorney General may award grants to assist State, local, and Indian law enforcement officials with the extraordinary expenses associated with the investigation and prosecution of hate crimes. In implementing the grant program, the

Office of Justice Programs shall work closely with the funded jurisdictions to ensure that the concerns and needs of all affected parties, including community groups and schools, colleges, and universities, are addressed through the local infrastructure developed under the grants.

(2) APPLICATION.—

(A) IN GENERAL.—Each State desiring a grant under this subsection shall submit an application to the Attorney General at such time, in such manner, and accompanied by or containing such information as the Attorney General shall reasonably require.

(B) DATE FOR SUBMISSION.—Applications submitted pursuant to subparagraph (A) shall be submitted during the 60-day period beginning on a date that the Attorney General shall prescribe.

(C) REQUIREMENTS.—A State or political subdivision of a State or tribal official applying for assistance under this subsection shall—

(i) describe the extraordinary purposes for which the grant is needed;

(ii) certify that the State, political subdivision, or Indian tribe lacks the re-

sources necessary to investigate or prosecute the hate crime;

(iii) demonstrate that, in developing a plan to implement the grant, the State, political subdivision, or tribal official has consulted and coordinated with nonprofit, nongovernmental victim services programs that have experience in providing services to victims of hate crimes; and

(iv) certify that any Federal funds received under this subsection will be used to supplement, not supplant, non-Federal funds that would otherwise be available for activities funded under this subsection.

(3) DEADLINE.—An application for a grant under this subsection shall be approved or disapproved by the Attorney General not later than 30 business days after the date on which the Attorney General receives the application.

(4) GRANT AMOUNT.—A grant under this subsection shall not exceed $100,000 for any single jurisdiction within a 1 year period.

(5) REPORT.—Not later than December 31, 2001, the Attorney General shall submit to Congress a report describing the applications submitted for

grants under this subsection, the award of such grants, and the purposes for which the grant amounts were expended.

(6) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this subsection $5,000,000 for each of fiscal years 2001 and 2002.

SEC. 1505. GRANT PROGRAM.

(a) AUTHORITY TO MAKE GRANTS.—The Office of Justice Programs of the Department of Justice shall award grants, in accordance with such regulations as the Attorney General may prescribe, to State and local programs designed to combat hate crimes committed by juveniles, including programs to train local law enforcement officers in identifying, investigating, prosecuting, and preventing hate crimes.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out this section.

SEC. 1506. AUTHORIZATION FOR ADDITIONAL PERSONNEL TO ASSIST STATE AND LOCAL LAW ENFORCEMENT.

There are authorized to be appropriated to the Department of the Treasury and the Department of Justice, including the Community Relations Service, for fiscal

years 2001, 2002, and 2003 such sums as are necessary to increase the number of personnel to prevent and respond to alleged violations of section 249 of title 18, United States Code (as added by this title).

SEC. 1507. PROHIBITION OF CERTAIN HATE CRIME ACTS.

(a) IN GENERAL.—Chapter 13 of title 18, United States Code, is amended by adding at the end the following:

"§ 249. Hate crime acts

''(a) IN GENERAL.—

''(1) OFFENSES INVOLVING ACTUAL OR PERCEIVED RACE, COLOR, RELIGION, OR NATIONAL ORIGIN.—Whoever, whether or not acting under color of law, willfully causes bodily injury to any person or, through the use of fire, a firearm, or an explosive or incendiary device, attempts to cause bodily injury to any person, because of the actual or perceived race, color, religion, or national origin of any person—

''(A) shall be imprisoned not more than 10 years, fined in accordance with this title, or both; and

''(B) shall be imprisoned for any term of years or for life, fined in accordance with this title, or both, if—

''(i) death results from the offense; or

"(ii) the offense includes kidnaping or an attempt to kidnap, aggravated sexual abuse or an attempt to commit aggravated sexual abuse, or an attempt to kill.

"(2) OFFENSES INVOLVING ACTUAL OR PERCEIVED RELIGION, NATIONAL ORIGIN, GENDER, SEXUAL ORIENTATION, OR DISABILITY.—

"(A) IN GENERAL.—Whoever, whether or not acting under color of law, in any circumstance described in subparagraph (B), willfully causes bodily injury to any person or, through the use of fire, a firearm, or an explosive or incendiary device, attempts to cause bodily injury to any person, because of the actual or perceived religion, national origin, gender, sexual orientation, or disability of any person—

"(i) shall be imprisoned not more than 10 years, fined in accordance with this title, or both; and

"(ii) shall be imprisoned for any term of years or for life, fined in accordance with this title, or both, if—

"(I) death results from the offense; or

"(II) the offense includes kidnaping or an attempt to kidnap, aggravated sexual abuse or an attempt to commit aggravated sexual abuse, or an attempt to kill.

"(B) CIRCUMSTANCES DESCRIBED.—For purposes of subparagraph (A), the circumstances described in this subparagraph are that—

"(i) the conduct described in subparagraph (A) occurs during the course of, or as the result of, the travel of the defendant or the victim—

"(I) across a State line or national border; or

"(II) using a channel, facility, or instrumentality of interstate or foreign commerce;

"(ii) the defendant uses a channel, facility, or instrumentality of interstate or foreign commerce in connection with the conduct described in subparagraph (A);

"(iii) in connection with the conduct described in subparagraph (A) the defendant employs a firearm, explosive or incen-

diary device, or other weapon that has traveled in interstate or foreign commerce; or

"(iv) the conduct described in subparagraph (A)—

"(I) interferes with commercial or other economic activity in which the victim is engaged at the time of the conduct; or

"(II) otherwise affects interstate or foreign commerce.

"(b) CERTIFICATION REQUIREMENT.—No prosecution of any offense described in this subsection may be undertaken by the United States, except under the certification in writing of the Attorney General, the Deputy Attorney General, the Associate Attorney General, or any Assistant Attorney General specially designated by the Attorney General that—

"(1) he or she has reasonable cause to believe that the actual or perceived race, color, religion, national origin, gender, sexual orientation, or disability of any person was a motivating factor underlying the alleged conduct of the defendant; and

"(2) he or his designee or she or her designee has consulted with State or local law enforcement of-

ficials regarding the prosecution and determined that—

"(A) the State does not have jurisdiction or does not intend to exercise jurisdiction;

"(B) the State has requested that the Federal Government assume jurisdiction;

"(C) the State does not object to the Federal Government assuming jurisdiction; or

"(D) the verdict or sentence obtained pursuant to State charges left demonstratively unvindicated the Federal interest in eradicating bias-motivated violence.

"(c) DEFINITIONS.—In this section—

"(1) the term 'explosive or incendiary device' has the meaning given the term in section 232 of this title; and

"(2) the term 'firearm' has the meaning given the term in section 921(a) of this title.".

(b) TECHNICAL AND CONFORMING AMENDMENT.—The analysis for chapter 13 of title 18, United States Code, is amended by adding at the end the following:

"249. Hate crime acts.".

SEC. 1508. DUTIES OF FEDERAL SENTENCING COMMISSION.

(a) AMENDMENT OF FEDERAL SENTENCING GUIDELINES.—Pursuant to its authority under section 994 of title 28, United States Code, the United States Sentencing

Commission shall study the issue of adult recruitment of juveniles to commit hate crimes and shall, if appropriate, amend the Federal sentencing guidelines to provide sentencing enhancements (in addition to the sentencing enhancement provided for the use of a minor during the commission of an offense) for adult defendants who recruit juveniles to assist in the commission of hate crimes.

(b) CONSISTENCY WITH OTHER GUIDELINES.—In carrying out this section, the United States Sentencing Commission shall—

(1) ensure that there is reasonable consistency with other Federal sentencing guidelines; and

(2) avoid duplicative punishments for substantially the same offense.

SEC. 1509. STATISTICS.

Subsection (b)(1) of the first section of the Hate Crimes Statistics Act (28 U.S.C. 534 note) is amended by inserting ''gender,'' after ''race,''.

SEC. 1510. SEVERABILITY.

If any provision of this title, an amendment made by this title, or the application of such provision or amendment to any person or circumstance is held to be unconstitutional, the remainder of this title, the amendments made by this title, and the application of the provisions of such

1 to any person or circumstance shall not be affected there-
2 by.

Passed the Senate July 13, 2000.

Attest:

Secretary.

106TH CONGRESS
2D SESSION

S. 2550

AN ACT

To authorize appropriations for fiscal year 2001 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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